Proposed Amendments to Constitution, Propositions and Proposed Laws

To Be Submitted to the Electors of the State of California at the General Election to Be Held

Tuesday, November 8, 1938
Together With
Arguments Respecting the Same

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NOTICE

In setting forth in Part II hereof the text of the proposed measures, NEW laws and NEW provisions proposed to be ADDED to or INSERTED in the Constitution are printed in BLACK-FACED TYPE; EXISTING provisions of the Constitution proposed to be DELETED or REPEALED are printed in STRIKE-OUT TYPE.
PART I
ARGUMENTS
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[Four]
LABOR. Initiative. Defines what constitutes lawful and unlawful picketing, boycotting and display of banners. Prohibits seizure of private property, coercion, intimidation, obstruction or interference with use of public highways, streets, wharves, docks, and other public places, use of abusive or misleading statements or threats of violence, and certain other acts in connection with labor disputes and other industrial controversies. Recognizes the right of employees to strike and bargain collectively. Provides for civil damages and prescribes criminal punishments and penalties for and judicial procedure to prevent and enjoin violations thereof. Repeals all laws conflicting therewith.

YES

NO

(For full text of measure, see page 1, Part II)

Argument in Favor of Initiative Proposition No. 1

Most essential prerequisites for establishing BEST HUMAN RELATIONS are justice and fairness. Proposition No. 1 incorporating these fundamentals, was drafted as the foundation on which California citizens can build the BEST EMPLOYMENT RELATIONS for all groups and for the State as a whole.

This proposed law was drafted to ELIMINATE WAR and to PROMOTE PEACE in employment relations. Employees, employers, consumers, farmers, housewives, professional men and women, merchants, white-collar workers, and citizens in every walk of life are damaged whenever strife and clashes occur in employment relations.

No one wants war. Everybody desires peace. The greatest security to employees and employers alike, and to all other groups dependent on that security, is continuance of normal employment and business, and the elimination of disorder and inefficacy, while negotiations between employees and employers are being conducted. This is the surest way of settling employment disputes.

Proposition No. 1 was drafted as the result of a state-wide demand to restore collective bargaining and settlement of employment disputes, to an orderly, civilized process. Specifically, the Act Permits:

1. Peaceful picketing by employees on strike over wages, hours, and physical conditions of employment.
2. Pickets to peacefully persuade others not to work for or patronize their employer. (This is the primary boycott.)
3. Pickets to carry arms, banners, signs and placards in a manner respectful to the public and in no way obstructing traffic.
4. Employers to organize and bargain collectively, free from interference by anyone.
5. Employees to strike at any time and for any reason.

Specifically, the Act Prohibits:

1. Interference with the free use of the highways and wharves.
2. Mass picketing. (By limiting the number of pickets)
3. Picketing by outsiders.
5. Secondary boycott. (A boycott against one person to compel him to boycott some other person with whom he has no quarrel.) (This applies to employers as well as employees.)
6. "Hot cargo." (A union rule which forbids all union men to handle any commodity declared "unfair" by a union official.)
7. Sit-down strikes.

The problems with which this proposed statute deals immediately concern all of the people of the State of California and therefore all of the voters should express themselves directly upon the question. This initiative measure offers them that opportunity.

VOTE "YES" FOR JUSTICE AND FAIRNESS IN EMPLOYMENT RELATIONS.

SANBORN YOUNG,
Senator, Eighteenth District, State Chairman of the Californian Committee for Peace in Employment Relations.

ALBERTA GUDE LYNCH,
President, Business Women's Legislative Council.

ALEX. JOHNSON,
Secretary-Treasurer, California Farm Bureau Federation.

Argument Against Initiative Proposition No. 1

The so-called Labor Initiative is a vicious proposal calculated to deceive and mislead the voters. Its sponsors know full well that it is not "The Path to Peace," as they contend, but the road to disorder and chaos in industrial relations in California. Buried in more than 5500 words of dry, stufy and technical language lies another PROHIBITION law—prohibiting the rights of peaceful picketing and freedom of speech to Labor. That is not fair regulation, but rather fascist and Hitleite persecution designed to destroy labor organizations. The right of Labor "to induce or influence" persons, which this law would restrict, is an American right. Patriotie citizens who believe in constitutional government will oppose
this fascist invasion of Labor's fundamental liberties.
The proposal is also bad because it duplicates existing laws. While it purports to outlaw intimidation and coercion in picketing and sit-down strikes, it is common knowledge that this is already done by numerous laws penalizing assault and battery, disturbance of the peace, trespass, and other offenses. The way to prevent coercion and intimidation in picketing, or sit-down strikes, is to ENFORCE existing laws, not to waste taxpayers' money by cluttering the statute books with useless legislation.
Section 2 contains a list of thirteen definitions, many of them new and radically different from their ordinary usage. Among others, the words coercion and intimidation have received strange, deceptive and indefinite meanings that would make it impossible for a person to be sure whether or not he is violating the law. Yet these acts are forbidden under penalty of fine and imprisonment.
The measure provides that it can not be amended by the Legislature except to make its provisions more severe. Any other amendment, no matter how necessary, would be by another initiative, that is to say, by a measure submitted to the people for their vote.
There are acts prohibited by this measure which are wrong in themselves, but they are already punishable under the law. Do not be led to vote for this initiative measure because it prohibits these acts. Remember the good by no means justifies the bad and unfair.
Organized Labor has now arrived at the point where it is generally conceded to have the right to bargain collectively and to protect the rights of its members against imposition in all dealings with employers. Along with this position of equality has come the recognition by the leaders and the rank and file of Organized Labor of responsibilities which go with these now generally recognized rights. This proposed measure would nevertheless sweep away all this progress by depriving Labor Unions of the rights which they have fought so hard to obtain. This State, through the decisions of our Supreme Court, has been one of the most progressive of the United States in the handling of labor disputes. It has long recognized the right to peacefully picket and both the primary and secondary boycotts. Vote to keep California progressive and defeat this vicious, misleading and un-American initiative measure.

EDWARD D. VANDELEUR,
ERNEST BESIG,
C. J. HAGGERTY.

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REGULATION OF POUNDS. Initiative Measure. Defines “pounds” and regulates conduct thereof; prescribes duties of poundmasters; prohibits sale, surrender or use of unwanted or unclaimed animals in pounds for scientific, medical, experimental, demonstration or commercial purposes; exempting kennels, buildings or enclosures maintained on own premises by any accredited college, university or any medical research laboratory licensed under State Medical Practice Act, provided cats and dogs therein were bred on the premises or lawfully acquired under provisions of measure; directs that unclaimed and stray animals for which no bona fide home is available be put to death by an approved humane method.

(For full text of measure, see page 8, Part II)

Argument in Favor of Initiative Proposition No. 2

This measure would regulate the conduct of public pounds throughout the State of California, prohibit the sale or surrender of unclaimed dogs and cats to commercial laboratories and require that animals be mercifully put to death if no bona fide home is available.

Because human kindness and decency are attributes common to all normal persons, only an honest presentation of facts should be necessary to assure approval of this legislation.

It recognizes squarely the viewpoint of those who believe that vivisection of dogs and cats may be necessary in the interest of furthering medical science and this is clearly defined in Sec. 2 (a) of the act. It applies exclusively to animals known as strays—possibly your own lost pet which has become public property, but would in no manner interfere with experimental work in accredited medical colleges and universities, provided the dogs and cats are obtained from other sources than the public pound. Neither would it interfere with existing statutes for protection of sheep and cattle.

No appropriations are asked; no persons or organization would profit financially by its enactment; instead it would give to the taxpayer who pays for the maintenance of a pound a better service at no extra cost.

[Six]
Your dog may be lost and you may be unable to locate him before time for redemption has elapsed; or he may be seized because of your carelessness or inability to pay a license or a fine levied for infringement of some local regulation. Under the present law "dog hoodlums" and others in collusion with poundmasters may sell your dog to a laboratory to be used for experimental purposes—your dog, your faithful companion! And you could do nothing about it!

But under the proposed legislation you will know that your pet is assured at least a swift, humane death. The law would be on your side.

Under this legislation pounds throughout the State would be conducted under uniform local restrictions; the humane city pound ordinances of San Francisco and San Diego would become state-wide; eliminated is the fifty per cent chance that your dog may have the misfortune to reach a pound which makes a practice of surrendering animals to research laboratories; every pound would become an "animal shelter" pound.

Taxpayers are entitled to a better pound service; under the proposed legislation the function of the pound would be as follows: To keep streets and highways clear of ownerless dogs and cats; to provide a place where the taxpayer may take an animal he has found, an injured dog or unwanted cat, with full confidence that it will be given medical aid if necessary and then be mercifully put to death; to provide a place where the citizen may hope to find his own lost pet.

Since earliest history the dog and cat have been our household companions. We have taught them to trust us; their helpless places an obligation upon us to protect them when through no fault of theirs they become wards of the State.

Do not betray this trust—VOTE YES.

A. L. ROSEMONT,
Editor and Publisher
Western Kennel World.
VINCENT J. GARRITY.

Argument Against Initiative Proposition No. 2

What purports to be a simple humanitarian measure, but what is actually ANTIVIVISECTION legislation designed to throttle medical research into the causes and cures of disease, appears on the ballot under the misleading title of "State Humane Pound" Act.

Having attempted long and unsuccessfully to pass antivivisection laws before the California Legislature, the antivivissectionists now appeal to the voters for the first time since 1922, when they were defeated by the overwhelming majority of 235,444 votes.

Convinced that the public can not be stampeded into approving antivivisection through any straightforward presentation, the antivivissectionists now choose indirect means of achieving their purpose. This is their new strategy, admitted in their own publications: They have chosen the dog "because the dog appeals to everyone." It is an entering wedge for similar laws everywhere.

STRAY ANIMALS are weighed against BABIES by the antivivissectionists. Under the "Humane Pound" Act the BABIES would lose!

Careful analysis by eminent lawyers discloses many "jokers" in the apparently innocuous "Humane Pound" Act. The broad definition of "pound, publicly or privately conducted," makes everyone a "poundmaster" who accumulates dogs or cats for disposal, other than for sale as pets. Animals for experimental or demonstration use would have to be bred in mass on the very premises of the medical institutions, an entirely impracticable procedure. "Domestic animals" are not defined, nor is an "approved method" of destroying them. The way is opened wide for persecution through constant invasation.

Section 10, in particular, besides being ambiguous, is so all-inclusive as entirely to prevent scientific research involving the use of animals and thus cripple innumerable LIFE-SAVING activities in California.

Untold benefits have come through animal experimentation. It is responsible for Lister's development of antiseptic surgery. Without it there would be no present-day control of diphtheria, smallpox, syphilis, and diabetes, to name but a few diseases which once scourged man-kind. Advances constantly being made in protecting the public health, testing of life-saving serums, standardization of drugs, safeguarding of canned and other foods, and the evaluation of an adequate diet—all would suffer a severe setback if this legislation were to pass.

The act would handicap California manufacture of serums for treatment of anthrax, blackleg, Bang's disease, and other ailments of cattle; brain disease and tetanus in horses; diphtheria, blackleg, "yellows," and nutritional disorders in dogs; hog cholera and other diseases of swine; anthrax, dour moth and other ills of sheep, and innumerable diseases of poultry such as pox, cholera, coxidiosis and fowl coryza.

The mis-named "Humane Pound" Act is an intelligence test for the people of California. Foremost educators, professional and lay men and women, and scores of scientific societies urge its defeat. Any doubt that it is an antivivisection measure is dispelled by the fact that officers of the "California Citizens' Committee for State Humane Pound Legislation" and those of the "California State Antivivisection Society" are ONE AND THE SAME!

Vote AGAINST the "Humane Pound" proposal. If you do not kill this measure IT MAY KILL YOU.

RUFUS B. VON KLEINSMID,
President, University of Southern California.

RAY LYMAN WILBUR,
President, Stanford University.

F. K. GILMAN, M.D.,
San Francisco.

[Seven]
MOTOR VEHICLE TAXATION AND REVENUE. Senate Constitutional Amendment 28. Adds Article XXVI to Constitution. Requires motor vehicle fuel tax moneys be used exclusively for public street and highway purposes. Permits not exceeding 20% of 1¢ per gallon fuel tax to be expended for payment, redemption, etc. of certain street or highway assessments, bonds or coupons. Requires all vehicle license fee and tax moneys be used to enforce laws concerning use, operation or registration of vehicles, for California Highway Patrol functions, for street and highway and other designated purposes. Declares amendment shall not affect certain existing laws.

YES

NO

(For full text of measure, see page 9, Part II)

Argument in Favor of Senate Constitutional Amendment No. 28

This proposed constitutional amendment, when adopted by the voters, will effectively and permanently prevent diversion of gasoline tax funds to purposes other than those now provided by law.

California motorists have been threatened many times with the misuse or diversion of moneys paid by them for the maintenance and development of routes for motor travel and for the support of the Department of Motor Vehicles. The purpose of this amendment is forever to end such threats.

The measure has been carefully drawn and is eminently fair. It makes no changes in existing law, nor does it change any of the present uses for which gasoline tax and other highway funds and revenues are expended.

Briefly, the measure provides that all gasoline tax money and registration fees now or hereafter collected shall be used exclusively for the following purposes:

1. State highway maintenance and development;
2. Support of the State Department of Motor Vehicles, including the State Highway Patrol;
3. Allocations to cities and counties for street and highway purposes;
4. A continued limited use for the retirement of local street and highway bonds.

The measure specifically provides that the so-called "in lieu" tax will not be affected; also that the Legislature shall retain control over the proceeds of the 2 per cent transportation tax on commercial vehicles.

The practice of borrowing gasoline tax and registration fees for the temporary benefit of the general fund is continued by specific provision. However, money so obtained must be returned as soon as the condition of the general fund permits. No change is made in that provision of the State Constitution which provides that the first call on all revenue received by the State shall be for the maintenance of the public schools and the State university, but it is likewise provided that in the event any highway funds are taken for such a purpose they must be returned as soon as the condition of the State's general fund permits.

Despite the seemingly large amounts of money spent annually for street and highway maintenance and development, the demands of constantly growing traffic make it imperative that the gasoline tax and registration fees be protected in every possible manner against diversion for nonhighway purposes. In other states where "diversion" has taken place, it has been ruinous to the proper development of adequate street and highway facilities.

Organizations interested in the development of our street and highway systems have heartily endorsed the amendment. Organized labor has voiced support. It has been approved by those responsible for the fiscal affairs of California.

The soundness of the proposed amendment in establishing a permanent barricade against the misuse of motorists' money deserves a "YES" vote from every person interested in conserving these funds for development of streets and highways.

Vote "YES" on Proposition No. 3 and forever prevent a "diversion" of gasoline tax and other highway funds.

WILLIAM F. Knowland, Senator, Sixteenth District.

SANIWHORN YOUNG, Senator, Eighteenth District.
Argument Against Senate Constitutional Amendment No. 28

The purpose of this amendment is to present effectively and permanently the diversion of motor vehicle fuel taxes and motor vehicle registration license fees to purposes other than those now provided by law. This purpose is accomplished under existing laws; and the amendment, therefore, is unnecessary.

There are approximately two and one-half million motor vehicles in California, and the owners of these constitute a substantial segment of the electorate. It is entirely unnecessary to grant constitutional protection to so large a group. If any attempt is made to use motor vehicle fuel taxes and registration license fees for purposes which do not meet the approval of the motorists, their voting strength is adequate to protect their interests. To add constitutional protection would serve only to increase the rigidity and inflexibility of State government.

The efficient and economical conduct of government demands that spending agencies of government be required to report to and derive authorization for expenditure of public funds from the Legislature, which is the representative body of the people. This objective is not accomplished if the expenditure of large sums is made to depend upon the yield of particular sources of revenue rather than upon the need for such services.

Regardless of the need for or the desirability of using funds derived from the motor vehicle fuel tax and registration license fees exclusively for highway purposes, the “freezing” of tax (ix fund for special purposes by constitutional amendment is unsound fiscal policy. Existing provisions regarding the use of these funds may be entirely satisfactory in terms of the present needs of the highway system; but there is no reason to assume that at some future time change may not be desirable. If the existing laws become embedded in the Constitution, as proposed by the amendment, a needless handicap is created. Should change be made necessary by future developments, legislative action would be preferable to the lengthy process of constitutional amendment.

An adequate program of expenditure in any field is a relative matter. In the case of highways, necessary expenditures for new roads and for improvement of existing roads are a function of (1) the existing highway facilities and the amount and kind of traffic; (2) the intensity of the need for other forms of expenditure; and (3) the burden involved in raising the necessary revenues.

MALCOLM M. DAVISSON.
HIGHWAY AND TRAFFIC SAFETY COMMISSION. Initiative Constitutional Amendment. Creates, and provides for organization of a Highway and Traffic Safety Commission of five members appointed by Governor with consent of Senate. Prescribes terms of office and salaries of members. Provides Commission shall succeed to powers and duties of certain existing State agencies relating to highways and enforcement of vehicle laws except registration and tax collections. Abolishes present State Highway Commission and transfers California Highway Patrol to new Commission. Preserves existing civil service rights. Authorizes Legislature to change existing laws and enlarge powers and duties of Commission concerning highways and vehicular traffic.

(For full text of measure, see page 11, Part II)

Argument in Favor of Initiative Proposition No. 4

This measure will combine the responsibility for all State highway functions—building, maintaining, and policing of State highways and examining and licensing of operators—in a single administrative unit, the California Highway and Traffic Safety Commission.

The measure thus definitely places upon one body the responsibility for building safe highways and keeping them safe. At present these duties are scattered among five State governmental units. As a consequence, it is impossible, under the existing system, to develop a unified program of highway construction and traffic safety.

The setting up of a long-term commission free from political domination has been found advantageous in the administration of a number of other State functions. The Regents of the University of California serve for sixteen-year terms. Members of the State Personnel Board serve for ten-year terms, as do members of the State Prison Board. The sole reason why these commissions enjoy long terms is to enable them to perform their duties efficiently, effectively, and free from outside interference. The same reasons prompt the establishment of a Highway and Traffic Safety Commission to handle all State highway affairs. Under the measure, not more than three members could he of the same political party.

At present, commissioners have no fixed terms and serve at the pleasure of the Governor, a condition that is unwholesome because it tends to give undue weight to political considerations in State highway affairs.

This measure will not increase taxes. On the contrary, the savings which will be effected through modernizing State highway administration and through the elimination of needless duplication of activities will more than offset the costs of a paid commission.

This measure makes the California Highway Patrol an important unit in a logically organized highway and traffic safety administration. It frees patrolmen from the duties of collecting taxes, registering motor vehicles and engaging in other activities which are not related to the control and regulation of traffic.

Traffic safety has become one of the most serious problems of the present day. In order to attack this problem effectively, it is necessary that the building of safety into highways, the control of drivers and the regulation of traffic be administered under a single responsible State agency having the authority to meet every phase of the traffic accident problem. Such is a major purpose of the proposed Highway and Traffic Safety Commission.

This measure creates no new powers or privileges, abolishes no existing bodies, except the present Highway Commission which it will supplant.

The Legislature will continue to fix salaries, define policies and duties, designate State routes and allocate State highway revenues. The measure does not interfere with city and county street and highway authorities, nor with local traffic safety functions.

For the first time, California will be given a real State highway authority vested with the power and charged with the responsibility of building safety into our State highways and operating such highways safely and efficiently.

Vote "YES" on Proposition 4.

H. W. KELLER,
Vice-president and Chairman,
Roads and Highways Committee, Automobile Club of Southern California.

FRANCIS CARR,
President, California State Automobile Association.

CHAS. A. WHITMORE, Visalia,
Former Chairman, California Highway Commission.

[Ten]
Argument Against Initiative Proposition No. 4

THIS IS A DIVERSION OF GAS TAX FUNDS.

Diversion of the gasoline tax, consistently opposed by public opinion and good public policy, would be accomplished under this privately initiated amendment to the State constitution.

Public opinion repeatedly has held that expenditure of gas tax funds should be confined entirely to the financing of highway construction but careful analysis of this proposed amendment shows:

1. It would divert upwards to $50,000 annually for the payment of high salaries alone for commissioners and operating personnel; 2. It would replace a commission which at present serves without salary with a five-man commission involving salaries of $6,000 per year per man; 3. It would open the door to further diversion of gas tax funds by vesting full rights of expenditure with this proposed salaried commission.

VOTE "NO" ON THIS AMENDMENT.

W. P. Rich, Senator, Tenth District.

Argument Against Initiative Proposition No. 4

First: This is a piece of statute law masquerading as a constitutional amendment. It has no rightful place in the Constitution.

Second: This measure takes out of the hands of the people forever the control of the distribution of highway funds, the construction of highways, the construction or abolition of toll bridges, and the regulation of highway traffic, and puts not only the highways but our present highly efficient highway patrol nearly in the pocket of a super-political hierarchy and subject to its slightest whim.

Third: The members of this superpower commission serve for ten years and can not be removed except by a two-thirds vote of the Senate.

If you wish to retain control over your highways, your highway patrol, and the money collected for these purposes, vote "NO" on this measure.

HELEN SWAIN GILMORE.

Argument Against Initiative Proposition No. 4

This measure is sponsored by two privately owned automobile corporations or so-called "clubs." These private clubs, already receiving annually thousands of dollars of public funds, could be permitted, under their proposed commission, at additional State expense, to usurp and exercise governmental functions.

The amendment is definitely opposed by the California Association of Highway Patrolmen. This fine body of men has so far been kept above and out of the reach of politics and politicians, and they desire to continue so.

The present method of highway construction, maintenance and supervision is economic, coordinated, efficient and thorough, and has increased highway safety. This could not be done by the creation of a new, inexperienced, political, high-salaried, long-term commission.

It is argued that the new commission would combine the functions and duties of several State departments. This argument is built for the unsuspecting. The very proposed act authorizes the commission to "create any new division or subdivision as it may deem necessary." This new proposed ten-year commission could not restrict this power to create other petty plums for political patronage. This new law would duplicate facilities, lower morale, increase governmental expense, decrease efficiency, and inject politics into law enforcement. It is opposed to public welfare.

Please vote "NO."

EMIL GUMPERT.
Of Gumpert and Mezzena,
Counsel for California Association of Highway Patrolmen.
**FISHING CONTROL.** Initiative measure presented to, and not acted on by, Legislature. Adds new section to Fish and Game Code. Prohibits operation in State waters of fishing boats which deliver fish, mollusks or crustaceans, wherever caught, to points beyond State waters, unless such delivery is permitted by State Fish and Game Commission. Authorizes Commission to issue revocable permits for such delivery; declaring it shall issue no permits which will tend to deplete the species or result in waste thereof or obstruct the operation of any law. Provides for penalties, seizures and forfeitures for violation.

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(For full text of measure, see page 13, Part II)

**Argument in Favor of Initiative Proposition No. 5**

The measure will enable California to protect its marine fishery resources from unregulated and destructive exploitation and prevent evasions of the State’s conservation laws.

Due to unlimited demand for reduction products of the California sardine (oil, fish meal, and fertilizer), the State years ago realized that to prevent California’s fishery resources from being destroyed, it was necessary to impose limitations on the use of fish in reduction plants.

Several years ago certain persons conceived the idea of placing reduction plants on old ships and moving them just beyond the three-mile limit to escape restrictions of the California laws, and to avoid payment of fish tonnage taxes. Six years ago only two reduction plants operated beyond the three-mile limit. In 1937 there were nine.

Such floating reduction plants are supplied by fishing boats which operate out of California’s harbors. Sardines being taken at night in the dark of the moon, it is impossible to determine whether they are caught within the three-mile State waters or on the high seas. According to the Fish and Game Commission, a large portion of the fish used by floating reduction plants are taken within the State’s territorial waters and so long as these fishing boats are permitted to deliver fish without restriction to high seas reduction plants, it is impossible to exercise control over the fishery.

This measure prohibits fishing boats which supply floating reduction or other plants beyond the State from operating in California waters except under permit by the Fish and Game Commission. In the opinion of experts of the Commission, the Attorney General’s office, and other legal and fishery experts, this measure is the most practicable and only legal way in which California may prevent this law evasion and threatened destruction of her fishery. The Attorney General has upheld the validity of the measure.

This measure has been strongly endorsed by the Fish and Game Commission, by the Governor, and Lieutenant Governor, by all leading conservation societies, by more than 700 clubs, associations, chambers of commerce, the American Legion and other patriotic organizations. At the last session of the Legislature a bill similar in all respects was passed by the Senate by a vote of 29 to 8. The measure was subsequently tabled in the Assembly committee.

The sardine is California’s most important and valuable commercial and food fishery, and is also an important if not the principal source of food supply of ocean game and other species. Its abundance has greatly decreased. The take has dropped from 727,398 tons in the season of 1930-1931 to 420,368 tons last season. What has happened to sardines may happen to other species.

The contentions that some different measures should be adopted, that this measure is “monopolistic” and will “put people out of business” are but the smoke screen and false cries of those who seek to flout California’s laws and destroy her fishery for selfish gain.

**Sanborn Young,**
Senator, Eighteenth District.

C. R. Danielson,
Past President, Associate Sportmen of California.

**Dr. Henry C. Veatch,**
Treasurer, Fish and Game Development Association.

[Twelve]
Argument Against Initiative Proposition No. 5

Your support for this measure is ingeniously sought by the title "FISHING CONTROL," whereby you are led to think it a measure for conserving the fish resources of California. Such, however, is not the case. The measure is sponsored by a selfish monopolistic fish canning industry which seeks to perpetuate its monopoly and thereby increase prices of fish meal used by practically every poultry producer, dairymen, livestockman and farmer. The voter is the ultimate consumer of all their products and is the victim of higher monopoly prices.

The California Legislature has refused again and again for eight years to assist these selfish interests in their attempts at monopoly. In fact, this very measure was presented to the 1937 Legislature and after full hearings was defeated when its un-American purpose was disclosed and the real facts were revealed, showing that the monopolistic interests were sponsoring and financing it under the guise of innocent sportsmen. Not only has our Legislature defeated these operators in their attempts at monopoly but also the Federal Government under the NRA in 1934 and Congress itself in 1936, and likewise the states of Oregon and Washington.

Organized labor has consistently opposed this vicious program which would throw thousands of men out of work. As you have noticed from reading the measure, it would extend the jurisdiction of the Fish and Game Commission to the entire Pacific Ocean from the Arctic to the Antarctic, from China to Mexico. This is done by requiring a permit of any fishing boat to deliver fish outside of California if such fishing boat at any time or for any purpose comes within California. This would mean that if a fishing boat were legally engaged within the State of Oregon in delivering fish caught on the high seas to a port in Oregon and such fishing boat should come into a California port for repairs or supplies, without first having obtained a permit from the commission, then the boat would be subject to forfeiture.

This drastic punishment of forfeiture is another reason why you should vote "NO" on this measure. It specifically subjects a fisherman's boat and equipment, which is often worth upwards of $40,000, to forfeiture for a violation of the measure even if the boat never enters or delivers a pound of fish in California. Although the measure makes its violation a misdemeanor and thereby the equivalent of a violation of an automobile parking ordinance, the forfeiture provision is as unreasonable as if a parking ordinance required the forfeiture of the automobile itself. The measure does not give a court any discretion but requires that the boat and its equipment "shall be forfeited."

The voter should follow the example of the Legislature and vote "NO" on this measure.

W. B. ROBY,
Gen. Mgr., San Joaquin Valley
Poultry Producers Assn.,
Porterville, California.

JAMES R. LOCHHEAD,
Secretary, Fishermen's Produce
Co.,
Monterey, California.

LYMAN HENRY,
Attorney at Law,
San Francisco, California.
TAXATION OF INSURANCE COMPANIES. Senate Constitutional Amendment 1. Adds section 144 to Article XIII of Constitution. Declares insurance companies and associations shall be taxed 2.6% upon amount of gross premiums less return premiums, received upon business done in this state subsequent to December 31, 1937, other than premiums for reinsurance and ocean marine insurance. Eliminates existing constitutional provision for deduction of reinsurance premiums paid to other admitted insurers; otherwise section 14 of Article XIII remains unchanged. Declares effective dates of amendment with respect to business transacted in this state by such companies and associations.

(For full text of measure, see page 14, Part II)

Argument in Favor of Senate Constitutional Amendment No. 1

Urgent need has arisen to amend the California law relating to taxation of insurance companies. A recent United States Supreme Court decision makes it impossible to continue the method now prescribed without serious loss of revenue.

Insurance companies have been taxed under section 14 of Article XIII of the California Constitution on their gross premiums from business done in this state, less reinsurance paid to other companies authorized to do business here. Reinsurance is the assumption by a company of a portion of a risk assumed by another company. In the administration of this law it was assumed that this deduction for reinsurance premiums paid would be offset by the payment of a tax on the business done by the company which assumed the risk through the reinsurance contract.

Last January the Supreme Court held that the insurance company which received the gross premiums in the first instance can take the deduction for the reinsurance premium paid to another company, but that the company receiving these premiums does not have to pay a tax thereon to the State unless the contract of reinsurance was made in California. It is a comparatively simple matter for the companies to complete such contracts outside of the State and, under the decision, the tax of 2.6 per cent can be avoided on these premiums. The annual loss in revenue to the State which would result if this constitutional amendment is not approved by the people has been estimated at more than $1,000,000.

This constitutional amendment would correct the situation by placing the obligation to pay the gross premium tax on the company which does business in this State without allowing any deductions for reinsurance premiums paid to other companies. There will be no double taxation as the insurers will not be required to pay a tax on any reinsurance premiums received, but all business done in this State will be taxed at least once.

The method of taxing insurance companies provided in this constitutional amendment has been approved by the National Association of Insurance Commissioners and the proposal has been indorsed by the Insurance Commissioner of this State and the State Board of Equalization, under whose authority the amount of business done here is ascertained and the tax assessed. More than half of the States in the Union collect their insurance taxes on a similar basis and it has been demonstrated conclusively that such a law is workable and fair.

By voting for this amendment you will do your part toward correcting the serious breach in our present laws imposing taxes on insurance companies.

RAY W. HAYS,
Senator, Fresno County.

T. H. DELAP,
Senator, Contra Costa County.
Approval of this measure will result in benefits being made available to certain insurance companies with head offices in California, namely fire insurance companies, at the expense of other classes of insurance companies. Further, as to contracts already made, the State of California will suffer considerable loss with regard to taxes due on such contracts if this measure is passed.

There is no real need for this measure inasmuch as the total taxes collected at present, and anticipated if this measure is approved, are approximately the same, hence, why approve a measure that will lead to the State suffering certain substantial losses in taxes now due when the defeat of this measure will enable the collection of these taxes? It is not at all unlikely that insurance companies, other than those that may benefit under this measure such as fire insurance companies, will encourage the execution of contracts of insurance without the State in order to effect tax savings that might be otherwise due under this measure, which practice is not generally followed at the present time.

Consequently, contrary to the arguments advanced by the proponents of this measure, this amendment is neither necessary nor imperative, and in addition to causing the State of California to suffer certain losses in taxes otherwise due, will not provide other benefits equal to the detriments that will inure if this measure is passed. Further, it is extremely doubtful if any additional insurance business will result from the approval of this measure or other benefits accrue to the State in the form of new businesses, more employees, or the improvement of business conditions as is contended by the advocates of this measure.

Respectfully submitted,

MARY MARTHA SMITH.
RELIEF ADMINISTRATION. Senate Constitutional Amendment 2. Adds section 11 to Article XVI of Constitution. Declares Legislature has plenary power to provide for administration of relief and may modify, transfer or enlarge powers vested in Relief Administrator, Relief Commission or similar state agency or officer. Provides that Legislature or people by initiative may amend, alter or repeal laws relating to relief of hardship and destitution, whether resulting from unemployment or otherwise, and may provide for administration of relief of hardship and destitution either directly by the State or through the counties thereof, and grant aid to or reimburse the counties therefor.

(For full text of measure, see page 16, Part II)

Argument in Favor of Senate Constitutional Amendment No. 2

In 1934 unemployment had reached such proportions that it was necessary to provide a public fund to relieve the hardships resulting therefrom. The Legislature caused to be submitted at the election of that year a proposal to vote twenty-four million dollars for that purpose. In such proposal a special commission was set up to expend such money under the direction of a State administrator. Such commission and administrator were intended to be temporary only and were not intended to encroach on the powers or duties of the Department of Social Welfare, but inadvertently language was used which the Attorney General holds gives permanency to both the commission and the administrator, which adds confusion to the laws and which deprives the Department of Social Welfare of adopting general rules and regulations for administering relief.

The Legislature recently attempted to clarify the situation by transferring the administration of all relief to the Department of Social Welfare and to authorize that department to provide rules and regulations, but the Attorney General held the act unconstitutional, and more confusion resulted and likewise hardship to those entitled to relief.

To make it possible to properly handle the situation it will be necessary for the foregoing constitutional amendment to be adopted, then the Legislature will be authorized to enact such laws as it deems necessary touching the question of relief.

As now administered, State unemployment relief is completely separate from county aid to unemployed indigents. This causes confusion and hardship because of different definitions of employability adopted by the State administration and by the various counties. It also results in different standards of relief for employable and unemployed persons, and in as many different forms and standards of relief for unemployables as there are counties in the State—confessedly an unfair method and an unfair result. If the amendment is adopted the Legislature will have power to provide a general plan for administering relief under the Department of Social Welfare and will have power to establish standards for the administration of such relief which will be fair to the individual entitled to relief and fair to the taxpayers of the State.

The present administration of unemployment relief is also set apart from the administration of aid to needy aged, children and blind, administered by the Social Welfare Department. This results in confusion in determining the form of aid to which an applicant is entitled, delays and interruptions in provision of relief, and duplication in investigating eligibility and keeping records. This amendment, if adopted, will enable the Legislature to consolidate unemployment relief administration with the administration of the above-mentioned special forms of aid.

We sincerely urge the adoption of the amendment so that a satisfactory and fair method of handling this complicated question may be adopted at the next session of the Legislature.

VOTE "YES" on this amendment.

Respectfully submitted.

RALPH E. SWING, Senator, Thirty-sixth District.

W. P. RICH, Senator, Tenth District.

Argument Against Senate Constitutional Amendment No. 2

This amendment permits the combination of the Department of Social Welfare and the Relief Commission. The efficiency of this setup is very doubtful.

The last Legislature attempted to combine the Welfare Department and the Relief Commission. If the next and succeeding bodies sh
be successful in doing this there would be frozen into the civil service a large number of employees, employed by the State whether their services are needed or not.

This amendment would permit the Legislature to return the administration of relief to the counties, and due to the fact that California has some fifty-eight counties and there are many different residence requirements for the granting of relief, there would arise a pathetic state of chaos among the poverty-stricken.

The underprivileged believe that they will be dealt with more equitably by the voters of the State than by the representatives in the Legislature.

Leg 

No 

No 

No 

No

HENRY C. TODD.

APPORTIONMENT OF FUNDS TO POLITICAL SUBDIVISIONS. Assembly Constitutional Amendment 21. Amends section 31 of Article IV of Constitution. Adds to present section dealing with public credit and moneys, the proviso that Legislature shall have power by general and uniform laws to provide for the apportionment of funds out of State treasury for county, city and county, city or other municipal purposes. Eliminates prohibition of legislative gift or authorization of gift of public money or thing of value to municipal corporations.

YES

NO

For full text of measure, see page 15, Part I

Argument in Favor of Assembly Constitutional Amendment No. 21

The purpose of this amendment is to make it constitutionally possible for the tax systems of the State and local governments to be properly coordinated, to permit an efficient and economical administration of the tax laws, and to protect the property taxpayers from increased tax burdens brought about by the inability of the Legislature to make desirable adjustments in the tax system of the State without depriving local governments of general fund revenue.

There is a major obstacle to the effective functioning of State collection of taxes, if any portion of the tax is to be returned to local governments. Section 31 of Article IV of the Constitution provides for the apportionment of State revenues to the cities and counties from the use of “local purposes” revenue allocated to them by the State.

As a part of the effort to reduce the burden of taxes on real property, we find a trend toward State assessment and collection of certain types of taxes which normally are assessed and collected by the cities, counties and school districts and used for “local purposes,” but this section of the Constitution not only tends to defeat this purpose, but actually to increase instead of decrease taxes.

One example of this—prior to 1933 local governments collected personal property taxes on motor vehicles, and such revenue was used for “local purposes.” The 1933 Legislature deprived cities, counties and school districts of the power to levy this tax, and substituted a license collected by the State. To compensate for this loss of revenue, a part of this State-collected license was apportioned to the cities and counties. But difficulty arose from the fact that the money so apportioned could be used only for “State purposes,” while the personal property taxes previously collected by the cities and counties were used for “local purposes.”

The Legislature also prohibited cities and counties from levying personal property taxes on intangibles (stocks, bonds, etc.), and no substitute revenue was given back to compensate for this loss.

Another example of the loss of taxes is State collection of liquor licenses, which, prior to prohibition, were imposed by local governments and used for “local purposes.”

The consequence of these exemptions, and the legal inability of the State to return any part of the State funds to the local bodies for “local purposes,” is that a very substantial loss of personal property tax revenue is sustained by the cities and counties for “local purposes.”

This loss of revenue for “local purposes” can only be made up by increased taxation on real and other classes of personal property.

The sponsors of this amendment believe that the way should be cleared for future adjustments of our State and local tax system, and that the Legislature should be empowered to apportion State funds for “local purposes” by
general and uniform laws. We ask support of the measure from all persons interested in a more efficient administration of the tax laws and a more equitable distribution of the tax load.

LEON M. DONIHUE, Member of the Assembly, Fifteenth District.

EARL DESMOND, Member of the Assembly, Ninth District.

HENRY A. DANNENBRINK, Member of the Assembly, Eighteenth District.

ARTHUR H. BREED, JR., Member of the Assembly, Sixteenth District.

CHESTER F. GANNON, Member of the Assembly, Eighth District.

RAY WILLIAMSON, Member of the Assembly, Twenty-sixth District.

CLYDE A. WATSON, Member of the Assembly, Seventy-fourth District.

Argument Against Assembly Constitutional Amendment No. 21

Vote "NO" on Proposition No. 8 in the interests of good government and also the taxpayers— including the sales taxpayers.

The proposal authorizes the Legislature to apportion State funds, such as revenue from the sales tax, to the cities and counties in any manner, time and amount it sees fit.

The three arguments briefly stated below show conclusively that there is no valid reason for its adoption. And that the best interests of all, except local officials, demand its defeat.

1. Dangerous Pork- Barrel Legislation Threatened: A blanket authorization for the apportionment of State funds to cities and counties with no restrictions whatever as to amount or use thereof threatens needless raids upon the State treasury.

2. State Finance of Purely Local Enterprises is Inequitable and Seldom Justified: Generally speaking, governmental services should be financed by the people concerned and from the resources affected. Services of general concern should be financed from funds collected by a unit of government with general taxing powers. Services of purely local concern should be financed from local revenues. From government, the people should have what they want and are able and willing to pay for—not what they want and can make somebody else pay for. This is in no sense an argument against the levy of ability-to-pay taxes nor the establishment of special services adapted to special conditions. But it is a general principle which, as a rule, is sound. If the people at large are to make a financial contribution to a locality, a city or a county, the people should be assured that they are in accord with the purposes for which the funds are to be expended. The voters should reserve the right to protect themselves against having to pay for nonproductive, inconsequential or even destructive enterprises.

There is no justification for the sponsors' argument that frozen funds should be freed— to be used as city councils see fit. But rather State moneys, such as liquor and auto "in lieu" tax revenues, are paid by everyone in the entire State and the existing law is justified in restricting its use to services of general interest. The repeal of this restriction as provided in this proposal will create inequalities.

3. Another Means to Accomplish Justific Objectives: It is recognized that there is a need for revenue to supplement the property tax. This is more true of counties, however, than it is of cities because most of the recent increases in county costs have been due to State and to national legislation which has forced upon them new burdens and new objectives.

The need for additional revenue created by these new burdens can be best provided either by transferring to the State or national government all or part of the financial responsibility for services which are of more than local concern, or by sharing centrally collected revenues. If centrally collected revenues are shared, however, sufficient restrictions should be placed upon the use of the funds to guard against the abuse or use for unjustifiable purposes. Such restrictions are not provided in Assembly Constitutional Amendment No. 21. It does not solve the problem.

Proposition No. 8 should be defeated. Vote "NO."

RAY B. WISHER, President,
California Farm Bureau Federation.
VETERANS TAX EXEMPTION. Senate Constitutional Amendment 9.

Amends Constitution, Article XIII, Section 11. Eliminates from section, which exempts from taxation property amounting to $1,500 of residents of State who served in United States army, navy, marine corps or revenue marine service, in time of war, those provisions extending such exemption to those released from active duty because of disability resulting from service in time of peace. Permits all or part of exemption to be applied to actual value of motor vehicle in fixing license fee thereon. Denies exemption unless person claiming same complies with prescribed statutory procedure.

| YES | NO |

| (For full text of measure, see page 12, Part II) |

Argumet in Favor of Senate Constitutional Amendment No. 9

The Constitution of the State of California provides that property to the amount of one thousand dollars of every resident of this State who served in the Army, Navy, Marine Corps or Revenue Marine Service of the United States in time of war, and received an honorable discharge, shall be exempt from taxation. This law was created in 1911. This law also applies to the widow and the widower mother of a deceased veteran.

No ex-service man, or widow or mother of a deceased veteran, who is assessed for five thousand dollars or more, or whose wife has that much, can obtain the exemption.

Up to 1935, those entitled to the one thousand dollar exemptions could apply it to their automobiles. The 1935 State Legislature enacted what is known as the In Lieu Tax method of collecting the automobile tax through the State Board of Equalization instead of by the county assessors. The State Board of Equalization, through an opinion of the Attorney General, held that this was not a tax, but a license, thereby depriving the ex-service man, who served during the war, of this exemption on his automobile which had been guaranteed him by the Constitution for his service to his country and which had been allowed him up to 1935. There was probably no intention on the part of those who created the In Lieu Tax bill to do this, but nevertheless, that is the result of that act.

The In Lieu Tax Act, unintentionally, so far as ex-service men are concerned, is discriminating. It does not allow those ex-service men who only own an automobile to take advantage of it, while it allows those who have other property such as houses, etc., to claim the exemption. It gives the advantage to the one who is best able to pay the tax.

This constitutional amendment simply allows an ex-service man to include his tax exemption on his automobile, as was intended and given to him by the Constitution, and that which he received up to 1935.

This constitutional amendment will probably affect only a comparatively few ex-service men, and that number is ever growing less; and, under it, all ex-service men will be treated alike and allowed that which the Constitution of California provided that they should have. They are being given nothing more than what they have always had since 1911.

Respectfully yours,

ROY J. NIELSEN,
Senator, Nineteenth District.

IRWIN T. QUINN,
Senator, Third District.
Argument Against Senate Constitutional Amendment No. 9

Originally, the extension of the present $1,000.00 annual exemption now accorded to veterans was approved, not only as a reward to veterans, but primarily to make their home ownership less burdensome, encourage veterans to settle down, establish homes, and secure their life in various communities throughout the State.

Consequently, the present measure, seeking to permit veterans, and others closely related to them, to apply this annual exemption to property, other than the home and furnishings therein, is contrary to the original purpose and spirit that made possible the annual tax exemption.

It should be remembered that not only were veterans furnished this $1,000.00 homesteader's exemption, but likewise were furnished the opportunity, to a great extent at the expense of other taxpayers, to purchase homes at low interest rates and upon favorable terms, under the Veterans' Farm and Home Purchase Act. However, as the State took title to homes purchased by veterans until paid for by the veterans, such property became tax exempt. Moreover, in view of this situation, there was no need or reason for veterans to claim the $1,000.00 tax exemption annually until they secured an interest in the property or could apply it against other property owned by them.

Under this measure all veterans, who are now purchasing homes under the Veterans' Farm and Home Purchase Act, will be permitted, in effect, to secure double tax exemption, which was not intended under the present law.

In view of the fact that the present exemption accorded to veterans was intended only to apply to their homes, the mere fact that they formerly claimed this exemption against their automobiles, is no justification for granting veterans to do so in the future merely because the State, instead of cities and counties, now imposes a license or "in lieu" tax upon automobiles.

Passage of this amendment authorizing the extension of this exemption will not only permit certain veterans to secure double exemptions, but may well lead to further measures seeking to permit veterans to claim an exemption from all kinds of license fees, sales, income and other taxes in connection with their business, profession, or occupation. Much chaos and confusion is likely to result if this measure is approved, and many local and State Boards will be required to secure necessary funds for operating purposes from other sources and taxpayers.

Any further exemption of property from taxation, or a measure such as this that will, in effect, permit veterans to secure duplicate exemptions where purchasing property now tax exempt, should be vigorously opposed.

Respectfully submitted,

RALPH HUNTINGTON.
OIL LEASES ON STATE-OWNED TIDELANDS AT HUNTINGTON
BEACH. Referendum of act of Legislature (Chapter 304, Statutes
1937). Act provides for competitive bidding for leases on eleven parcels
of State-owned tide and submerged lands at Huntington Beach for oil
drilling from piers, islands or groins; provided that no bid shall be
accepted unless it provides for royalty to State of more than 30% of
production when average daily production for thirty consecutive days
exceeds 200 barrels, and for drilling minimum of ten wells per lease.

YES

NO

(For full text of measure, see page 1 & Part II)

Argument in Favor of Oil Leases on State-
Owned Tideland at Huntington Beach
Referendum Measure

This measure is for the protection of the State interest in the huge oil and
gas deposits which are known to exist in the Huntington Beach tidelands. It is known as the "Olson Oil Bill," introduced by Senator Olson,
followed by an investigation by an interim committee of the Senate, of which he was chair-
man.

For over ten years oil wells drilled on the privately owned littoral lands along the shore
at Huntington Beach have been draining 80 per cent or more of their production from the
oil and gas deposits underlying the State's

This measure is the first and only step ever taken for the development of this rich resource
for the benefit of the State.

It divides the tideland area into eleven parcels and provides for the leasing of these
parcels to the highest competitive bidders. It provides for the offsetting of drainage; that no
bid shall be accepted and no lease made unless the same provides for payment to the State of
more than thirty per cent of the value of production from any wells drilled thereon, when the
average daily production thereof exceeds 200 barrels of oil.

To forestall cumulative bidding, the act further provides that if satisfactory bids are not
received in accordance with its provisions, the State may proceed immediately with the drill-
ing of wells and with the production, removal, storage and disposal of the oil and gas for the
sole benefit of the State.

This act was passed as an urgency measure by two-thirds of the membership of both houses
of the Legislature. The urgency clause reads in part as follows:

"That portion of tide and submerged lands of the State described in * * * this act contains oil and
gas and other hydrocarbon substances of great value. Many oil wells are
now drilled, operating and producing oil and
gas upon privately owned lands that are con-
stantly draining said oil, gas and other hydro-
carbons from said State lands * * * *. This

condition results in the daily depletion of this valuable resource of the State, making it im-
perative, if the interests of the State are to be preserved and the revenues available to the
State therefrom are to be saved, that immediate action be taken to drill for, extract, pro-
duce and remove the oil and gas so known to
exist in said lands * * * *."

As an urgency measure this act should have gone into effect on May 15, 1937. No immediate
action was taken under it, however, and petitions calling for its referendum were filed
with the Secretary of State. The Supreme Court has held it subject to referendum not-
withstanding the urgency clause. Therefore, it
must be ratified by the voters before it can
become effective.

We earnestly urge the people to vote "YES"
on this measure for the protection of their own
interests in this great natural resource of the
State.

CULBERT L. OLSON,
Senator, Thirty-eighth District,
Los Angeles County.

HARRY C. WESTOVER,
Senator, Thirty-fifth District,
Orange County.

J. C. GARRISON,
Senator, Twenty-second District,
Stanislaus County.

Argument Against Oil Leases on State-
Owned Tideland at Huntington Beach
Referendum Measure

Our public beaches are one of our greatest
assets and attract hundreds of thousands of vis-
tors annually to all southern California. Our
tourist business is the second largest business
in the State. It should be obvious to every
thinking person that if this bill becomes law
it will make possible the ruination of several
miles of the finest public beach in the State.

Huntington Beach is not the only beach city
facing ruination through this measure. If the
proponents secure adoption of this bill and
thereby bring about the destruction of the pub-

[Twenty-one]
The beach at Huntington Beach, then it is certain that Long Beach will be next, for the newly discovered Long Beach oil field includes tidelands. If the precedent established by the adoption of this bill should be extended to the Long Beach tidelands one of the finest beaches on the Pacific Coast would be destroyed and hundreds of thousands of people would suffer the loss of the swimming and recreational facilities it now affords. What if the State does receive a few dollars from the oil produced from these tidelands? It will be small compensation, whatever the amount, for the ruination of our public beaches.

Vote against this vicious act and preserve our beaches for all the people. By all means—VOTE "NO!"

LYNN O. HOSSOM,
Attorney at Law,
Chairman of the Fact Finding Committee of the Long Beach Junior Chamber of Commerce,
Harbor Commissioner,
Legal Counsel of Associated Property Owners of Long Beach.

Argument Against Oil Leases on State-Owned Tidelands at Huntington Beach Referendum Measure

Tideland drilling, which causes beach pollution in its most serious form, again presents itself in Proposition Number 10. This measure asks voters to sanction well drilling in the tidelands of the Huntington Beach area. It is the same sort of proposition that voters have already rejected in five successive elections. In defense of California beaches they must vote "NO" for a sixth time.

Drilling in tidelands, as is well known, pollutes the waters with oil that is carried by littoral currents. As a result, waters are rendered unfit for bathing or fishing, and beaches are so smeared with tar as to be useless for recreation.

Proposition 10 will set a precedent for tideland drilling in the wells that lie along the California coast as far north as the Oregon border, robbing the State of its chief playground, and of a major tourist attraction.

Proposition 10 pretends to justify itself as a revenue measure. It has no such excuse because the oil revenues from State wells are already available through the license of littoral or shallow drilling, which does no damage to beaches. Proposition 10 merely substitutes a destructive method of raising revenue for an established method that brings in the same revenue by harmless means. Proposition 10 should be voted "NO!"

JAMES S. FARQUHAR,
Editor and Publisher,
Huntington Beach News.

A. C. PETERSON,
Publisher,
South Coast News,
Laguna Beach, California,
STATE AND COUNTY BOARDS OF EQUALIZATION. Assembly Constitutional Amendment No. 4. Amends section 9, Article XIII of Constitution. Divides State into five equalization districts; declares State Board of Equalization, consisting of member from each district, be elected by qualified electors of respective districts. Eliminates Controller. Prescribes powers and duties of State and county boards of equalization. Provides members of present board continue in office until end of term; that Governor appoint fifth member to serve until next election. Provides Legislature may re-define districts, change and stagger terms of office of board members. Eliminates prohibition against assessing certain property above face value.

YES

NO

(For full text of measure, see page 25, Part II)

Argument In Favor of Assembly Constitutional Amendment No. 4

The purpose of this amendment is to create a new district of the State Board of Equalization to consist of Los Angeles County, and to eliminate the State Controller as ex officio member of the board.

With the election of a new member from the new district, the board will consist of five members devoting full time to their duties. The reasons that this change is necessary are as follows:

The State Board of Equalization was provided for in the Constitution of 1870, and originally its duties consisted entirely in equalizing the valuation of taxable property between the counties. The districts consisted of the four congressional districts existing in 1870.

After 50 years, despite changing population, no geographical change has been made in the districts, although the number of congressional districts has increased from 4 to 20.

The duties of the board have in the meantime been greatly changed. During recent legislative sessions, the Legislature, by new revenue laws, has imposed upon the board additional administrative duties involved in the collection of $334,500,062 per biennium of the State's money.

The people, in 1934, imposed upon the board the very important duty of enforcement of the law relating to liquor control, with a grave responsibility in relation to public morals and public welfare.

Since the adoption of the Riley-Stewart Tax Plan, the board is charged with the responsibility of the valuation of certain public utilities.

The position of Los Angeles County is very much different than it was in 1870 and the following statistical information will demonstrate that the county is entitled to a representative upon the board:

**Fourth District**

**Los Angeles County**

- Registered voters: 54.12% 43.00%
- Sales tax paid: 52.95% 42.00%
- Excise tax: 59.70% 46.00%
- Assessed tangible property: 47.70% 35.57%

The county of Los Angeles has 1,296,606 registered voters, or 43 per cent of the State vote. It has 4,482 separate taxing units and as many tax rates. Does it not appear that it should be entitled to a representative on the board?

Does an arrangement appear to you to be the type of representative government the framers of the Constitution intended when three members of a board who reside in northern California and represent three northern districts, control the fourth district, when the fourth district has more than half the votes, pays more than half the sales and excise taxes, and has almost half of the assessed tangible personal property?

The county of Los Angeles is entitled to representation on this board.

The present situation amounts, in effect, to taxation without fair representation.

Vote "YES" on this amendment.

JAMES J. BOYLE, Member of the Assembly, Sixty-sixth District.
Argument Against Assembly Constitutional Amendment No. 4

An increased tax burden will be placed upon the people of this State in the event this measure is approved, by the addition to the State Board of Equalization of another salaried member. Further, this measure will remove the State Controller as an ex officio member of the Board of Equalization, which position this official has occupied under the present section of the Constitution since its adoption in 1884. Removal of the State Controller from this board is neither desirable nor necessary.

Without the State Controller as a member of the board, the Board of Equalization will consist entirely of persons elected to office as the result of political activity or through political contacts, without regard to their merit or fitness for the position. The presence of the State Controller on this board is needed in order to furnish impartial advice, a broader experience, and assistance in fiscal matters, available only from this important fiscal agency of the State.

This measure is submitted under the guise of affording better representation to the southern part of the State in proportion to population. However, even under this measure the districts set up are grossly unequal in population, assessed valuation of property, and in the amount of taxes collected from each. Further the creation of another district will lead more political patronage which is neither necessary nor desirable and should be avoided.

Authorizing the Legislature to change, not only the term of office of the members elected to the board, but also the areas of districts is unwise and will likely lead to disastrous and unfair results.

For example, it would be possible to have only one member elected for the entire State of California, exclusive of the county of Los Angeles, while providing that the remaining four of the five members of the board be elected from the county of Los Angeles alone. Obvously, such a measure is contrary to public welfare and will impair the interests of all the rural and other areas of the State, hence should be vigorously opposed and defeated by the voters.

Respectfully submitted.

ROBERT H. FOUKE,
Attorney at Law,
President, Young Voters League of California.
SAN FRANCISCO BAY EXPOSITION. Assembly Constitutional Amendment

YES

NO

Argument in Favor of Assembly Constitutional Amendment No. 8

The San Francisco delegation to the State Legislature respectfully requests the citizens of California to give a favorable vote upon Assembly Constitutional Amendment No. 8, which amendment provides that no tax, license fee or charge of any kind or character shall ever be levied or assessed or charged against any property of the San Francisco Bay Exposition, a nonprofit corporation organized under the laws of the State of California, sponsoring the Golden Gate International Exposition at the City and County of San Francisco in 1939, or against any property used as an exhibit in said exposition while being used or exhibited in connection therewith.

This amendment is most necessary so that the Golden Gate International Exposition can function properly and within the means of the funds allocated to them. The present law provides that no nonprofit organization shall be taxed but there is nothing in the law which exempts expositions.

This constitutional amendment would do for the Golden Gate International Exposition of 1939 what the people of this State did for the Panama Pacific International Exposition of 1915. In 1910 in preparation for that exposition a similar constitutional amendment was approved by the vote of the people exempting the 1915 exposition and its exhibitors from taxes and licenses in the same way that the present ballot measure proposes to do for the 1939 exposition and its exhibitors. Such exemptions are usual and customary aids extended to international expositions.

This exposition, nonprofit as it is, is for the benefit of all California. We invite the world to be with us and therefore, to carry on the construction and operation of this exposition, it is necessary that no taxes or license fees be levied as no profits are expected to be had.

We request you to vote "YES" on this ballot measure.

P. J. McMurray,
Member of the Assembly,
Twenty-fourth District.

THOMAS A. MALONEY,
Member of the Assembly,
Twenty-fifth District.

RAY WILLIAMSON,
Member of the Assembly,
Twenty-sixth District.

W. B. HORNBLOWER,
Member of the Assembly,
Twenty-third District.

EDGAR C. LEVEY,
Member of the Assembly,
Twenty-eighth District.

KENNETH B. DAWSON,
Member of the Assembly,
Twenty-second District.

MELVYN I. CRONIN,
Member of the Assembly,
Twenty-fifth District.

JEF FERSON E. PEYSER,
Member of the Assembly,
Twenty-seventh District.

JOSEPH F. SHEEHAN,
Member of the Assembly,
Twenty-first District.
Argument Against Assembly Constitutional Amendment No. 8

Further tax exemptions, regardless of supposed or claimed merit should be vigorously opposed.

Authorizing the exemption of all property of the San Francisco Bay Exposition, as is done under this measure, will permit the exemption, not only of property used for exhibit purposes on Treasure Island, but any property of the exposition company, regardless of use, value, amount or location in the State.

Further, it is possible under this measure to transfer any valuable property to the exposition company and thereby obtain the tax exemption even though the transfer and use is conditional and the property is to be returned to the real owner later.

While the exposition company is legally a nonprofit company, nevertheless profits are now available to interested parties in the form of high salaries. Hence, why afford one private corporation a tax exemption not accorded to another of like character?

Normally, tax exemptions of this character are limited to specific property; further, any profits are returned to the State to offset appropriations by the State, county or city, expended for the benefit of the exposition, which is not true in the present case.

Adequate benefits have already been extended to the exposition without creating further tax burdens. A five million dollar State appropriation, a large Federal appropriation, and added police and fire protection requiring employment of many new employees under civil service, who can not be discharged after the Fair is over, but must be absorbed in possible growth and needs, are but a few of the expensive benefits already accorded that must be paid by taxpayers.

Respectfully submitted.

RALPH S. HUNTINGTON.

[Twenty-six]
REVENUE BOND ACT OF 1937. Referendum of act of Legislature (Chapter 51, Statutes 1937). Act authorizes creation and establishment of a public utilities commission within any city, city and county, county, local governmental agency, society, association, authority, or entity rendering service to the public; authorizes sale of revenue bonds to defray costs of construction or acquisition of public utilities, extensions and improvements thereto, and provides for the acquisition, production, distribution and sale of products, commodities, energy or services of such public utilities and for payment of such bonds and interest thereon.

(For full text of measure, see page 27, Part II)

Argument in Favor of Revenue Bond Act of 1937 Referendum Measure

This Garrison Revenue Bond Act was passed without dissenting vote in the Senate and by 65 to 10 in the Assembly. It makes possible the paying for public improvements solely from earnings of the improvements themselves, without recourse to taxation, under a principle adopted in England in 1753, now used in 47 States. Revenue bonds built the Boulder Dam, Transmission Line and San Francisco-Oakland Bay Bridge. The largest California banks and bond houses recommended and sold these bonds to their clients.

This act does not issue a single dollar of debt, nor authorize any community to buy or sell anything. It merely gives communities that have authority to acquire revenue-producing projects, the right, by majority vote, to finance them out of the revenues from the project itself instead of out of taxes. Revenue bonds can never be a mortgage on homes or farms for the act itself provides that no bondholder “shall ever have the right to compel any exercise of the taxing power to pay said bond or bonds or interest thereon,” and limits interest to 5 per cent.

California privately-owned gas and electric companies have been authorized to issue $1,697,265,744.41 in stocks and bonds since 1924 without any vote of the people, or consumers who pay the bills, although interest and dividends are paid by revenues from gas and electricity just as, under this act, principal and interest of revenue bonds are paid out of revenues from publicly-owned projects. A majority vote elects governors, legislators and other public officers, passes or repeals laws (including tax laws) and amends the Constitution. The Supreme Court, by majority vote, approves or disapproves laws. Certainly, the people should have the right to authorize revenue bonds by majority vote.

General obligation bonds now in default, issued by two-thirds vote, found purchasers who depended upon the power to tax real estate, instead of revenue from the project itself. Had revenue bonds been proposed for such defaulting projects, careful investors would not have bought them. Revenue bonds are a safeguard against economically unsound projects, and have better repayment history.

With the greater majority of voters owning no land, home owners should ardently support this Revenue Bond Act which permits public improvements without increased taxes being voted on their property.

REVENUE BONDS:

Make it possible to finance public improvements without mortgaging homes or farms.

Are a safeguard against unsound projects that can not pay their own way out of revenue.

The power trust started this referendum and is spending thousands of dollars to keep the people from enjoying cheaper electricity. Selfish motives of one industry should not be permitted to block the use of this beneficial legislation for all other urgently needed revenue-producing projects.

This issue is clearly the People vs. the Power Trust.

A “YES” vote is for the People; A “NO” vote is for the Power Trust.

If you want your just right to finance your needed public improvements without mortgaging your home, vote “YES” on Number 13.

GEORGE SEILMEYER,
Master, California State Grange.

WALTER D. WAGNER,
Executive Secretary, Irrigation Districts Association of California.

J. C. GARRISON,
Senator, Twenty-second District.

(Twenty-seven)
Argument Against Revenue Bond Act of 1937
Referendum Measure

This dangerous act would abolish the time-tested principle which requires the vote of two-thirds of the people to approve public borrowings. It would permit the issuance of revenue bonds, IN ANY AMOUNT, by a bare majority of those actually going to the polls. In reality, it would mean that any district, city or county could be plunged into debt by a SMALL MINORITY, as only a fraction of the registered vote usually turns out for a bond election.

Every voter, when he considers Proposition No. 13, should keep this basic truth clearly in mind: Public bonds are private mortgages—mortgages on homes, farms and businesses. And California’s public indebtedness, if our 6 percent share of the federal debt is included, now aggregates $5,061,000,000. If that stupendous total is divided by 900,000 (the number of common property taxpayers in California), the mortgage already standing against every home and farm and every piece of real estate averages more than $1,000. Under such circumstances, CAN WE AFFORD TO MAKE IT EASIER TO GET INTO DEBT?

Sponsors of this proposal contend that “revenue” bonds are “different” because they can not become an obligation against the general taxpayer. But that contention is not borne out by experience. Debt is debt, no matter by what name you call it. And TODAY’S DEBTS MAY BE TOMORROW’S TAXES! Essential public services would have to be maintained regardless of the debt for them was incurred.

More than 12,000 words long, Proposition No. 13 is riddled with “jokers” and inconsistencies. Not only does it seek to let down the bars to unlimited borrowing; it opens the doors to the creation of HUNDREDS OF NEW BOARDS AND COMMISSIONS, with dictatorial powers and arbitrary control over the expenditure of borrowed money. On the flimsy pretext of providing public services, which already are being performed efficiently and economically, it would permit 19 different classes of districts, associations, cities, etc., to float bonds by a BARE MAJORITY vote to acquire, build and operate railroads, street railways, bases and all other forms of transportation, pipe lines, gas lines, electric systems, water systems, telegraph systems, wharfinger services, warehouse services, heating services, and so on.

It would remove huge blocs of taxable property from the tax rolls, thereby increasing all other taxes and endangering the revenues for schools, old age pensions, relief and general governmental purposes.

Proposition No. 13 has been condemned as dangerous and unsound by the State Farm Bureau Federation, California State Real Estate Association, Native Sons and Native Daughters of the Golden West, Agricultural Council of California, Disabled American Veterans of the World War, California Taxpayers Association, State Chamber of Commerce, many women’s clubs, teachers’ organizations and scores of civic groups in every section of the State.

Protect California from this new plunge into new debt and new taxes. Protect your homes against new mortgages. VOTE “NO” ON PROPOSITION NO. 13.

MRS. ROBERT J. BURDETT,
Pasadena, Founder, California Federation of Women’s Clubs.

GLENN D. WILLAMAN,
Los Angeles, Secretary, California State Real Estate Association.

LEWIS M. FOUKE,
Oxnard, Siskiyou County, President, Common Property Taxpayers’ Association of California.
REMOVAL OF JUDGES UPON CONVICTION OF CRIME. Assembly Constitutional Amendment 1. Adds section 10a to Article VI of Constitution. Provides that upon conviction of crime involving moral turpitude a justice or judge of any court of this State shall be suspended from office by Supreme Court and his salary shall also be suspended until conviction becomes final. Upon final conviction Supreme Court shall permanently disbar said Justice or Judge, remove him from office and salary shall cease from suspension. If conviction is reversed Supreme Court shall terminate suspension and Justice or Judge shall receive salary for period of suspension.

YES

NO

(For full text of measure, see page 29, Part II)

Argument in Favor of Assembly Constitutional Amendment No. 1

At present there is no express provision in the Constitution or the laws of the State for the removal of a judge when he has been convicted of a crime. This omission was emphasized by the complications arising when a judge of one of our district courts of appeal was convicted of the crime of attempting to obstruct justice in the Federal courts and yet was able to retain his hold upon his office for more than a year and until threatened with removal by legislative action.

This proposal would add section 10a to Article VI of the Constitution. It would provide for the forfeiture of his office by any judge of this State who is convicted of a crime involving moral turpitude. The amendment provides for removal upon conviction which becomes permanent when and if the judgment of conviction becomes final.

The amendment is sponsored by the State Bar of California. Its necessity is indicated by the unfortunate occurrence referred to above which should not be permitted to happen again.

Respectfully submitted.

KENT H. REDWINE,
Member of the Assembly, Fifty-seventh District.

CHESTER F. GANNON,
Member of the Assembly, Eighth District.

Argument Against Assembly Constitutional Amendment No. 1

Public confidence in, and respect for, our courts and justice will be shattered further, if voters will continue to permit (as will be possible if this amendment to our State Constitution is approved) any justice or judge of our courts to try a case after he has been convicted of any felony, until his conviction is set aside or his innocence is otherwise established.

Immediately, a doubt arises as to the ability of a judge so convicted of a felony, to fairly, equally and impartially administer the law.

Our State Supreme Court has decided that a verdict of a jury, finding, or even a confession of guilt, does not alone constitute a conviction. A sentence must be imposed before the conviction becomes complete. Hence, if the sentence of a justice or judge, who has even confessed his guilt, is stayed, and the accused is granted probation, the accused would not be subject to removal under this amendment.

Why approve this defective measure, authorizing the removal of one judge convicted of one felony but not another judge also convicted of a felony; and the removal of one judge, but not another judge, guilty of the same crime, who —because of his influence or record—is able to avoid a conviction, by stay of sentence? This measure does not provide for the removal of a justice or judge convicted of any felony not involving moral turpitude. Generally speaking "moral turpitude" means moral depravity, but even our courts and lawyers seldom agree as to the meaning of this term.

Even if a judge is convicted of the crime of murder, or manslaughter, or robbery, all felonies, this amendment would not apply, although it would apply permitting the removal of a judge, upon conviction of the crime of bigamy. Such a distinction is unwarranted and is an admitted oversight. No public official should be permitted to hold office after he has been found guilty of or has confessed to the commission of any crime, whether involving moral turpitude or not. It is unfair and discriminatory to single out only a few public officials for special punishment.

An accused person is presumed to be innocent until convicted, which means after the exhaustion of all remedies, including appeal to our highest courts from a conviction. Frequently, the conviction of an innocent person is reversed on appeal. Conviction of an inno-

(Twenty-nine)
sent Judge of a crime involving moral turpitude, even though set aside on appeal, will, under this amendment, unfairly and unjustly deprive an innocent Judge of his salary when needed, and the means of having an unjust conviction based on perjury, or insufficient evidence, set aside. No emergency exists requiring the approval of this amendment, which if passed will hinder the submission of a new measure free of admitted defects. Present laws are adequate for the removal of judges until a desirable measure free of the admitted defects of this measure can be submitted and approved by the people in November, 1940.

Respectfully submitted,

ROBERT H. FOUKE,
Attorney at Law,
President, Young Voters League of California.

<table>
<thead>
<tr>
<th>JUDICIAL COUNCIL. Assembly Constitutional Amendment No. 6. Amends section 3a of Article VI of Constitution providing for a Judicial Council, and changes number and composition thereof. Requires concurrence of eight members. Provides that Judicial Council shall adopt or amend rules of judicial conduct governing all judges in the State.</th>
<th>YES</th>
<th>NO</th>
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(For full text of measure, see page 39, Part II)

Argument In Favor of Assembly Constitutional Amendment No. 6

This measure has been submitted for approval upon recommendation of the State Bar of California after study by its Committee on Administration of Justice. Upon the taking of a plebiscite of members of the State Bar it was approved by more than five-sixths of those voting. The Legislature voted to submit it to the people by an unanimous vote in both the Assembly and Senate.

It increases the membership of the Judicial Council from eleven to fifteen. At present all eleven members of the council are judges. This measure would reduce the number of judges to eight and liberalize membership on the council by the addition of two laymen appointed by the Governor, three lawyers to be appointed by the Board of Governors of the State Bar, and the chairman of the Judiciary Committees of the Senate and Assembly.

The members of the council receive no compensation for their services other than necessary expenses for travel, board and lodging incurred in the performance of their duties. No substantial increase in expenditures will result.

Adoption of this amendment is recommended by the present members of the Judicial Council, who believe the assistance of the augmented membership will be of substantial benefit in the discharge of its duties, which include study and supervision of all courts of the State, specifying particularly the following:

- Survey the condition of business of the several courts to simplify and improve administration of justice;
- Promote uniformity and expedition of court business;
- Adopt rules of practice and procedure for the courts; and
- Report to the Governor and Legislature recommendations for improvement in laws relating to practice and procedure.

This proposal would grant to the council the additional power to adopt rules of judicial conduct for the guidance of the judges of the State. This would provide the same character of standard for the judiciary as the rules of professional conduct prescribe for members of the bar. The proponents and all groups supporting this measure believe that this additional power in the council would create uniformity in the personal practice of members of the judiciary in the administration of their office.

The fact that the adoption of this amendment is recommended by the council members, after eleven years of experience, seems sufficient to secure its support and practically unanimous approval.

GARDINER JOHNSON,
Member of the Assembly, Nineteenth District.

PAUL PECK,
Member of the Assembly, Seventy-first District.

Argument Against Assembly Constitutional Amendment No. 6

No court administering justice should be placed in a position where it is under the influence or control of any layman, politician or member of the Legislature, as will be possible if this measure is approved.

[Thirty]
We must maintain at all times a free and independent judiciary. The very framework of our American form of government is dependent upon maintaining at all times our three branches of government, namely, the legislative, executive, and judicial, each separate from the other.

As presently constituted, and in accordance with the above principles, our Judicial Council is composed of appellate court justices and trial court judges. In authorizing the appointment of seven nonjudicial members to the Judicial Council under this measure, an American principle of government is violated, which should not be countenanced by the voters at this, or any other time.

In recommending the appointment of laymen to this council, an attempt is made to place upon the voters the responsibility for congested court calendars and other delays in the procedure of justice, which condition should, and can, be cured by our courts with the improvement of procedure and the increase in efficiency in the administration of justice.

Appointment of the Chairman of the Judiciary Committee of the Assembly and Senate as members of the council is provided as a means of securing or opposing legislation dealing with our courts, officers and procedure. Politics should be kept out of our courts and Judicial Council, and, upon recommendation of the judiciary, the people should decide what changes, if any, are needed in order to improve the efficiency of administration of our courts and justice.

This measure will result in increased taxes as the expenses of any additional members must be defrayed by the taxpayers. Not only will the purpose of the Judicial Council, as now established, be defeated by the reduction of the membership on the council from trial courts of limited jurisdiction, and increased membership from the Supreme Court, but this measure will prevent Judges themselves from curing the lack of cooperation and coordination, now existing, as well as improving cumbersome procedure, which sometimes impairs efficiency and prompt administration of justice.

Moreover, in authorizing the adoption of rules of conduct by the new Judicial Council, this measure exceeds constitutional limitations, inasmuch as such rules cannot be enforced in connection with our courts because the council can exercise no jurisdiction over the act or conduct of a judge within his own courtroom.

If the assistance of laymen and our Legislature is necessary in order to assist the Judicial Council in carrying out its duties, advisory groups can be established for this purpose and findings or recommendations can be made available to the Judicial Council. However, voters should not countenance turning over the control of our courts to any group of laymen, lawyers, the Legislature, or to politicians, as will be possible if this measure is approved. Keep politics out of our courts and vote “NO” on this measure.

Respectfully submitted,

ROBERT H. FOUGE,
Attorney at Law,
President, Young Voters League of California.
RETIREMENT OF JUDGES. Assembly Constitutional Amendment 1. Adds section 27 to Article VI of Constitution. Declares every retired justice or judge shall continue to be a judicial officer but shall exercise judicial functions only under assignment by chairman of judicial council and shall receive therefor only such compensation as Legislature may provide. Ratifies chapters seven hundred seventy and seven hundred seventy-one of Statutes 1937, but declares Legislature may amend, repeal and supplement same.

(For full text of measure, see page 40, Part II)

Argument in Favor of Assembly Constitutional Amendment No. 1

Prior to 1934, one of the chief obstacles to the proper administration of justice in California was the fact that judicial offices were prizes of the political arena. To rectify that situation the people at the general election in 1934 gave their overwhelming approval to the addition of section 26 to Article VI of the State Constitution, thereby creating a system for the selection of judicial officers solely on the basis of their intrinsic fitness and qualification for office. In so doing, the people, at the same time indorsed a provision in section 26 directing the Legislature to provide for the retirement of judicial officers with retirement allowance.

Acting pursuant to this order, the Legislature in 1937 established a retirement system for the judges of the Supreme Court, the district courts of appeal, and the superior courts by enacting Chapters 770 and 771 of the Statutes of 1937, believing in all good faith that it had thereby effectively fulfilled its obligation to the people. But many legal experts have since then cast doubt on this, pointing out that section 6 of Chapter 770, which purports to permit the chairman of the Judicial Council to assign a retired judge, with the latter's consent, to sit in any court as an active judge, may be unconstitutional for either of two reasons: first, because if a retired judge is no longer a judge after his retirement, he can not be assigned to perform judicial duties, for there is no provision in the Constitution for the assignment of judicial duties to any person other than a judge; and, second, because if a retired judge remains a judge after his retirement, an increase in the number of judges in a particular court beyond the limited number specifically mentioned in the Constitution might result.

This amendment will overcome the above legal objection by providing specifically that a retired judge shall continue to be a judicial officer, but shall exercise only those judicial functions assigned to him by the chairman of the Judicial Council. It will, furthermore, ratify and declare completely effective Chapters 770 and 771 of the Statutes of 1937.

The provisions of section 6 of Chapter 770 are considered by many to be not only a necessary part of any well-rounded retirement system for judicial officers, but vital and essential as well to the proper administration of justice. It is a well-known fact that many of the delays in our courts attendant upon the disposition of cases are due to periodic congested calendars or lack of man-power resulting from the temporary disability of judges. This situation could be remedied in large part by permitting constitutionally the assignment of retired judges in the manner provided in section 6 of Chapter 770.

The adoption of this amendment will, in the final analysis, constitute a necessary first step towards securing a judiciary composed of honest, intelligent and fearless individuals, and will for that reason, realize completely the hopes entertained by all of those who so wholeheartedly voted for the adoption of section 26 of Article VI in 1934.

THOMAS J. CUNNINGHAM,
Member of the Assembly,
Fifty-sixth District.

JAMES J. BOYLE,
Member of the Assembly,
Sixty-sixth District.

Argument Against Assembly Constitutional Amendment No. 1

The numerous lawyers in the California Legislature constantly use their political power to gain the "good will" of judges before whom they practice. They engineered Chapters 770 and 771, Statutes of 1937, to retire and pension judges. To assure constitutionality, they then proposed this tricky amendment expecting the people to blindly, "Confirm, Ratify, and Validate" their actions.

The chapters provide:
1. Any judge having served twelve years and being seventy years of age, may retire with an
annual pension equaling one-half of his last year's salary.

2. The State, the counties, and the judges 't contribute to the pension fund.

3. Should any judge die before retirement, all his contributions to the fund shall be returned to his estate.

4. A retired judge, if he consents, may be assigned to duty.

5. All costs of administration shall be paid from the State's general fund.

There is no need for either the law or this validating amendment. Our courts are functioning properly; many competent younger men seek to fill vacancies whenever they occur; and our judges are transferred from court to court as needed. Our courts should always be administered by competent, vigorous men rather than by retired aged ones, as permitted by these measures.

No pension system in this State is so unfair or discriminatory as this political tax grabbing proposal. It does not set up a sound financial system, because each superior judge would pay into the fund $100 annually, but upon retirement, no judge would receive less than $2,000, and many would receive $5,000 or more annually.

It is unjust to start paying extravagant pensions to preferred, influential, political, public officials, before providing fair pensions for needy aged citizens, regardless of political influence and power, because by their efforts they have built America, developed its industry, and advanced civilization. Some legislators who voted to place this unfair, extravagant measure on the ballot, voted against liberalizing our old age pension law which before amendment, practically required a pauper's oath to establish eligibility.

The State collects sales, franchise, income, and other taxes; counties tax homes, farms, and other properties; therefore, this pension system would place a double tax on all property owners, because they pay both State and county taxes.

This proposal would tax all business, all professions, including the teachers, all persons employed in the industries, in transportation, and on our farms. Even the old age pensioners and the unemployed would be taxed to help judges with annual salaries from $3,000 to $12,000 accumulate estates for their heirs.

Chapters 770 and 771 themselves have not even been shown to you. Be not deceived by this misleading amendment, which if adopted would "Confirm, Ratify and Validate" those chapters, thereby making them in effect part of the Constitution. Our Constitution is already overloaded with statutory provisions.

Shall the masses tax themselves to pension the high salaried classes? This dangerous experiment loaded with tax dynamite should be defeated. VOTE NO.

S. L. HEISINGER,
Member of the Assembly,
Farmer, Fresno County.

SAMUEL W. FORTY,
Member of the Assembly,
Manufacturer, Los Angeles County.
Argument in Favor of Senate Constitutional Amendment No. 25

The Constitution of the State now provides that petitions filed with the Secretary of State to be by him submitted to the electors, shall be filed with him at least 60 days before the date of election. Senate Constitutional Amendment No. 25 provides that the petitions shall be filed 130 days before the election, thus giving the Secretary of State and the State Printer 40 days additional time in which to check petitions and to print the pamphlets wherein are contained the propositions and which are circulated among the electors.

The reason for this additional time of 40 days is that since the original figure of 90 days was established, the State has greatly increased in population and voting strength. The Secretary of State experiences great difficulty in checking petitions during that period and the State Printer finds it impossible to print the several million pamphlets in the time allotted. As a consequence, the State Printer has been forced to have a large part of the printing done outside the State Printing Office which entails added expense to the State and shortens the time during which the electors are privileged and expected to study the propositions. The adoption of the amendment will greatly expedite the work of the Secretary of State and the State Printer, will place pamphlets in the hands of electors earlier, will save the State considerable money, and will infringe upon the rights and privileges of no one. The vote on this Amendment should be "YES."

CHARLES H. DEUEL,
Senator, Sixth District.

CULBERT L. OLSON,
Senator, Thirty-eighth District.

Argument Against Senate Constitutional Amendment No. 25

Approval of this amendment will operate to nullify one of the primary purposes sought, when the present section of the State Constitution was adopted by the voters in 1911, as one of a series of needed reforms. In effect, this measure will return to the Legislature, in part, the powers taken away from the Legislature by the people in 1911, as a means of destroying then existing alleged graft in, and control of, the Legislature by alleged monopolies, which powers are now reserved to the voters to propose laws and amendments to the Constitution, and to adopt or reject the same, or any act or part of any act passed by the Legislature, at the polls independent of the Legislature.

Regardless of any claimed need for this amendment, the fact is that its adoption will constitute a backward step and operate to hamstring civic minded groups interested in securing needed reforms through initiative legislation or amendment to the State Constitution, which the Legislature by action or inaction has failed or refused to make available.

Well-financed business or political interests, aided by well paid lobbyists, experience little difficulty in securing from the Legislature any legislation desired; not so civic groups seeking legislation for the good of the public generally.

Ample funds and assistance are not forthcoming, except to aid special interests, to assist in securing needed legislation or amendments to the Constitution. An unjust and undue burden will be placed upon civic groups that will operate to prevent the submission of "good" legislation, yet will help increase class or special legislation and racket measures, in certain years when the time to prepare, circulate and qualify needed legislation, after action or inaction by the legislative is reduced by longer sessions of the Legislature.

Voters must retain their present right to secure promptly "emergency" or other desirable legislation, and not be required to wait two years longer for another general election, in order to secure needed reforms, which may occur if this measure is approved.

Under the present law, voters have forty days more in which to qualify a measure or to secure court action that and qualify later.
which is little enough time under the circumstances.

Remember, voters initiate but few new measures under the rights reserved to them now, as at least 5 of the 25 measures on this ballot were initiated by them; 20 measures having been presented through action of your Legislature.

Help civic groups secure needed reform legislation and prevent the increase of more "pocket" measures initiated by scheming, selfish, and greedy individuals and politicians by voting "NO" on this measure.

Respectfully submitted,

ROBERT H. FOULKE,
Attorney at Law,
President, Young Voters League of California.

STATE MONEY. Senate Constitutional Amendment No. 31. Adds Section 29 to Article IV of Constitution. Authorizes Legislature to provide that State money in control of any State agency or department or collected by State authority, except money in control of or collected by Regents of University of California, shall be held in trust by State Treasurer prior to deposit in State Treasury by State agency or department. Permits State Treasurer to disburse such trust money upon order of State agency or department as permitted by law, and deposit same in banks to same extent as money in State Treasury.

18

YES

NO

(For full text of measure, see page 42, Part II)

Argument in Favor of Senate Constitutional Amendment No. 31

This proposed constitutional amendment is technical in nature and relates to the custody of moneys collected by State agencies. It will give the Legislature authority to prescribe a proper and adequate method for protecting money belonging to the State.

Senate Bill No. 1154, Chapter 900, Statutes of 1937, has already been enacted by the Legislature to become effective upon the adoption of Senate Constitutional Amendment No. 31 to provide for the establishment of State agency accounts in the State Treasury to make effective a system similar to that used by the Federal Government whereby all State moneys shall be accounted for to the State Treasurer and thereafter deposited with various banks in the State in interest bearing accounts.

The adoption of this fiscal procedure will provide better protection for State finances and will establish an improved and tested method of accounting and financial procedure.

As is made clear, if Senate Constitutional Amendment No. 31 is adopted by the people at the November election in 1938, the measure passed by the 1937 Legislature and which will become effective with the passage of Senate Constitutional Amendment No. 31, will mean a saving to the State of between $150,000 and $200,000 a year in interest, according to the estimate made by the State Department of Finance.

In August, 1937, under the new Federal Reserve Act, banks in the Federal Reserve System were prohibited from paying interest on public funds deposited in active bank accounts. The average daily balance of the various State agencies in private banks is approximately $8,000,000. If this money were in the State Treasury it could be deposited by the State Treasurer in inactive bank accounts upon which banks may pay interest to the State. As a result, the immense sum gained from interest, amounting to between $150,000 and $200,000 a year, would be realized by the State.

Vote "YES" on Senate Constitutional Amendment No. 31.

FRANK L. GORDON,
Senator, Eleventh District.

HERBERT W. SLATER,
Senator, Twelfth District.

Argument Against Senate Constitutional Amendment No. 31

One of the main objections to this proposed amendment is the possibility of eliminating safeguards which have previously been in effect regarding funds in the possession of the State treasury. In the effort being made by various State agencies to continue the control of their funds, Federal regulations presently preventing ordinary deposits in banks, we are, perhaps, opening the door to the establishment in the State treasury of free funds which should be definitely protected by the scrutiny of the Controller. Too many independent agencies exercise control at present; it would be unfortunate if this control were extended.

Another objection is possible ambiguity in meaning. The phrase "in the manner permitted by law" may be interpreted to mean either the manner provided in the present laws or in some law to be passed by the Legislature as provided in the opening sentence of the amendment. If the latter were the case, it is easy to conceive of all funds being held by the State Treasurer in trust and being disbursed without any possibility of effective control.

HARRY GEBALE
LENDING OR GIFT OF PUBLIC MONEY. Senate Constitutional Amendment No. 32. Amends section 31 of Article IV of Constitution. Provides that nothing in Constitution shall prohibit distribution of any surplus in the veterans' farm and home building fund arising out of the operation of the Veterans' Farm and Home Purchase Act of 1921, by refunds, or credits on account, or otherwise, to veterans who served in United States military or naval service during time of war and who are or have been purchasers under act, and whose payments thereunder have contributed to such surplus. Prescribes ratio for said distribution.

(For full text of measure, see page 42, Part II)

Argument in Favor of Senate Constitutional Amendment No. 32

The Veterans' Welfare Act was adopted by the people at the General Election in 1922, providing a plan to aid veterans in the purchase of homes and farms on long term contracts.

Some eighteen thousand veterans have purchased farms or homes under this most beneficial legislation. As property owners, these veterans have become fine, stabilized citizens.

If a cash bonus had been paid to California World War veterans, as was done by many states for their veterans, it would have cost the taxpayers of the State of California probably $75,000,000 or more.

This farm and home purchase program of assistance to veterans has not cost the taxpayers of the State of California one cent, the entire cost of administering the act being covered by an administration charge paid by the veterans.

The actual administration cost has been considerably less than that originally estimated. The board has, through careful foresight and efficient management, succeeded in securing funds by timely sales of bonds at interest rates lower than those charged the veterans, and by obtaining substantial premiums from bond buyers. These factors, in addition to the saving in administrative costs, contribute to a probable ultimate surplus.

When the people of the State of California approved this most beneficial veterans' legislation, they, we feel, did not intend to make a profit out of the veterans of this State.

The act was simply and purely beneficial legislation to assist veterans in becoming home and farm owners and to do so at the least possible cost to them, in gratitude for their service to the country in time of war.

If the cost of the administration of the act has been less than paid by the veterans, and if the cost of securing the money to purchase the property has been considerably less than the five per cent interest paid by the veterans, then any surplus accruing in the Veterans' Welfare Board funds should accrue to the benefit of the veteran home or farm purchasers.

This constitutional amendment simply authorizes the refunding of any surplus which may accrue to the veteran purchasers at any time and in any manner at the discretion of the Veterans' Welfare Board and the Veterans' Welfare Finance Committee.

VOTE "YES."

ROY J. NIELSEN,
Senator, Nineteenth District.

W. P. RICH,
Senator, Tenth District.

Argument Against Senate Constitutional Amendment No. 32

Why give one veteran an advantage and benefit not given to another veteran under similar circumstances; or penalize one veteran at the expense of another; as will be permitted if this measure is approved by the voters?

In November, 1922, a ten million dollar State bond issue, authorized by the Legislature for the purpose of aiding those veterans who served in the military or naval service of the United States during time of war was approved and the constitutional prohibition against the use of State money or credit was removed in this connection by amendment to the Constitution to provide veterans with the opportunity to acquire farms and homes.

Pursuant to this authority, the Legislature passed the "Veterans Farm and Home Purchase Act"; and the board created thereunder has since borrowed money and loaned money to veterans at low rates of interest, made possible by large borrowings, exemption from taxation of all property owned by the board being purchased by veterans, rent free quarters in State buildings, and small overhead expenses.

While intended for the benefit of all veterans, those veterans who have taken advantage
of the privilege of this law have not only secured the full benefits intended thereunder them but have received, in addition, other benefits in the form of even lower interest rates than contemplated, and the application of a $1,000 veterans annual tax exemption against their interest in property purchased.

In order to make these benefits available to veterans, taxpayers have had to pay additional thousands of dollars in taxes to offset such personal and property tax exemptions and the removal from tax rolls of this tax exempt property.

Consequently, a surplus of some $3,335,000 has been accumulated which under this measure can be returned immediately only to veterans who have contracted to buy homes in proportion to the amount paid in under contracts. Distribution of the surplus now will force unjustly other veterans to pay higher interest rates and charges to offset losses sustained by the board through sale or depreciation of foreclosed property, or due to inflation and increased costs.

This measure will produce endless litigation and confusion. Distribution of the surplus must be made in proportion to the amount paid in by each veteran, which is impossible as to dead or missing veterans. Consequently, unnecessary and endless litigation by heirs or speculators purchasing “interests” will require another amendment to avoid further confusion.

Inasmuch as there is no intention to distribute this fund until February 1, 1956, there is ample time to submit another measure, free of the admitted defects of this measure, that will not impose a hardship on one veteran for another’s benefit, or an added tax burden to liquidate any remaining indebtedness, which can be avoided by retaining the present surplus as a reserve against emergencies or contingencies until the act has served its intended purpose, at which time any remaining funds could be distributed pro rata to veterans applying within a stated time limit.

Respectfully submitted.

ROBERT H. FOKE,
Attorney at Law,
President, Young Voters League of California.
TAXATION. Initiative Constitutional Amendment. Repeals limitation on ad valorem property taxes for State appropriations. Prohibits increasing present assessed valuation of improvements and tangible personal property; annually reduces tax rate three percent and exempts same from taxation in nine years, except for regulations; existing tax rate limitations becoming inoperative proportionately if necessary to offset such reductions. Exempts from taxation $1000.00 of assessed improvements on land occupied by owner as home. Limits tax moratoriums to improved property in one parcel and ownership having assessed valuation not exceeding $5000.00. Repeals specified Sales, Use and Private Car Taxes.

YES

NO

(For full text of measure, see page 44, Part II)

Argument in Favor of Initiative Proposition No. 20

This amendment repeals retail sales taxes. Political juggling, not your direct vote, gave California sales taxes. Oregon's 3% sales taxes leave enough to one. By fair means and foul, sales tax advocates tried to prevent your voting on this amendment. They have falsely said sales tax repeal will injure schools. Schools prospered eighty years without sales taxes. This amendment reaffirms schools have first claim on State revenue and provides adequate and more satisfactory revenue to replace unjust sales taxes. Owner-occupied houses assessed up to $1,000 are made tax exempt immediately. All taxes are gradually abolished on improvements (houses, buildings, orchards, fertilization, etc.) and tangible personal property (autos, machinery, stocks in trade, etc.) within nine years. Directly, or indirectly as hidden taxes, CONSUMERS pay these to-day.

The amendment continues or permits income, inheritance, gasoline, severance, corporation and other taxes and is not therefore “single” tax.

Thousands have lost homes and farms to money lenders because present inequitable tax laws caused booms and depressions, false speculative values, and inflated mortgages with harsh interest demands. Propaganda that this measure will cause the loss of homes and farms is absurd. Just how does repealing sales taxes hurt home and farm owning?

Sales taxes take about $15 apiece, or $90 a family annually. When YOU abolish sales taxes, also taxes on homes, autos, and many hidden consumption taxes, you will have more money for a home or other needs. Figure your tax payments, including sales taxes.

Sure this amendment makes more taxes fall on publicly-created land values.

Land is a gift without cost to humanity. “The profit of the earth is for all.” (Ecclesiastes 5:3.) However most people are disinherited. They pay tribute to live on earth. Small holders have hard-work farm land, or homes where improvements soon exempted from taxation are worth far beyond land value. Highest land values are found in downtown retail and industrial districts; in oil, mineral, and other natural resource areas. These VALUES are today monopolized by great corporations, estates and a few rich individuals who will pay more taxes. Small land holders and non land holders will pay less.

The fact that land value taxes, as all economists agree, cannot be shifted in higher prices or rents to consumers and renters EXPLAINS WHY vast sums are spent by land value monopolists to fool voters. This is your best guarantee that this amendment will benefit the common people.

Population makes land values and ALSC need for government. Hence none escape CO. TRIBUTING to the money finally collected by land value taxation.

Applications of land value taxation in Australia, Denmark, Canada and in other democratic nations prove its benefits.

Stop penalizing industrious land improvers to profit land hoarding speculators who restrict work, home and farm owning. Stimulate construction, Government slum-clearing and housing projects by not taxing material and improvements, and by lowering land prices. Revive industry and employment! Attract industry to California! Expand farmer's markets! End pick-pocket sales taxes!

Vote "YES" on No. 20!

JACKSON II. RALSTON.

HARRY FERRELL.

NOAH D. ALPER.

Argument Against Initiative Proposition No. 20

This “Single Tax” initiative measure would require nearly all revenues of the State, the counties and the cities to be raised by taxes on land alone.

Other forms of property eventually would be relieved from all taxation. Office buildings.
tories, hotels, as well as residential buildings, would not be taxed. About 90 per cent of the property of public utility corporations would be exempt from taxation.

One half of the tax sources for the support of local governments would be wiped out. In some districts 80 per cent or more of the property now taxed would be exempt. Owners of personal property, however valuable or profitable, would be relieved from all property taxes.

Not only this, but the measure also repeals the State taxes which are used chiefly to support the schools, to pay old age pensions, and to provide relief. $100,000,000 of State revenues now used chiefly for such purposes would be cut off.

The "Single Tax" on land is proposed to take the place of these existing taxes.

That such a proposal is fantastic is demonstrated by the fact that in recent years hundreds of thousands of parcels of land have been sold to the State because the owners could not pay their taxes. This measure would at the very least treble taxes on land. In some localities the tax levy on land would be increased 900 to 500 per cent.

There will be wholesale delinquencies and tax strikes. Larger and larger levies will be necessary, ruinous to those who continue to pay.

With the inevitable collapse of State and local tax-raising machinery it will be impossible to raise funds for the public schools, for police and fire protection, for aids to the needy aged, for unemployment relief.

California's retail sales tax now helps support the State's schools and provide funds for social welfare needs. In many states that depend entirely upon a property tax, schools have closed and needy people have gone hungry.

As land values are destroyed economic disaster will move in a widening circle to affect everyone in California, no matter where he lives or what he does. No one will be able to escape.

Today privately owned land is the primary security back of loans made by savings banks and insurance companies. If land values are destroyed savings accounts and life insurance policies are jeopardized.

It is the small business man, the farmer, the owners of old buildings, and those without capital to put into new and expensive improvements who will be the first to be squeezed out and lose their holdings.

Nearly every permanent and responsible civic, welfare, public official, school, business, farm, and citizen organization in California, many of which ordinarily take no position on tax questions, have joined in warning the voters that this ill-considered proposal does jeopardize the entire tax-raising machinery of government, and the public welfare.

MRS. JAMES K. LYTLE,
President, California Congress of Parents and Teachers.

FRANK Y. McLAUGHLIN,
585 Bush Street.

VINCENT D. KENNEDY,
Managing Director, California Retailers Association.

[Thirty-six]
CHURCH, ORPHANAGE, AND COLLEGE TAX EXEMPTIONS. Senate Constitutional Amendment No. 24. Amends Constitution, Article XIII, sections 1a, 11 and 11a. Extends exemption from taxation of buildings used solely and exclusively for religious worship to include all furnishings and other personal property therein; and of buildings occupied by institutions sheltering more than twenty orphans or half-orphans, receiving State aid, to include all personal property used in connection with such institutions. Denies exemptions to church property, to such orphan institutions, and to educational institutions of collegiate grade, unless those claiming exemption comply with prescribed statutory procedure.

YES

NO

(For full text of measure, see page 46, Part I)

Argument in Favor of Senate Constitutional Amendment No. 24

This amendment would clarify the law allowing the exemption from taxation of certain property of colleges, orphanages and churches, by requiring that all of those institutions claiming exemption from taxation under the existing provisions of the Constitution must comply with the statutory procedure prescribed with respect thereto in order to obtain their exemptions. The codes already provide for the procedure to be followed by claimants of exemptions under those provisions of the Constitution, but the district court of appeal recently held that because of the fact that this procedure is not prescribed by the Constitution itself, it need not be followed. Up to this time it has been the universal practice for all such claimants to follow the procedure prescribed; that is, to file with the county assessor affidavits and returns upon proper forms prescribed by the Board of Equalization; but since the decision mentioned, the door is now wide open for those claiming such exemptions to refuse to follow the requirements of the codes. It being absolutely necessary that we have some orderly method for the claiming of these exemptions, it is desirable to amend the Constitution, so that it may, in effect, “catch up” with and ratify the laws already passed upon the subject, thus restoring order to this phase of tax collection.

In addition to the primary purpose of the amendment, it also provides for the exemption of furnishings and personal property used in connection with orphanages and churches. This is also merely a clarifying provision because of the fact that under the present constitutional exemption of churches and orphanages the personal property is never assessed but is considered as being exempted along with the real estate.

THOMAS F. KEATING,
Senator, Thirteenth District.

Argument Against Senate Constitutional Amendment No. 24

No further tax exemptions should be permitted or allowed. Adequate tax exemptions are already permitted the institutions to whom this measure seeks to give further tax exemptions.

Any further tax exemption will establish a dangerous precedent that will likely lead to other claims for tax exemptions from other individuals, groups and organizations, similarly situated or equally deserving. Consequently, taxpayers should not be required to bear any additional tax burden, removed from a privileged class and placed upon them.

While it is true that our tax officials, whose duty it was to collect the tax upon the furnishings and other personal property of the institutions named in this measure, have failed in their duty by neglecting to collect these taxes that were legally due our local and State governments, and as a result other taxpayers were required to pay a larger tax, yet, such breach of duty does not excuse or justify the submission of this measure to the people to approve and ratify the failure of such tax officials to uphold the law and faithfully to discharge their sworn duty in this respect. Nor does such fact justify further tax exemptions, as will be authorized if this measure is approved.

Moreover, the decision of the California District Court of Appeals does not require the enactment of this amendment to our State Constitution, as has been claimed by proponents of this measure. That decision merely held the State Legislature had no power to require, as it had therefore done, institutions to file a claim for tax exemption in those cases where the Constitution gave or permitted tax exemptions to such institutions.

We do not require claims for tax exemption to be filed or made if we are not subject to an income tax, sales, use, or many other kinds of taxes, unless, of course, a tax is due until
we claim an exemption extended, so why require institutions to file a claim for exemption from when the State Constitution already provides, in such cases, that they are and shall be exempt from the payment of the tax?

Requiring, unnecessarily, the filing of claims for tax exemption will lead to duplication of existing records and added expense, which must be borne by the other taxpayers.

Further, requiring institutions to file claims for exemption will result in much confusion and inequality. Many institutions, due to failure to comply with red tape requirements, or through oversight, will be denied tax exemptions extended to other institutions similarly situated.

Prevent further tax exemptions, and avoid unfairness and inequality in tax exemptions between institutions. Vote "NO" on this measure.

Respectfully submitted.

ERIC LYDERS,
Attorney,
200 Bush Street,
San Francisco, California.
| CITY Charters. Assembly Constitutional Amendment 59. Amends section 8 of Article XI of Constitution. Permits filing petitions for charter amendments at any time. Provides that amendments to charter shall be submitted by the legislative body of the city or city and county to the electors at the time of the holding of the next regular municipal election held not less than 60 days from the date of filing of the petition, or at any special election called for that purpose prior to the next regular municipal election. Provides qualified electors are those whose names appear upon current registration records. |
|---|---|
| YES | NO |

(For full text of measure, see page 47, Part II)

**Argument in Favor of Assembly Constitutional Amendment No. 59**

The purpose of this amendment is to clarify the provisions of the Constitution relating to charters of cities and cities and counties. No fundamental changes are proposed. This amendment seeks only to eliminate certain inconsistencies and to simplify procedure.

The section amended has heretofore been amended on numerous occasions, and by amending it in one place and not in others certain inconsistencies have developed. While the general purport of the section is apparent, there are several points which should be clarified.

It is plain to be seen that the basic constitutional provision upon which local charters rest should be as clear as possible. Innumerable private and public rights depend upon charter provisions. The procedure for the adoption of such provisions should not be subject to technical objections which might invalidate them.

No one can possibly object to the adoption of this amendment and no possible harm can be done by adopting it.

The proposed changes are as follows:

1. The present section requires the filing of an initiative petition to amend a charter not less than sixty days prior to the general election next preceding a regular session of the Legislature. This provision serves no purpose as it is not required that charter amendments be voted on only at the regular state-wide November election. The amendment provides that an election upon such petition may be at any regular municipal election or any special election called for the purpose. This eliminates any argument that such election must be held at the general November election and expressly provides for holding such elections with other local elections. Since charter amendments are purely local affairs it is only reasonable that they should be voted on at the same time as other local questions. This permits the voter to decide upon such questions without being distracted by State or national issues.

2. The present section requires initiative petitions to be filed with the legislative body of the city or city and county. This may be construed to mean that it is necessary to file such petition with the body while it is in session. This is a useless formality and the amendment provides for filing with the clerk of such body. This will simplify procedure.

3. The present section provides that the percentage of electors shall be determined upon the basis of registration for the same or preceding year. This provision is inconsistent with our present system of permanent registration. The amendment changes this to refer to current registration thus eliminating any question as to the basis upon which the percentage shall be calculated.

**Harrison W. Call**,  
Member of the Assembly,  
Twenty-ninth District.

**Charles A. Hunt**,  
Member of the Assembly,  
Forty-fifth District.

**Argument Against Assembly Constitutional Amendment No. 59**

1. This measure would be a big step in local government away from democracy because, practically speaking, it would permit vital changes in government to be made by well organized, selfishly interested minority groups.

Generally speaking, county government is one of our least efficient areas at present. Well drawn charters increase the efficiency of city and county governments and help destroy the
old political “gangs” who, in many cases, control these units of government. These political “gangs” are constantly attempting to overthrow good government under charter rule and this measure would greatly aid their cause.

It is an historical fact that very few voters go to the polls at special elections. Consequently, small minority groups such as local political “cliques” can often control special elections. In this way such “cliques” would be able to change and ultimately destroy good local charters if this measure succeeds.

(2) Charter changes can now be made at regular elections in orderly fashion. There is no excuse for adding to the present method.

(3) There is no necessity for charter changes at special elections because charters are granted by the State Legislature and any changes must be ratified by the State Legislature. There is always a general election preceding the regular meeting of the Legislature and since charter changes can be made at such regular elections, there is no advantage in holding expensive special elections for this purpose, for any changes can not be effective until approved by the Legislature anyway.

Let us keep city and county charters in the hands of the majority of the voters and not turn them over to small selfish political groups.

PHILIP N. McCOMBS.
LEGISLATIVE HELP. Assembly Constitutional Amendment No. 51. Amends section 23a of Article IV of Constitution, providing for legislative help; provides that total expense for officers, employees and attaches, for both houses, at any regular or extraordinary session, shall not exceed a total sum equivalent to ten dollars per day per member, to be apportioned between the two houses as Legislature shall provide.

YES

NO

(For full text of measure, see page 49, Part II)

Argument in Favor of Assembly Constitutional Amendment No. 51

Assembly Constitutional Amendment No. 51 provides a limited and reasonable sum for legislative help which experience has shown is necessary.

It provides the first increase since 1924. The more than two million increase in population in the State of California since 1924 has greatly increased the clerical detail work performed by the employees of the Legislature. They have been obliged to work long hours overtime without pay. Other departments of the State government have been called upon to perform clerical work which should be done by the legislative staff. This practice has had a tendency to detract from the independence which the legislative department should have under our system of government.

Assembly Constitutional Amendment No. 51 which is now presented to the electors of California for their approval will not entail any added cost to the people of the State of California for the reason that during the last few sessions it has been necessary to have other help from other governmental agencies do the work in the Assembly and Senate, which entailed a cost to the State governmental agencies, by reason of the Assembly and Senate being unable with their funds to operate both branches of our legislative government and to give the service required by the people of the State of California. It is necessary that this amendment pass, so that the Legislature will be able to carry on its own functions without having other departments carry on part of the legislative expense by permitting their employees to do legislative work. This measure was passed by both Senate and Assembly with almost unanimous vote.

It is a very necessary improvement and should receive a "Yes" vote.

Respectfully,

ERNEST O. VOIGT,
Member of the Assembly,
Sixty-first District,
Chairman Committee on
Attaches

WM R. HORNBLOWER,
Member of the Assembly,
Twenty-third District

Argument Against Assembly Constitutional Amendment No. 51

The purpose of this proposed constitutional amendment is to double the amount which the Legislature may spend for officers, employees and attaches. At the present time the Constitution limits the amount which each house of the Legislature may spend for officers, employees and attaches to $300 a day for each day the Legislature is meeting in regular session, or a total of $600 a day for both houses. This proposed amendment will allow the Legislature to spend a total of $1,200 a day and to apportion that sum between the two houses in such manner as the Legislature itself shall provide.

The Legislature needs and should be allowed sufficient money to permit it to employ necessary officers, employees, and attaches. However, past experience has demonstrated that the present constitutional allowance is more than adequate for all legislative needs if well trained and qualified persons are employed.

As a practical matter the officers, employees and attaches of the Legislature are employed without regard to our civil service laws and the spoils system governs their appointment and tenure in office. If the present legislative allowance for this purpose is increased it will encourage the employment of unnecessary personnel and the extension of political patronage without any real benefit to the State.

If you are interested in maintaining efficient and economical government and desire to keep governmental expenditures at a minimum, you are respectfully requested to vote "No" on this measure.

THOMAS J. CUNNINGHAM,
Member of the Assembly,
Fifty-sixth District.

HUGH P. DONELLY,
Member of the Assembly,
Thirty-second District.
LEASING STATE-OWNED TIDELANDS FOR OIL DRILLING. Referendum of act of Legislature (Chapter 822, Statutes 1927). Act provides competitive bidding for leases to eleven parcels of State-owned tide and overflowed lands at Huntington Beach for oil drilling: prohibiting acceptance of any bid unless same provides for royalty to State of over 30% of production when average daily production for thirty consecutive days exceeds 200 barrels; over 40% when same exceeds 1,000, and over 50% when same exceeds 2,000 barrels, and for drilling minimum of five wells per parcel.

(For full text of measure, see page 43, Part II)

Argument Against Leasing State-Owned Tidelands for Oil Drilling Referendum Measure (Submitted by Proponents of the Measure)

Assembly Bill 2900 (now Proposition No. 24 on the ballot) was a measure passed by the Legislature during the 1927 session and signed by the Governor on the 1st day of July, 1927, for the protection of the State's interest in the State oil pool at Huntington Beach. Thereafter, a petition calling for the referendum was filed with the Secretary of State.

This measure, known as the O'Donnell Oil Bill, was an amendment to Chapter 301 of the Statutes of 1921. During the special session of the Legislature in 1928, the Legislature enacted what is known as the Robertson Oil Bill which repealed Chapter 301 of the Statutes of 1921. If this measure were now upheld, and the referendum defeated, such would be an idle act, as the Robertson Oil Law has been repealed, and the courts have held that you can not amend a statute which has been repealed.

A “NO” vote is therefore requested on Proposition No. 24.

JOHN H. O’DONNELL, Member of the Assembly, Third District.

Argument Against Leasing State-Owned Tidelands for Oil Drilling Referendum Measure

This, like Proposition Number 10, is another attempt to establish tideland drilling in California. The voters have overwhelmingly rejected five previous attempts of the kind, and must continue to protect our beaches by voting “NO” on Proposition 24.

Tideland drilling turns a beach into a wasteland. Tideland wells diffuse oil that mixes with salt water to form a tarry black substance, polluting the water and the adjacent sands. At the same time, the oil kills off fish within a radius of several miles of the shore. Tideland drilling would therefore render useless the beaches for bathing and fishing. By so doing, it would rob us of one of the major attractions to our second largest industry, which is the tourist industry. The danger thus becomes state-wide.

Authorizing tideland wells at Huntington Beach, as provided by Proposition 24, would set a precedent for authorizing wells in other tideland pools, and these pools are indicated along the entire California coast. Proposition 24 threatens to spread a black smear of tar the length of the California shore.

No amount of revenue could compensate citizens for such destruction. What makes Proposition 21 doubly obnoxious is that it would ruin one of California’s major resources for the sake of revenues that already, under existing legislation, are available without damage to the beaches. The present law, while prohibiting tideland drilling, allows the State to lease the pools for slant drilling from littoral lands. Slant drilling causes no pollution of water or sand, but still enables the State to collect revenue from its pools.

In short, Proposition 24 asks the voters to authorize the needless destruction of their recreational and business interests. It should meet the fate of the five previous attempts to ridle the tidelands with oil wells; it should draw a “NO” vote.

JAMES S. PARQUIN, Editor, Huntington Beach News.
W. W. CROSBY, President, San Diego County State Parks and Beaches Association.

Argument Against Leasing State-Owned Tidelands for Oil Drilling Referendum Measure

Voters of California are urged to vote “NO” on Proposition 24.

By establishing tideland drilling, this measure threatens our California beaches—the playground of a nation—with oil pollution that will destroy their recreational uses and values. By
reason of climatic conditions, comparatively few American beaches are available for recreation throughout the year. Notable among these few are the California beaches.

Voters of California must be ever watchful to protect our beaches against sources of pollution, especially from oil, the most menacing, far-reaching, and destructive source of all. To permit drilling for oil in submerged areas means oil pollution of beaches far and wide.

The anticipated royalties would be a terrible price to pay for the loss of recreational use of our beaches, especially since there is no guarantee that these royalties will be large. By tideland drilling, submerged pools are rapidly drained, tending to be a source of revenue but leaving behind them a ruined coast line.

On the other hand, undeveloped beaches are real, a perpetual and an increasing asset to our State. They should be defended against tideland drilling by a "NO" vote on Proposition 24.

GILES B. JOHNSON,
President, San Mateo County Federation of Improvement Clubs and Associations.
RETIREMENT LIFE PAYMENTS.  Initiative Constitutional Amendment.
Provides for State Retirement Life Payments Administrator, appointed by Governor from three named persons, appointee serving until successor elected in 1940 for four years. Requires State issue retirement compensation warrants, and redemption stamps to be affixed thereon weekly to redeem warrants annually. Requires weekly issuance of at least thirty $1.00 warrants during his life to each qualified California elector fifty years of age not employer nor employed, redeemable in cash by Administrator and receivable in payment of taxes and certain other obligations due to or from State or political subdivisions.

25

YES

NO

(For full text of measure, see page 56, Part II)

Argument in Favor of Initiative Proposition No. 25

RETIREMENT LIFE PAYMENTS

Two Per Cent Maximum—Probably Much Less—for New Business

In response to common knowledge that "something must be done"—to check the rise of national debt, to promote abundant production, to assure mass purchasing power equal to mass productive capacity, to solve unemployment, to end the need of doles, to care for senior citizens—Retirement Life Payments is proposed to California as a state constitutional amendment.

This amendment provides a new form of redemption known as "California Retirement Compensation Warrants" issued in one-dollar denominations.

The "warrants" are one-year promissory notes, self-redeemable at maturity in United States money.

Redemption fund is provided by weekly payments by users of warrants at two cents per dollar per week. They will create new business at a maximum cost of two per cent, but because the turnover may exceed once each week, this cost would reduce proportionately.

What are costs paid for new business? Let each merchant put that question and answer honestly. The "warrant plan" means more to business men than to individual recipients.

No Undesirable Inflation of Prices

Since real wealth will be approximately doubled by the warrant system, inflation in prices will not occur. Inflation is purchasing power in excess of production of goods.

Total issue of "warrants" is (estimated) at one billion dollars or less, and wealth production through their use at four billion dollars. Safety valve against undesirable inflation is supplied by continual warrant redemption. Failure to retire credits is the greatest weakness of our credit economy.

"Warrants" will be evenly distributed to five thousand people weekly. They will increase business for every merchant who cooperates in the plan. It contemplates the widest spread buying ever seen.

It Involves No Tax

It involves no tax or cost to taxpayers now or later. The two-cent stamp attached weekly is a simple method disposing of each warrant by retirement in the same manner an automobile or a home is paid for in weekly or monthly payments. Automobiles are used before fully paid for—they move, circulate—and will retirement compensation warrants move and circulate.

Thus, consumer's goods are delivered to new buying power and new income is delivered to the merchant and the producer. Compare two-cent weekly redemption requirement with the present three per cent sales tax. Two persons—a clothier and a druggist—exchange a single silver dollar back and forth, once each day, one buys a dollar's worth of goods from the other each day for the 315 business days of the year. They transact a volume of business totaling $313.00. In the end, one of them possesses the original dollar with which they started. If $313.00 of business be done with a one-dollar "warrant," it is redeemed with a United States dollar and merchants are in the same position as if they had used the silver dollar instead of the warrant, except: the use of the warrant will require an expense of four cents, but will save 313 times three cents sales tax or a total of $9.39. Retirement "warrants" are sales tax exempt. Moreover, warrant business will be state income tax exempt.

PETITION CAMPAIGN COMMITTEE

Thirty Dollars a Week for Life pension.

WILLIS ALLEN,
Campaign Director.

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Engineer-Economist.

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Chief Counsel.

[Forty-seven]
Argument Against Initiative Proposition No. 25

This constitutional amendment pretends to provide thirty dollars per week for qualified individuals. It makes no such provision. At most, beneficiaries of its terms would receive warrants of an arbitrarily designated amount, but subject to an obligation for redemption in excess of the face amount of the warrants. Except for use in payment of obligations to the State or its agencies, the warrants would be liabilities instead of assets.

The warrants would be distributed to the rich and poor alike. At least half of those qualified to receive these warrants are financially well situated. Any value which the warrants might represent would result from a corresponding burden on our economic resources. Values can not be created out of thin air. The ability of our economic resources to provide values for distribution to citizens should be protected for the benefit of needy and deserving citizens, and not squandered by distributing such values indiscriminately to the wealthy as well as to the poor.

These warrants could not circulate in private business transactions. There are at least five hundred thousand individuals who would qualify to receive warrants. This would result after one year in seven hundred eighty million dollars of warrants being constantly outstanding. If the warrants were to be usable it would be necessary for this amount to change hands each week. This would require transactions of over forty billion dollars per year. The total income of the people of the United States is only eighty billion dollars per year. Business transactions in this State could not, under any conditions, provide a volume sufficient to support in circulation even a small fraction of the warrants which would be issued. Inability of the warrants to circulate would destroy their value except for public payments, since no one could afford to hold them. The stamp charges (2 per cent a week) would be prohibitive.

California's workers, farmers and business men, could not, in any event, afford to pay theurious rate of 2 per cent a week for a medium of exchange, especially when the Federal government provides money without any stamp charges.

These warrants would have a slight value because made acceptable at face value in payment of obligations to the State and its agencies. They would be bought at a trivial price for such use. At the end of a year our public treasuries would be filled with them. Our State and local governments, our schools, our publicly owned utilities, water and power departments, irrigation districts and other public enterprises would be bankrupt. The State would have no money with which to administer social security or provide relief for the needy or pensions for the aged.

A few people (less than 15 per cent of our population, and many of them well to do) would have received for a brief period paltry benefits, possibly ten cents on the dollar, which the State would have paid for, dollar for dollar, by accepting the warrants at face value in payment of taxes and other obligations.

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