ACTS
Memorials and Resolutions

of the

REGULAR SESSION
Fourteenth Legislature

of the

STATE OF ARIZONA
1939

Regular Session Convened January 9, 1939

Regular Session Adjourned Sine Die March 13, 1939

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Regular Session

14th Legislature

NOTICE:—There are a few misspellings, other errors and punctuation mistakes in the body of this volume, which originated in the original engrossed copies, and had to be duplicated herein, so as to conform to such original copies.

AUTHENTICATION

STATE OF ARIZONA
Office of the Secretary of State } ss.

THIS IS TO CERTIFY—That the Acts, Memorials and Resolutions published in this volume, are full, true and correct copies of the originals, passed at the Regular Session of the 14th Legislature of the State of Arizona, as they appear on file in the Office of the Secretary of State of Arizona.

That the Regular Session of the 14th Legislature of the State of Arizona was convened at the Capitol, in the City of Phoenix, January 9, 1939, and adjourned sine die on the 13th day of March, 1939.

That the Acts, Memorials and Resolutions passed at said Session were officially published on the 12th day of June, 1939.

IN TESTIMONY WHEREOF, I have hereunto set my hand as Secretary and affixed the Great Seal of the State of Arizona, this 12th day of June, 1939.

HARRY M. MOORE (Signature)
Secretary of State.

MEMBERS OF THE SENATE
FOURTEENTH LEGISLATURE
OF ARIZONA

1 9 3 9

COUNTY	NAME AND PARTY	ADDRESS
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Cochise	Dan Angius (D)	P.O. Box 33F, Bisbee
Cochise	H. A. (Pete) Wimberly (D)	1221 11th St., Douglas
Coconino	James E. Babbitt (D)	Flagstaff
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Gila	A. R. Edwards (D)	Miami
Graham	Benjamin Blake (D)	Safford
Greenlee	A. C. Stanton (D)	Clifton
Maricopa	James Minotto (D)	805 Luhrs Tower, Phoenix
Maricopa	Charles M. Menderson (D)	322 W. Holly, Phoenix
Mohave	Robert E. Morrow (D)	Kingman
Navajo	Robert L. Moore (D)	Winslow
Pima	Henry A. Dalton (D)	421 N. Warren, Tucson
Pima	V. Clare Dodd (D)	Rt. 2, Box 629, Tucson
Pinal	William Coxon (D)	Casa Grande
Santa Cruz	E. F. Bohlinger (D)	Patagonia
Yavapai	W. E. Patterson (D)	229 Park, Prescott
Yavapai	Paul C. Keefe (D)	Clarkdale
Yuma	H. H. Baker (D)	Yuma

MEMBERS OF THE HOUSE
14TH STATE LEGISLATURE OF ARIZONA

DISTRICT	NAME AND PARTY	POST OFFICE
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2	Howard McKinney (D)	Warren
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4	Frank W. Sharpe, Jr. (D)	Douglas
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1	James R. Heron (D)	Globe
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	GREENLEE COUNTY	
1	Fred J. Fritz (D)	Clifton
	MARICOPA COUNTY	
1	William E. Stanford 15 North 17th Avenue	Phoenix
2	Walter J. Righetti (D) 910 North 8th Street	Phoenix
3	Charles T. Francis (D) 1245 Diamond Street	Phoenix

4 Cecil A. Bell (D) ---------- Phoenix
1318 West Taylor
5 J. Melvin Goodson (D) ---------- Phoenix
215 North 3rd Avenue
6 Marvin E. Smith (D) ---------- Phoenix
715 North Central
7 Laura McRae (D) ---------- Phoenix
929 East Coronado
8 Jack Cummard (D) ---------- Mesa
9 Raymond Wiggins (D) ---------- Chandler
10 M. E. Curry (D) ---------- Tempe
11 W. R. Palmer (D) ---------- Phoenix
201 North 17th Street
12 O. L. McDaniel (D) ---------- Glendale
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14 R. K. Wood (D) ---------- Tolleson
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16 C. T. Thompson (D) ---------- Phoenix
Route 9, Box 120
17 G. A. Batchelder (D) ---------- Phoenix
4012 Kensington
18 Lorna E. Lockwood (D) ---------- Phoenix
84 West Cypress
19 Kirby L. Vidrine (D) ---------- Phoenix
Route 6

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1 William R. Bourdon (R) ---------- Taylor
2 Oren L. Murray (D) ---------- Winslow
315 West Oak

PIMA COUNTY

1 C. J. (Jimmy) Carreon (D) ---------- Tucson
P. O. Box 666

2 F. K. (Kit) Carson (D) ---------- Tucson
915 North Euclid
3 Robert H. Forbes (D) ---------- Tucson
105 Olive Road
4 L. B. (Larry) Wilson (D) ---------- Tucson
827 South 6th Avenue
5 D. M. Penny (D) ---------- Tucson
90 North Church
6 B. J. O'Neill (D) ---------- Ajo
7 William Spaid (D) ---------- Tucson
El Encanto

PINAL COUNTY

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2 W. E. Mullen (D) ---------- Ray

SANTA CRUZ COUNTY

1 George F. MacDonald (D) ---------- Nogales

YAVAPAI COUNTY

1 Robert E. Perkins (D) ---------- Prescott
Simmons Stage
2 Van A. Reichard (D) ---------- Prescott
West Weaver
3 Leonard Klein (D) ---------- Clarkdale
4 Harry J. Mader (D) ---------- Jerome

YUMA COUNTY

1 William Wisener (D) ---------- Yuma
2 Ed V. Shaw (D) ---------- Yuma

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ACTS

ACTS

CHAPTER I

(House Bill No. 30)

AN ACT

MAKING AN APPROPRIATION FOR THE PAYMENT OF THE CURRENT AND CONTINTINGENT EXPENSE OF THE FOURTEENTH LEGISLATURE, REGULAR SESSION.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. APPROPRIATION. The sum of ninety-two thousand four hundred twenty-three dollars and forty cents is appropriated to the fourteenth legislature, regular session.

Sec. 2. PURPOSE. The purpose of said appropriation is to provide for the payment of the current and contingent expense of carrying on the regular session of the fourteenth legislature, and shall be expended for the following objects and in not more than the following amounts:

1. For the payment of salaries: 1a. of members of the senate, nine thousand one hundred twenty dollars; 1b. of members of the house of representatives, twenty-four thousand nine hundred sixty dollars.

2. For the payment of mileage: 2a. of members of the senate, six hundred eighty six dollars

and forty cents; 2b. of members of the house of representatives, one thousand three hundred seventeen dollars.

3. For the payment of salaries and wages: 3a. of officers and employees of the senate, five thousand two hundred fifty dollars; of officers and employees of the house of representatives, twelve thousand nine hundred thirty dollars.

4. For the payment of the contingent expense: 4a. of the senate, fourteen thousand dollars; 4b. of the house of representatives, twenty-four thousand one hundred sixty dollars.

Sec. 3. EMERGENCY. To preserve the public peace, health and safety, it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved January 12, 1939.

CHAPTER 2

(House Bill No. 31)

AN ACT

MAKING AN EMERGENCY APPROPRIATION FOR THE LEGISLATIVE BUREAU OF THE DEPARTMENT OF LIBRARY AND ARCHIVES.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. APPROPRIATION. The sum of nine thousand nine hundred and ninety dollars is appropriated to the department of library and archives, for the use and benefit of the legislative bureau thereof.

Sec. 2. EMERGENCY. To preserve the public peace, health and safety, it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved January 12, 1939.

CHAPTER 3

(Senate Bill No. 48)

AN ACT

RELATING TO VISITORS' SPECIAL FISHING LICENSE, AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. VISITORS' SPECIAL FISHING LICENSE. In addition to the classes of fishing licenses now provided for by law there shall be a "visitors' special fishing license". Such license shall be issued only to non-residents of the state of

Arizona and shall only entitle the holder thereof to fish in and upon waters which constitute the state boundary line of the state of Arizona. Such license shall be valid for a period of fifteen days only from the date of its issuance. The fee for such license shall be one dollar.

Sec. 2. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved January 27, 1939.

CHAPTER 4

(Senate Bill No. 20)

AN ACT

RELATING TO THE SUPERIOR COURT, PROVIDING FOR THE APPOINTMENT OF BAILIFFS, AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. SUPERIOR COURT BAILIFFS. Each judge of the superior court shall have power to appoint such bailiffs as may be necessary to insure the orderly transaction of the business of the court. The appointing judge shall prescribe the duties of the bailiff.

Sec. 2. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved February 1, 1939.

CHAPTER 5

(House Bill No. 73)

AN ACT

MAKING AN APPROPRIATION TO THE COMMISSION OF AGRICULTURE AND HORTICULTURE, FOR THE ERADICATION OF THE PINK BOLLWORM, AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. APPROPRIATION. The sum of fifteen thousand dollars is appropriated to the commission of agriculture and horticulture.

Sec. 2. PURPOSE. Said appropriation is for the purpose of enabling the commission of agriculture and horticulture to continue and carry on the work begun and being prosecuted by the United States department of agriculture, through the bureau of plant quarantine and control, for the eradication from the cotton fields of Arizona, of the insect Pectinophora gossypiella, commonly known as the pink bollworm.

Sec. 3. EMERGENCY. To preserve the public peace, health and safety, it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved February 1, 1939.

CHAPTER 6

(Senate Bill No. 121)

AN ACT

AUTHORIZING SCHOOL DISTRICT No. 29 OF YAVAPAI COUNTY TO DEED TO THE UNITED STATES OF AMERICA THE TUZIGOOT INDIAN RUINS, AND DECLARING AN EMERGENCY.

Be it enacted by the Legislature of the State of Arizona:

Section 1. School District No. 29 of Yavapai County, upon resolution duly adopted by the Board of Trustees, is empowered and authorized to execute and deliver, without consideration, a deed conveying to the United States of America all its right, title and interest in and to that parcel of real estate on which are located the Tuzigoot Indian Ruins, more particularly described as follows:

All that portion of Sections 21 and 22, in Township 16 North, of Range 3 East, Gila and

Salt River Base and Meridian, bounded and described as follows, to-wit: Beginning at a point from which the west quarter section corner of said Section 21 bears south 83 degrees, 53 minutes west, 5032.4 feet; thence north 26 degrees, 55 minutes east, 1950.5 feet; thence south 63 degrees, 05 minutes east, 594.5 feet; thence south 19 degrees, 56 minutes west, 2977.7 feet; thence due west 70.0 feet; thence north 13 degrees, 52 minutes west, 1369.1 feet to the point of beginning, containing approximately 42.665 acres.

Sec. 2. EMERGENCY. To preserve the public peace, health and safety, it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved February 2, 1939.

CHAPTER 7

(Senate Bill No. 7)

AN ACT

RELATING TO SPIRITUOUS LIQUORS; VESTING THE ADMINISTRATION OF LAWS RELATING TO LIQUOR LICENSES AND CONTROL IN THE SUPERINTENDENT OF LIQUOR LICENSES AND CONTROL, DEFINING HIS POWERS AND DUTIES, AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. ADMINISTRATION OF LIQUOR CONTROL. (a) The superintendent of liquor licenses and control shall exercise the powers and perform the duties by law vested in or imposed upon the state tax commission relating to the licensing and regulation of the manufacture and sale of spirituous liquors, and, except as otherwise provided in this act, shall be subject to the provisions of law relating to the licensing and regulation of the manufacture and sale of spirituous liquors.

(b) Upon this act taking effect the state tax commission shall turn over to the superintendent of liquor licenses and control all books, records, equipment and effects pertaining to the licensing and regulation of the manufacture and sale of spirituous liquor.

Sec. 2. SUPERINTENDENT. The governor, by and with the advise and consent of the senate, shall appoint the superintendent of the department of liquor licenses and control, for a term which shall end on January 31, 1945, and on January 31st of each sixth year thereafter. The governor may remove the superintendent for inefficiency, neglect of duty, malfeasance, misfeasance, or nonfeasance in office, but his action may be reviewed by the Superior Court of Maricopa County in a trial de novo before said court in a proper proceeding instituted within thirty days after such removal. The superintendent shall receive a salary of four thousand eight hundred dollars per annum. He shall give a surety bond, to be approved by the state treasurer, in the sum of twenty-five thousand dollars, conditioned upon the faithful performance of his duties.

Sec. 3. RULES AND REGULATIONS. The rules

and regulations of the state tax commission relating to the licensing and regulation of the manufacture and sale of spirituous liquors in force at the time this act takes effect shall remain in force as rules and regulations of the superintendent of liquor licenses and control until formally changed or abrogated by the superintendent in the manner prescribed by law.

Sec. 4. PROHIBITING POLITICAL ACTIVITY. Neither the superintendent or any employee of the superintendent shall serve on any committee of any political party, nor engage in political activities other than voting.

Sec. 5. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved February 4, 1939.
(Repealed by Chapter 64.)

CHAPTER 8

(Senate Bill No. 26)

AN ACT

RELATING TO RULES OF PLEADING, PRACTICE, AND PROCEDURE, AND AUTHORIZING THE SUPREME COURT TO PRESCRIBE SUCH RULES FOR ALL COURTS.

Be it enacted by the Legislature of the State of Arizona:

Section 1. RULES OF PLEADING, PRAC-

TICE AND PROCEDURE. The supreme court, by rules promulgated from time to time, shall regulate pleading, practice and procedure in judicial proceedings in all courts of the state, for the purpose of simplifying the same and of promoting the speedy determination of litigation upon its merits. Such rules shall not abridge, enlarge or modify the substantive rights of any litigant. The supreme court shall cause the rules to be printed and distributed to all members of the state bar of Arizona and to all persons who apply therefor, and they shall not become effective until sixty days after such distribution.

Sec. 2. STATE BAR ADVISORY BOARD. The state bar, or a representative group thereof selected by said bar, shall act as an advisory board and shall, either voluntarily or upon request of a majority of the judges of the supreme court, consult with, recommend to, or advise the court on any matter dealt with in the rules. Any member of the state bar or any private citizen may object in writing to any rule or part thereof and may request changes. The court shall consider such objections and requests as advice and information only and may act thereon at its discretion.

Sec. 3. EXISTING STATUTES DEEMED RULES OF COURT. All statutes relating to pleading, practice and procedure, existing at the time this act takes effect shall be deemed to be rules of court and shall remain in effect as such until modified or suspended by rules promulgated pursuant to this act.

Approved February 4, 1939.

CHAPTER 9

(House Bill No. 65)

AN ACT

AUTHORIZING THE BOARD OF SUPERVISORS TO LEASE COUNTY BUILDINGS, OTHER THAN THE COUNTY COURT HOUSE AND JAILS; AND DECLARING AN EMERGENCY.

Be it enacted by the Legislature of the State of Arizona:

Section 1. POWER TO LEASE. The board of supervisors shall have the power to lease any county building or any building under the control of the county and constructed by the aid of the United States government or any agency thereof, other than the county court house and jails, for a period not to exceed ten years. All leases shall be made at public auction to the highest responsible bidder at the highest monthly rent. Notice of a proposed lease shall be given by publication, once each week for four consecutive weeks, in a newspaper of general circulation in the county. Said notice shall state the period and all material conditions of the proposed lease, and the day on which the auction will be held, which shall be not less than thirty days after the first publication of the notice.

Sec. 2. SUPPLEMENTARY. This act shall be construed as supplementary to and not in conflict with the other statutes of this state governing or regulating powers of boards of supervisors.

Sec. 3. EMERGENCY. To preserve the pub-

lic peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved February 10, 1939.

CHAPTER 10

(Senate Bill No. 9)

AN ACT

RELATING TO ESTATE TAXES; PRESCRIBING A SCHEDULE THEREOF, AND AMENDING SECTIONS 4, 5, 6, 7, 11, AND 15, CHAPTER 27, SESSION LAWS OF 1937, REGULAR SESSION.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. Sec. 4, chapter 27, Session Laws of 1937, regular session, is amended to read:

Sec. 4. RATES. The rates upon which the tax imposed by this act shall be computed shall be:

1. Four-fifths of one per cent of the amount of the net estate not in excess of fifty thousand dollars.

2. One and three-fifths per cent of the amount by which the net estate exceeds fifty

thousand dollars and does not exceed one hundred thousand dollars.

3. Two and two-fifths per cent of the amount by which the net estate exceeds one hundred thousand dollars and does not exceed two hundred thousand dollars.

4. Three and one-fifth per cent of the amount by which the net estate exceeds two hundred thousand dollars and does not exceed four hundred thousand dollars.

5. Four per cent of the amount by which the net estate exceeds four hundred thousand dollars and does not exceed six hundred thousand dollars.

6. Four and four-fifths per cent of the amount by which the net estate exceeds six hundred thousand dollars and does not exceed eight hundred thousand dollars.

7. Five and three-fifths per cent of the amount by which the net estate exceeds eight hundred thousand dollars and does not exceed one million dollars.

8. Six and two-fifths per cent of the amount by which the net estate exceeds one million dollars and does not exceed one million five hundred thousand dollars.

9. Seven and one-fifth per cent of the amount by which the net estate exceeds one million five hundred thousand dollars and does not exceed two million dollars.

10. Eight per cent of the amount by which the

net estate exceeds two million dollars and does not exceed two million five hundred thousand dollars.

11. Eight and four-fifths per cent of the amount by which the net estate exceeds two million five hundred thousand dollars and does not exceed three million dollars.

12. Nine and three-fifths per cent of the amount by which the net estate exceeds three million dollars and does not exceed three million five hundred thousand dollars.

13. Ten and two-fifths per cent of the amount by which the net estate exceeds three million five hundred thousand dollars and does not exceed four million dollars.

14. Eleven and one-fifth per cent of the amount by which the net estate exceeds four million dollars and does not exceed five million dollars.

15. Twelve per cent of the amount by which the net estate exceeds five million dollars and does not exceed six million dollars.

16. Twelve and four-fifths per cent of the amount by which the net estate exceeds six million dollars and does not exceed seven million dollars.

17. Thirteen and three-fifths per cent of the amount by which the net estate exceeds seven million dollars and does not exceed eight million dollars.

18. Fourteen and two-fifths per cent of the amount by which the net estate exceeds eight mil-

lion dollars and does not exceed nine million dollars.

19. Fifteen and one-fifth per cent of the amount by which the net estate exceeds nine million dollars and does not exceed ten million dollars.

20. Sixteen per cent of the amount by which the net estate exceeds ten million dollars.

Sec. 2. Sec. 5, chapter 27, Session Laws of 1937, regular session, is amended to read:

Sec. 5. VALUATION OF GROSS ESTATE. The value of the gross estate of a decedent, for the purpose of the tax imposed by this act, shall be determined by including the value at the time of death of all property, real or personal, tangible, or intangible, wherever situated:

1. To the extent of the interest therein of the decedent at the time of death.

2. To the extent of any interest therein of which the decedent has at any time made a transfer, by trust or otherwise, in contemplation of or intended to take effect in possession or enjoyment at or after his death, or under which he has retained the possession or enjoyment of or the right to the income from the property, or the right, alone or in conjunction with any person, to designate the persons who shall possess or enjoy the property or the income therefrom, for his life or for any period not ascertainable without reference to his death or which does not in fact end before his death, except in case of a bona fide sale for an

adequate and full consideration in money or money's worth. Any transfer of a material part of his property in the nature of a final disposition or distribution, made by the decedent within two years prior to his death without such consideration, shall be deemed, for the purposes of this act, to have been made in contemplation of death, unless shown to the contrary.

3. To the extent of any interest therein of which the decedent has at any time made a transfer, by trust or otherwise, the enjoyment of which was subject at the date of his death to any change through the exercise of a power, by the decedent alone or in conjunction with any person, to alter, amend, or revoke, or where the decedent relinquished any such power in contemplation of his death, except in case of a bona fide sale for an adequate and full consideration in money or money's worth. For the purpose of this paragraph the power to alter, amend, or revoke shall be deemed to exist on the date of decedent's death, whether or not the exercise of the power is subject to a precedent giving of notice or the alteration, amendment, or revocation takes effect only on the expiration of a stated period after the exercise of the power, and whether or not on or before the date of the decedent's death notice has been given or the power exercised. In such case proper adjustment shall be made representing the interests which would have been excluded from the power had the decedent lived, and for such purpose if the notice has not been given or the power exercised on or before the date of his death, such notice shall be deemed to have been given, or the power exercised, on the date of his death. The relinquishment of any such power, not admitted or shown to have been in contemplation of the de-

cedent's death and made within two years prior to his death without such a consideration, shall be deemed to have been made in contemplation of death, for the purpose of this act, unless shown to the contrary.

4. To the extent of the interest therein held as joint tenants by the decedent and any other person, or deposited with any person carrying on a banking business in their joint names and payable to either or the survivor, except such part thereof as may be shown to have originally belonged to such other person and never to have been received or acquired from the decedent for less than an adequate and full consideration in money or money's worth. Where such property, or any part thereof, or part of the consideration with which such property was acquired, is shown to have been at any time acquired by such other person from the decedent for less than an adequate and full consideration in money or money's worth, there shall be excepted only such part of the value thereof as is proportionate to the consideration furnished by such other person. Where any property has been acquired by gift, bequest, devise, or inheritance by the decedent and any other person as joint tenants and their interests are not otherwise specified or fixed by law, the value of the decedent's interest therein shall be determined by dividing the value of the property by the number of joint tenants.

5. To the extent of any property passing under a general power of appointment exercised by the decedent 5a. by will, 5b. by deed executed in contemplation of or intended to take effect in possession or enjoyment at or after his death, or, 5c. by deed under which he has retained the posses-

sion or enjoyment of or the right to the income from the property, or the right, alone or in conjunction with any person, to designate the persons who shall possess or enjoy the property or the income therefrom, for his life or any period not ascertainable without reference to his death or which does not in fact end before his death, except in case of a bona fide sale for an adequate and full consideration in money or money's worth.

6. To the extent of the amount receivable by the executor as insurance taken out by the decedent upon his own life, and to the extent of the excess over forty thousand dollars of the amount receivable by all other beneficiaries on insurance taken out by the decedent upon his own life.

7. Except as otherwise specifically provided therein, paragraphs 2, 3, 4, 5, and 6 shall apply to the transfers, trusts, estates, interests, rights, powers, and relinquishments of powers described therein, whether made, created, arising, existing, exercised, or relinquished before or after this act takes effect.

8. In the event any one of the transfers, trusts, interests, rights or powers described in paragraphs 2, 3, and 5 is made, created, exercised, or relinquished for a consideration, but is not a bona fide sale for an adequate and full consideration in money or money's worth, there shall be included in the gross estate only the excess of the fair market value of the property affected, at the time of death, over the value of the consideration received therefor by the decedent.

Sec. 3. Sec. 6, chapter 27, Session Laws of 1937, regular session, is amended to read:

Sec. 6. VALUATION OF NET ESTATE. (a) In the case of a resident, the value of the net estate, for the purpose of the tax imposed by this act, shall be determined by deducting from the value of the gross estate:

1. Funeral and administration expenses, claims against the estate, and unpaid mortgages upon and any indebtedness in respect to property belonging to the estate (except where such property is not situated in the state), to the extent that such claims, mortgages, or indebtedness were incurred or contracted bona fide and for an adequate and full consideration in money or money's worth.

2. Losses incurred during the settlement of the estate arising from fires, storms, shipwreck, or other casualty, or from theft, when such losses are not compensated for by insurance or otherwise.

3. Such amounts reasonably required and actually expended for the support during the settlement of the estate of those dependent upon the decedent as are allowed by the laws of the jurisdiction under which the estate is being administered, but not including any income taxes upon income received after the death of the decedent or any estate, succession, legacy, or inheritance taxes.

4. The proceeds, to the extent included in the gross estate, of life insurance policies payable to and received by the estate tax commissioner in trust for the payment of estate, inheritance, succession, legacy, or other death duties levied by the state against or with respect to the estate of the

decedent, exclusive of any excess over the amount of such taxes, which excess shall be accounted for, without interest, to the executor or administrator of the decedent for the benefit of the persons entitled thereto.

(b) In the case of a resident, there shall be exempt from the tax imposed by this act:

1. Property transferred to municipal corporations within the United States or its territories for county, town, or municipal purposes, or to corporations organized solely for religious, charitable, or educational purposes, which shall use the property so transferred exclusively for the purposes of their organization.

2. Property to the value of one hundred thousand dollars.

(c) In the case of a non-resident, the value of the net estate, for the purpose of the tax imposed by this act, shall be determined by deducting from the value of that part of the gross estate which at the time of death is situated in this state that proportion of the deductions specified in subsection (a) which the value of such part bears to the value of the entire gross estate, wherever situated.

(d) In the case of a non-resident there shall be exempt from the tax imposed by this act:

1. Property transferred to municipal corporations within the United States or its territories for county, town, or municipal purposes, or to corporations organized solely for religious, charitable, or educational purposes, which shall use the property so transferred exclusively for the purposes of their organization, which exemption is limited to

the property required to be included in the gross estate within this state.

2. Property within this state to such proportion of one hundred thousand dollars as the value of that part of the gross estate situated within this state at the time of death bears to the value of the entire gross estate, wherever situated.

(e) No deduction or exemption shall be allowed in the case of a non-resident unless the executor or other representative includes in the return required to be filed the value at the time of death of that part of the gross estate not situated in this state.

Sec. 4. Sec. 7, chapter 27, Session Laws of 1937, regular session, is amended to read:

Sec. 7. PROPERTY WITHIN THE STATE. The amount receivable as insurance upon the life of a non-resident decedent, and any moneys deposited with any person carrying on the banking business, by or for a non-resident who was not engaged in business in the state at the time of his death, shall not be deemed property within the state, for the purpose of this act.

Sec. 5. Sec. 11, chapter 27, Session Laws of 1937, regular session, is amended to read:

Sec. 11. INTEREST ON TAX. All taxes imposed by this act shall be due and payable at the death of the testator, intestate, grantor, donor, or vendor. In the event the tax is not paid within one year after the date of death, the tax shall bear interest at the rate of eight per cent per annum,

computed from the expiration of one year after the date of death, and if not paid within two years. ten per cent per annum thereafter until paid. For good showing and upon order of the superior court having jurisdiction of the probate of the estate, the commissioner may extend the time for payment of the tax.

Sec. 6. Sec. 15, chapter 27, Session Laws of 1937, regular session, is amended to read:

Sec. 15. RETURN BY EXECUTOR OR ADMINISTRATOR. (a) Every executor or administrator shall within six months after date of decedent's death file with the commissioner a return under oath in duplicate, on forms prepared and furnished by the commissioner, setting forth: 1. the value of the gross estate of the decedent at the time of death, and, in case of a non-resident, that part of his gross estate situated in the state; 2. deductions and exemptions; 3. net value of the estate; 4. the tax paid or payable thereon, and, 5. such supplemental data as may be necessary to establish the correct tax; or such part of the required information as may at the time be ascertainable.

(b) Return shall be made in all cases where the gross estate, at the death of the decedent, exceeds one hundred thousand dollars.

(c) In the event the executor or administrator is unable to make a complete return as to any part of the gross estate, he shall include in his return a description of such part and the name of every person holding a legal or beneficial interest therein, and upon notice from the commissioner such

person shall in like manner make a return as to such part of the gross estate.

Sec. 7. APPLICATION OF ACT. This act shall not be construed to apply to nor to affect the collection or amount of the tax due on the estate of any person dying prior to the date this act takes effect.

Approved February 13, 1939.

CHAPTER 11

(House Bill No. 67)

AN ACT

MAKING AN APPROPRIATION FOR THE MAINTENANCE OF THE ARIZONA COPPER TARIFF BOARD.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. APPROPRIATION. The sum of seven thousand five hundred dollars is appropriated to the Arizona copper tariff board.

Sec. 2. PURPOSE. The purpose of said appropriation is to defray the expenses of the said board in the performance of its duties as prescribed by chapter 51, Session Laws of 1933.

Sec. 3. EMERGENCY. To preserve the public peace, health and safety, it is necessary that this act shall become immediately operative. It is

therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved February 11, 1939.

CHAPTER 12

(House Bill No. 167)

AN ACT

APPROPRIATING THE SUM OF TWO THOUSAND FIVE HUNDRED DOLLARS TO THE STATE TAX COMMISSION FOR USE IN ADMINISTERING CHAPTER 79, LAWS OF 1935, REGULAR SESSION.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. There is hereby appropriated and made immediately available to the state tax commission, out of any monies in the general fund not otherwise appropriated, for its use in administering the provisions of chapter 79, session laws of 1935, regular session, the sum of two thousand five hundred dollars.

Section 2. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved February 15, 1939.

CHAPTER 13

(Senate Bill No. 31)

AN ACT

RELATING TO VAGRANCY, AND PRESCRIBING A PENALTY FOR MOLESTING A SCHOOL CHILD OR LOITERING ABOUT A SCHOOL.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. MOLESTING SCHOOL CHILD. Any person who annoys or molests a school child, or who without legitimate reason therefor loiters on the grounds of any public school at which children are in attendance, or within three hundred feet thereof, shall be deemed a vagrant, and upon conviction fined not more than five hundred dollars, imprisoned in the county jail not more than six months, or both.

Approved February 17, 1939.

CHAPTER 14

(House Bill No. 52)

AN ACT

RELATING TO BANKS AND BANKING; PROVIDING FOR DECLARATION OF DIVIDENDS AND FOR A RESERVE FUND, AND AMENDING SECTION 271, REVISED CODE OF 1928, AS AMENDED.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. Sec. 271, Revised Code of 1928, as amended, is amended to read:

271. DIVIDENDS AND RESERVE FUND. The board of directors of a bank may, as it deems expedient, declare a dividend of the net profits of the bank if all expenses, losses, interest, and taxes accrued or due from the bank are provided for, but not less than twenty-five per cent of the net profits for the period covered by the dividend shall first be carried to a reserve fund until the reserve fund equals the capital stock.

Approved February 20, 1939.

CHAPTER 15

(House Bill No. 53)

AN ACT

RELATING TO BANKS AND BANKING, AND AUTHORIZING BANKS TO PLEDGE ASSETS TO SECURE TRUST FUNDS.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. PLEDGE OF BANK ASSETS. Any bank, trust company, or bank and trust company which receives trust funds shall, if a member of the federal reserve bank, pledge its assets to secure such trust funds to the extent necessary to

comply with the requirements of the federal reserve bank, or, if not a member of the federal reserve bank, in accordance with rules and regulations prescribed by the superintendent of banks.

Approved February 20, 1939.

CHAPTER 16

(House Bill No. 54)

AN ACT

RELATING TO BANKS AND BANKING; PRESCRIBING MINIMUM AMOUNTS OF CAPITAL STOCK OF BANKS, AND AMENDING SECTION 221, REVISED CODE OF 1928.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. Sec. 221, Revised Code of 1928, is amended to read:

221. CAPITAL STOCK OF BANKS. The paid in capital stock of any bank, other than a mutual savings bank, shall be: 1. not less than twenty-five thousand dollars; 2. in cities having from five thousand to fifteen thousand inhabitants, not less than one hundred thousand dollars, and, 3. in cities having more than fifty thousand inhabitants, not less than two hundred thousand dollars. No banking corporation shall be required to have more than two million dollars capital stock. The corporation commission shall issue a certificate of incorporation to a banking corpora-

tion only after it appears, by affidavit of not less than three of the incorporators, that the required amount of capital stock has been paid in, and shall issue a certificate of amendment to the articles of incorporation only after it appears by affidavit that all of the increased capital has been paid in cash.

Approved February 20, 1939.

CHAPTER 17

(House Bill No. 55)

AN ACT

RELATING TO BANKS AND BANKING; AUTHORIZING BANKING INSTITUTIONS TO TAKE ADVANTAGE OF FEDERAL LAWS REGULATING OR SAFEGUARDING BANKING INSTITUTIONS AND DEPOSITORS, AND GRANTING CERTAIN POWERS TO THE SUPERINTENDENT OF BANKS AND THE FEDERAL DEPOSIT INSURANCE CORPORATION.

Be it enacted by the Legislature of the State of Arizona:

Section 1. DEFINITIONS. In this act, unless the context otherwise requires:

"superintendent" means the state superintendent of banks;

"federal corporation" means the federal deposit insurance corporation;

"banking institution" means any bank, trust company, bank and trust company, stock savings bank, or mutual savings bank organized under the laws of this state.

Sec. 2. ACCEPTANCE OF FEDERAL LAWS. Any banking institution, upon the authority of a majority of its board of directors, shall have power: 1. to enter into such contracts, incur such obligations, and perform such acts as may be necessary or appropriate to take advantage of any memberships, loans, subscriptions, contracts, grants, rights, or privileges which may be available or inure to banking institutions or their depositors, creditors, stockholders, conservators, receivers, or liquidators by virtue of the provisions of section 12B of the federal reserve act, as amended, establishing the federal deposit insurance corporation and providing for the insurance of deposits, or of any act or resolution of congress to aid, regulate, or safeguard banking institutions and their depositors, including amendments and substitutions; 2. to subscribe for or acquire any stock, debenture, bond, or other type of security of the federal corporation, and, 3. to comply with the lawful regulations and requirements of the federal corporation.

Sec. 3. SUBROGATION OF FEDERAL CORPORATION. In the event the business assets and affairs of any banking institution are taken over by the state superintendent of banks and the federal corporation pays or makes available for payment the insured deposit liabilities of such banking institution, the federal corporation shall be subrogated to all rights against such banking institution of each owner of a claim for deposit to the extent necessary to enable said federal corporation, under federal law,

to make insurance payments available to depositors of closed insured banking institutions.

Sec. 4. LOANS BY AND SALE OF ASSETS TO FEDERAL CORPORATION. (a) In the event any banking institution is closed because of inability to meet the demands of depositors or by action of the superintendent, of a court, or of its directors, or in the event of its insolvency or suspension, the superintendent, or the receiver or liquidator of such institution with the permission of the superintendent shall have power to borrow from the federal corporation and to furnish any part of the assets of such closed institution to said corporation as security, upon obtaining an order of a court of competent jurisdiction approving such loan. The superintendent, or the receiver or liquidator of such closed institution with the permission of the superintendent, upon the order of a court of competent jurisdiction, may sell to the federal corporation any part of the assets of such closed institution.

(b) This section shall not be construed to limit the power of any banking institution, the superintendent, or any receiver or liquidator to pledge or sell assets in accordance with existing law.

Sec. 5. EXCHANGE OF INFORMATION. (a) The superintendent, upon the request of the federal corporation or any officer or examiner thereof, may: 1. furnish a copy of any examination of or report by any banking institution insured to any extent by said corporation, and, 2. disclose any information in his possession relating to the condition or affairs of such insured banking institution.

(b) This section shall not be construed to limit the duty of any banking institution, deposits in which

are to any extent insured under the provisions of section 12B of the federal reserve act, as amended, or of any amendment thereof or substitution therefor, to comply with the provisions of said act, amendments, or substitutions, or with the requirements of the federal corporation relating to examinations and reports, nor to limit the powers of the superintendent with respect to examinations and reports under existing laws.

Approved February 20, 1939.

CHAPTER 18

(Senate Bill No. 39)

AN ACT

RELATING TO HIGHWAYS; PROVIDING FOR THE ADMINISTRATION OF THE ARIZONA HIGHWAY DEPARTMENT; AMENDING SECTIONS 1557, 1558, 1559 AND 1562, REVISED CODE OF 1928, AND AMENDING ARTICLE 1, CHAPTER 31, REVISED CODE OF 1928, BY ADDING SECTION 1562a; AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. Sec. 1557, Revised Code of 1928, is amended to read:

Sec. 1557. HIGHWAY DEPARTMENT AND HIGHWAY COMMISSION. (a) The highways of the state shall be administered by the Arizona high-

way department. Control of the department is vested in the state highway commission.

(b) The state highway commission shall consist of five members, one from each of the five highway districts into which the state shall be divided, as follows:

1. First district: Maricopa and Yuma Counties.

2. Second district: Pima, Pinal and Santa Cruz Counties.

3. Third district: Cochise, Graham and Greenlee Counties.

4. Fourth district: Apache, Gila and Navajo Counties.

5. Fifth district: Coconino, Mohave and Yavapai Counties.

(c) The members of the commission shall be appointed by the governor with the advice and consent of the senate, one for a term ending January 31, 1940; one each for terms ending one, two, three and four years thereafter. Following the expiration of such terms, respectively, the term of each member shall be five years. At the time of appointing the first commission, the governor shall designate the term for which each member is appointed.

(d) Each member shall receive fifteen dollars per day, for not to exceed one hundred days in any one year, and the same allowance and mileage as provided for other state officers for attendance at stated or special meetings of the commission.

Sec. 2. Sec. 1558, Revised Code of 1928, is amended to read:

Sec. 1558. REMOVAL AND FILLING VACANCIES. (a) The governor may remove a member for cause only, subject to review by the superior court. Notice of which must be given within fifteen days after notice of such removal.

(b) An appointment to fill a vacancy caused otherwise than by expiration of term shall be for the unexpired term.

(c) No person shall serve as a commissioner, except as a recess appointee, until confirmed by the senate. A recess appointment shall be effective only until the senate has acted or failed by adjournment to act upon the nomination, and no nominee who has so failed of confirmation shall be eligible, following such session of the senate, for a recess appointment. In the event a vacancy occurs while the legislature is in session the governor shall make a nomination to fill the vacancy before the adjournment thereof.

Sec. 3. Sec. 1559, Revised Code of 1928, is amended to read:

Sec. 1559. QUALIFICATIONS. (a) A person shall not be qualified to be a member of the commission who has not been a resident and taxpayer of the state and of the county from which he is chosen for at least five years immediately prior to his appointment.

(b) A member shall not be appointed from the same county two terms in succession. In the event a highway district includes two or more counties the appointment of members for such district shall be

so rotated that each county will have a member in turn.

(c) In the event a member removes to another county in the same district which is not entitled to have a member at the time, or to another district, his office shall become vacant.

Sec. 4. Sec. 1562, Revised Code of 1928, is amended to read:

Sec. 1562. STATE HIGHWAY ENGINEER. The commission shall appoint a state highway engineer, by and with the advice and consent of the governor, who shall hold office during the pleasure of the commission. He shall be a civil engineer, duly registered to practice as such in the state of Arizona, and be familiar with the theory of, and experienced in the practice of highway construction and maintenance. His salary shall be fixed by the state highway commission, for the term of his appointment, and shall not exceed the sum of seven thousand two hundred dollars per annum.

Sec. 5. Article 1, chapter 31, Revised Code of 1928, is amended by adding section 1562a:

Sec. 1562a. POWERS AND DUTIES OF STATE HIGHWAY ENGINEER. The state highway engineer shall be the chief executive and administrative officer of the department, and shall have charge of all highway work authorized by the commission, with the power and duty to:

1. Direct the organization of the department; appoint, suspend and discharge, fix the duties, and prescribe rules and regulations for the conduct of

all employees, subject to the approval of the commission;

2. Prepare all plans and specifications for work on state highways or state routes, approved by the commission;

3. Advertise for competitive bids for work on state highways or state routes, and upon the authorization of the commission, award and enter into contracts for the same;

4. Supervise all construction work on state highways and state routes, authorized by the commission, and have charge of the maintenance and upkeep of all such highways and routes;

5. Approve all payments for work done by the state on or in connection with state highways or state routes, and no claim shall be allowed by the state auditor for such work without the written approval of the state engineer or his authorized and bonded agent;

6. Make monthly reports to the commission of all expenditures by the department and the work accomplished under his direction, together with such other matters as he may deem proper;

7. Assign to the commission, upon request, such clerks or other employees as it may request;

8. Exercise such other powers as may be necessary to carry on the work of the department, and perform such other duties as the commission may prescribe, or as may be prescribed by law, as a member of other boards and commissions of the state.

Sec. 6. PROHIBITING POLITICAL ACTIVITY. No commissioner, state highway engineer or any employee of the Arizona highway department, shall serve on any committee of any political party, nor engage in political activities other than voting. Any violation of this section shall be cause for dismissal or removal from the department.

Sec. 7. EMERGENCY. To preserve the public peace, health and safety, it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved February 21, 1939.

CHAPTER 19

(House Bill No. 225)

AN ACT

MAKING AN APPROPRIATION TO THE BOARD OF DIRECTORS OF STATE INSTITUTIONS FOR THE USE OF THE STATE PRISON, AND DECLARING AN EMERGENCY.

Be it enacted by the Legislature of the State of Arizona:

Section 1. APPROPRIATION. The sum of four thousand four hundred eighty dollars is appropriated to the board of directors of state institutions for the use of the state prison.

Sec. 2. PURPOSE. The appropriation contain-

ed in section 1 is for the purpose of purchasing, for the use of the state prison, the following equipment: One tractor, five teams of work mules, five sets of work harness, three two-way walking plows, one sedan automobile.

Sec. 3. EMERGENCY. To preserve the public peace, health, and safety, it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved February 23, 1939.

CHAPTER 20

(House Bill No. 23)

AN ACT

RELATING TO VOLUNTEER FIRE COMPANIES; PROVIDING FOR A TAX LEVY FOR SUCH COMPANIES, AND AMENDING SECTION 1511, REVISED CODE OF 1928.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. Sec. 1511, Revised Code of 1928, is amended to read:

1511. ESTIMATE OF EXPENSES AND TAX LEVY. Not more than ten days after the organization of a volunteer fire company is perfected, and thereafter not later than July 10 of each year,

the chief and the secretary-treasurer of such company shall submit to the board of supervisors an estimate, certified by items, of the amount of money required for the equipment and maintenance of the company for the ensuing year.

The board shall approve the estimate or modify the same, and shall levy a tax, not to exceed twelve mills on each dollar of taxable valuation, against all property situated within the boundaries of the territory described in the order of the board authorizing the organization of said company and appearing upon the last assessment roll. The levy shall be made and the taxes collected in the manner, at the time, and by the officers provided by law for the collection of state and county taxes. The county treasurer shall keep the money received from said taxes in a separate fund known as the "volunteer fire company fund" of the town or settlement for which collected.

Approved February 23, 1939.

CHAPTER 21

(House Bill No. 248)

AN ACT

TO AMEND SECTION 4862, REVISED CODE OF ARIZONA, 1928, RELATING TO GATHERING CATTLE FOR CONTESTS.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. Section 4862, Revised Code of Ari-

zona, 1928 is hereby amended to read as follows:

Sec. 4862. GATHERING FOR CATTLE CONTESTS; PENALTY. Any person who shall gather any range cattle for the purpose of any tournament or contest for amusement or reward, or competition for prizes, or who engages in any steer tying contest or exhibition of steer tying, or who casts, ropes or throws any animal of the horse, cow or other kind, without the written consent of the owner, except in the necessary work done on the range or elsewhere in the handling of such animals, shall be guilty of a misdemeanor.

Sec. 2. EMERGENCY. To preserve the public peace, health and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved February 23, 1939.

CHAPTER 22

(House Bill No. 9)

AN ACT

RELATING TO PRIMARY ELECTIONS; PROVIDING FOR THE FILING OF STATEMENTS OF EXPENSES BY CANDIDATES, AND AMENDING SECTION 1286, REVISED CODE OF 1928.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. Sec. 1286, Revised Code of 1928, is amended to read:

1286. STATEMENT OF EXPENSES. (a) Every candidate in a primary election for nomination for a public office other than precinct committeeman shall, not more than ten days after such primary election, file an itemized statement of expenses, subscribed and sworn to by him, with the officer with whom nomination petitions for the office he seeks are required by law to be filed, except that a candidate for nomination for membership in the legislature shall file his statement of expenses with the secretary of state. Said statement shall be preserved by the officer with whom filed, and shall be subject to inspection and publication. It shall set forth in detail a complete record of the candidate's expenditures in money or other things of value and the cost thereof, including promises to pay, treats, presents, and favors, either present or future, intended for the purpose of aiding or which could have had a tendency to aid the success in such primary election of the candidate submitting the statement. It shall include a like report for each of the persons named by the candidate as authorized to expend money or other things of value in his interest and for any person not so named who may have made any such expenditure.

(b) The statement of expenses shall be made upon forms prepared and printed by the secretary of state, who shall forward a sufficient supply thereof to the clerk of the board of supervisors or city clerk of each county or city in which a primary election is to be held. A reasonable number of forms shall be mailed to each candidate by the secretary of state, clerk of the board of super-

visors, or city clerk, as the case may be.

Approved February 25, 1939.

CHAPTER 23

(House Bill No. 12)

AN ACT

RELATING TO ELECTIONS; PROVIDING A METHOD FOR PLACING THE NAMES OF CANDIDATES NOMINATED OTHERWISE THAN BY PRIMARY ON THE OFFICIAL BALLOT, AND AMENDING ARTICLE 10, REVISED CODE OF 1928, BY ADDING SECTION 1293a.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. Article 10, chapter 22, Revised Code of 1928, is amended by adding section 1293a:

1293a. COLUMN FOR "OTHER CANDIDIDATES." The names of all candidates nominated under the provisions of section 1293 shall be placed on the official ballot in a single column at the right of the party columns, bearing the heading, in bold-face type: "Other candidates", and immediately under such heading the words: "Vote separately for each office." Immediately above the name of each candidate, in parenthesis, shall be printed the designation prescribed in the candidate's certificate of nomination.

Approved February 25, 1939.

CHAPTER 24

(House Bill No. 137)

AN ACT

MAKING AN APPROPRIATION FOR THE GOLDEN GATE INTERNATIONAL EXPOSITION, THE NEW YORK WORLD'S FAIR, AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. APPROPRIATION. (a) The sum of forty thousand dollars is appropriated to the Arizona commission for the Golden Gate international exposition and the New York world's fair, twenty thousand dollars thereof to be placed in the Golden Gate international exposition fund, and twenty thousand dollars in the New York world's fair fund.

(b) Said appropriation is in addition and supplemental to the appropriation made under the terms of chapter 8, Session Laws of 1937, second special session.

(c) All movable works of art, specimens or other items constituting or going into the exhibits or displays authorized by this act and for which moneys appropriated by the state are expended, exclusive of private property, shall be the property of the state and shall be returned to the state and turned over to any department of the state having proper facilities for exhibiting the same, at the discretion of the board of directors of state institutions.

Sec. 2. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved February 28, 1939.

CHAPTER 25

(Substitute House Bill No. 102)

AN ACT

RELATING TO CITIES AND TOWNS, AUTHORIZING THE PAYMENT OF INDEBTEDNESS INCURRED IN VIOLATION OF SECTION 3098, REVISED CODE OF 1928, AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. VALIDATION OF INDEBTEDNESS. The governing body of any incorporated city or town having outstanding against it indebtedness incurred in good faith and for value received prior to June 1, 1937, in violation of section 3098, Revised Code of 1928, is empowered to pay the same and discharge the obligations thereby assumed, out of funds raised for that purpose by direct tax levy, by the sale of bonds issued in the manner provided by law for the issuance of bonds for refunding legal indebtedness, or out of otherwise unencumbered funds on hand.

The disbursing officer of such city or town shall pay such indebtedness, in the manner provided by law, out of the funds so provided.

Sec. 2. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved February 28, 1939.

CHAPTER 26

(Senate Bill No. 128)

AN ACT

MAKING AN EMERGENCY APPROPRIATION TO THE BOARD OF DIRECTORS OF STATE INSTITUTIONS TO BE EXPENDED FOR THE SUPREME COURT; AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. APPROPRIATION. The sum of one thousand dollars is appropriated out of the general fund to the board of directors of state institutions for the supreme court.

Section 2. PURPOSE. Said appropriation is for the purpose of providing proper shelving in the chambers of the supreme court in the department

of justice building, and for moving the present equipment of the court to such building.

Section 3. EMERGENCY. To preserve the public peace, health and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved February 28, 1939.

CHAPTER 27

(House Bill No. 105)

AN ACT

RELATING TO MINES AND MINING; PROVIDING FOR A DEPARTMENT OF MINERAL RESOURCES, DEFINING ITS POWERS AND DUTIES, AND DECLARING AN EMERGENCY.

Be it enacted by the Legislature of the State of Arizona:

Section 1. DEFINITIONS. In this act, unless the context otherwise requires:

"department" means the department of mineral resources;

"board" means the board of governors of the department;

"director" means the director of the department;

"minerals" includes metals and minerals, exclusive of hydrocarbons.

Sec. 2. FUNCTIONS OF DEPARTMENT. The department of mineral resources shall:

1. Aid in the promotion and development of the mineral resources of the state.

2. Conduct studies of the economic problems of prospectors and operators of small mines with a view to assisting in their solution.

3. Assist in discovering sources of supply for persons desiring to buy minerals.

4. List and describe available mining properties.

5. Make mineral resource surveys and conduct such other investigations as may interest capital in the development of the state's mineral resources.

6. Serve as a bureau of mining information in conjunction with the Arizona bureau of mines.

7. Publish and disseminate such information and data as may be necessary or advisable to attain its objectives.

8. Cooperate with the state land department to encourage mining activity on state lands.

9. Cooperate with the corporation commis-

sion in its investigations and administration of laws relating to the sale of mining securities.

10. Cooperate with the Arizona bureau of mines, and turn over to said bureau such problems as the field work of the division may show to be within the scope of the activities of said bureau.

11. Cooperate with federal and other agencies having for their purposes the development of mines and minerals.

12. Work against all congressional acts favoring reciprocal or duty free imports of foreign minerals.

13. Do such other things as may assist the more extensive exploration and development of the mineral resources of the state.

Sec. 3. DIRECTOR. (a) The director of the department shall be appointed by the board of governors of the department.

(b) The director shall be a mining engineer, graduated from an accredited school of mines, and qualified by education and experience to secure a certificate of registration as an engineer. In the event the director is not a registered engineer, his appointment shall be conditioned upon his securing a certificate of registration as an engineer from the state board of technical registration not more than six months after such appointment.

(c) The director shall give a bond to the state for the faithful performance of his duties, in such amount as the board may prescribe. He shall

receive a salary not to exceed four thousand two hundred dollars per annum, and his necessary expenses, in conformity with section 2803, Revised Code of 1928, as amended, while absent from the capital in the performance of his duties.

Sec. 4. DUTIES OF DIRECTOR. The director shall have charge and control of the work of the department, including field offices, and shall appoint the field and office assistants and fix their compensation. He shall administer the finances of the department, subject to the provisions of law and the rules of the board, and shall perform such other duties as the board may prescribe.

Sec. 5. QUARTERLY REPORT. Not less than ten days prior to each regular meeting of the board, the director shall submit a report which shall present a comprehensive picture of the activities of the department during the preceding quarter, including a complete financial statement, and shall contain such other matters as the board may require.

Sec. 6. EMPLOYEES. The qualifications of the employees of the department shall be prescribed by the board. Neither the director nor any employee shall: 1. acquire a pecuniary interest in any mining property in the state; 2. act as broker or agent for any purchaser, owner, or agent of mining property, equipment, or products; 3. accept any commission or compensation for any service rendered in connection with the mining industry, nor, 4. make any investigation or report on any individual property for evaluation or private use, other than in pursuance of his official duties.

Sec. 7. BOARD OF GOVERNORS. (a) The

board of governors of the department shall consist of five members, who shall be appointed by the governor. One member shall be appointed for a term ending January 31 next succeeding the date of his appointment, and one each for terms ending one, two, three, and four years thereafter. Upon the expiration of any of said terms a successor shall be appointed for a full term of five years. Appointment to fill a vacancy resulting otherwise than from expiration of term shall be for the unexpired portion of the term only.

(b) Members of the board shall receive no compensation for their services as such, but shall be reimbursed for necessary expenses, in conformity with section 2803, Revised Code of 1928, as amended, incurred in the performance of their duties.

(c) The office of the board shall be maintained at the capital.

Sec. 8. MEETINGS AND ORGANIZATION. Not more than twenty days after appointment of its members, the board shall meet and organize by electing a chairman, vice-chairman, and secretary. Thereafter regular meetings shall be held quarterly, and special meetings may be called by the chairman or a majority of the members.

Sec. 9. POWERS AND DUTIES OF BOARD. (a) The board shall: 1. establish such field offices as it may deem necessary; 2. prescribe the number of field and office assistants; 3. formulate the program and policies of the division, and, 4. adopt rules and regulations for the government of the division.

(b) The board shall have power to:

1. Purchase necessary office equipment and rent or lease necessary office space.

2. Accept gifts, bequests, or legacies of real or personal property, or any other contribution, financial or otherwise, for use in accordance with the wishes of the donor, or, in the absence of express wishes, to be disposed of for the best interests of the state.

3. Accept from the federal government or its agencies such funds as may be made available to the state for any of the purposes of this act.

4. Enter into cooperative agreements with the federal government and its agencies, or with any mining agency, created by the law of any state, for the purpose of carrying out the provisions of this act.

Sec. 10. ANNUAL REPORT. The board shall transmit to the governor, not later than July 15 of each year, an annual report of the activities of the department during the preceding fiscal year, which report shall include the quarterly reports of the director and a complete financial statement on a form prescribed by the state auditor. The report shall be printed and made available to each member or member-elect of the legislature and to the public.

Sec. 11. FINANCIAL PROVISIONS. All moneys received from any source by the department shall be promptly paid by the director to the state treasurer, through the state auditor, and shall be deposited in the general fund to the credit

of the department. Claims for expenses shall be approved by the director.

Sec. 12. APPROPRIATION. For each calendar month or major portion thereof between the date the act takes effect and the end of the twenty-seventh fiscal year, the sum of two thousand five hundred dollars is appropriated. In addition to the appropriation provided for to the end of the twenty-seventh fiscal year the sum of thirty thousand dollars is appropriated for each of the fiscal years ending June 30, 1940 and June 30, 1941 to the use of the department of mineral resources for the purpose of carrying out the provisions of this act.

Sec. 13. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 1, 1939.

CHAPTER 28

(House Bill No. 180)

AN ACT

RELATING TO WORKMEN'S COMPENSATION; AMENDING SECTIONS 1428 AND 1438, REVISED CODE OF 1928, AND AMENDING CHAPTER 24, ARTICLE 5, REVISED CODE OF 1928, BY ADDING SECTIONS 1428a, 1428b, 1428c, 1428d, 1438a, 1438b, 1438c, 1438d, 1438e, AND 1438f.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. Sec. 1428, Revised Code of 1928, is amended to read:

Sec. 1428. ACCIDENT BENEFITS. (a) Every injured employee shall receive promptly such medical, surgical and hospital or other treatment, nursing, medicine, surgical supplies, crutches and apparatus, including artificial members, as may be reasonably required at the time of the injury, and during the period of temporary disability, as provided in section 1438. Such benefits shall be termed "accident benefits".

(b) To permit the payment of accident benefits, as provided in subsection (a), the commission shall collect a premium, in such percentage as it shall by order fix, upon the total payroll of every employer, except as otherwise provided in this article, including the state and its legal subdivisions. Any employer paying such premium shall be exempt from the payment of accident benefits, and may collect not more than one-half of such premium from his employees, but not to exceed one dollar per month from any employee, by deducting the same from the employee's wages. All fees and charges for accident benefits, limited to such charges as prevail in the same community for similar treatment of injured persons of like standard of living shall be subject to regulation by the commission. Premiums collected for accident benefits shall be kept in a separate fund, and the state compensation fund shall not be liable for such benefits.

Sec. 2. Chapter 24, article 5, Revised Code of

1928, is amended by adding section 1428a:

Sec. 1428a. EMPLOYER TO RENDER FIRST AID. Any employer operating under the provisions of this article shall, immediately upon the occurrence of an injury to an employee, render to such employee all necessary first aid, including, if the injury is such as to make transportation reasonably necessary, cost of transportation from the place of injury to the nearest place of proper treatment. He shall forthwith notify the commission of the accident, giving the name of the injured employee, the nature and date of the accident, and where and by whom the injured employee is being treated. Any employer paying accident benefit premiums to the commission who furnishes first aid as provided in this section shall be reimbursed by the commission the amount of his expenditure for such purpose if reasonably made.

Sec. 3. Chapter 24, article 5, Revised Code of 1928, is amended by adding section 1428b:

Sec. 1428b. EMPLOYER MAY PROVIDE ACCIDENT BENEFITS. (a) Any employer, other than the state or a political subdivision thereof alone or jointly with other employers may, in lieu of making premium payments to the accident benefit fund, provide accident benefits to injured employees, and may collect one-half of the cost thereof from his employees, not to exceed one dollar per month from any thereof, which may be deducted from the wages of the employee.

(b) An employer electing to provide accident benefits shall notify the commission of such

election and render a detailed statement of the arrangements made therefor.

(c) Any employer who maintains a hospital for his employees, or who contracts with a physician for the hospital care of injured employees, shall, on or before the thirtieth day of January of each year, make a verified written report to the commission for the preceding year, showing the total amount of hospital fees collected, showing separately the amount contributed by the employees and the amount contributed by the employers; an itemized account of the expenditures, investments, or other disposition of such fees, and a statement showing what balance, if any, remains.

(d) Any employer who fails to notify the commission of his election to provide accident benefits, or who maintains a hospital or contracts for hospital service as provided in subsection (c) and fails to render the financial report required therein, shall be liable for the accident benefits as provided in section 1428.

(e) In the event the medical, surgical, or hospital aid or treatment being furnished by an employer is such that there is reasonable ground to believe that the health, life or recovery of any employee is endangered or impaired thereby, the commission may, upon application of the employee or upon its own motion, order a change of physicians or other conditions. If the employer fails to promptly comply with such order the injured employee may elect to have medical, surgical or hospital aid or treatment provided by or through the commission. In such event the cause of action of such injured employee against the employer shall be assigned to the commission for the bene-

fit of the accident benefit fund, and the commission shall furnish to the injured employee medical, surgical, or hospital aid or treatment as provided in this article.

Sec. 4. Chapter 24, article 5, Revised Code of 1928, is amended by adding section 1428c:

Sec. 1428c. STATE AND POLITICAL SUBDIVISIONS LIABLE FOR ACCIDENT BENEFIT PREMIUMS. The state, and each county, municipal corporation, and school district, shall pay to the commission, through the officer charged with the duty of paying premiums for the benefit of the state compensation fund, the premiums prescribed by section 1428, subsection (b), for the accident benefit fund.

Sec. 5. Chapter 24, article 5, Revised Code of 1928, is amended by adding section 1428d:

Sec. 1428d. ADMINISTRATION OF ACCIDENT BENEFIT FUND. The commission shall administer the accident benefit fund in the same manner and with the same power as it possesses with respect to the state compensation fund. The state treasurer shall be the custodian of the fund, and deposits therein and disbursements therefrom shall be made in the manner prescribed by law for the state compensation fund.

Sec. 6. Sec. 1438, Revised Code of 1928, is amended to read:

Sec. 1438. MEASURE OF COMPENSATION; TOTAL AND PARTIAL DISABILITIES. Every employee of any employer subject to the provisions of this article, who shall be injured by acci-

dent arising out of and in the course of employment, or his dependents, as hereinafter defined, in case of his death, shall receive the compensation herein fixed, on the basis of average monthly wage at the time of injury. The term "monthly wage" shall mean the average wage paid during and over the month in which such employee is killed or injured. If the injured or killed employee has not been continuously employed for the period of thirty days immediately preceding the injury or death, the average monthly wage shall be such sum as, having regard to the previous wage of the injured employee, or of other employees of the same or most similar class working in the same or most similar employment in the same or neighboring locality, reasonably represents the monthly earning capacity of the injured employee in the employment in which he is working at the time of the accident. If the employee is working under a contract by which he is guaranteed an amount per diem or per month, notwithstanding the contract price for such labor, then said employee or his subordinates or employees working under the terms of such contract, or his or their dependents in case of death, shall be entitled to receive compensation on the basis only of the guaranteed wage as set out in said contract of employment, whether paid on a per diem or a monthly basis, but in no event shall the basis be less than the wages paid to employees for similar work not under contract.

Sec. 7. Chapter 24, article 5, Revised Code of 1928, is amended by adding section 1438a:

Sec. 1438a. DEATH BENEFITS. (a) In the case of an injury causing death, the compensation therefor shall be known as a death benefit, and shall be payable in the amount, for the period,

and to and for the benefit of the persons following: 1. burial expenses, not to exceed one hundred fifty dollars, in addition to the compensation; 2. to the widow, if there is no child, thirty-five per cent of the average wage of the deceased, to be paid until her death or remarriage, with two years' compensation in one sum upon remarriage; 3. to the widower, if there is no child, thirty-five per cent of the average wage of the deceased, if wholly dependent for support upon the deceased employee at the time of her death, to be paid until his death or remarriage; 4. to the widow or widower, if there is a child or children, the additional amount of fifteen per cent of such wage for each child until the age of eighteen years, the total not to exceed sixty-six and two-thirds per cent of the average wage; 5. to a single surviving child (in the case of the subsequent death of a surviving wife, or a dependent husband, or if there be no surviving wife or dependent husband), twenty-five per cent of such average wages; or if there is more than one surviving child, twenty-five per cent for one child, and fifteen per cent for each additional child, to be divided among such children share and share alike, but not exceeding a total of sixty-six and two-thirds per cent of the average wage, and compensation to any such child shall cease upon death, marriage or reaching the age of eighteen years, except, if over eighteen years and incapable of self-support, when it becomes capable of self-support; 6. to a parent (if there be no surviving wife, dependent husband, or child under the age of eighteen years), if wholly dependent for support upon the deceased employee at the time of his death, twenty-five per cent of the average monthly wage of the deceased during dependency, with an added allowance of fifteen per cent if two dependent parents survive; and, 6a. if neither par-

ent is wholly dependent, but one or both partly dependent, fifteen per cent divided between them share and share alike; 7. to brothers or sisters, under the age of eighteen years, if there be no surviving wife, dependent husband, dependent children under the age of eighteen years, or dependent parent; 7a. if one is wholly dependent upon the deceased employee for support at the time of injury causing death, twenty-five per cent of the average monthly wage until of the age of eighteen years; 7b. if more than one brother or sister is wholly dependent, thirty-five per cent of the average monthly wage at the time of injury causing death, divided among such dependents share and share alike; 7c. if none of them is wholly dependent, but one or more partly dependent, fifteen per cent divided among such dependents share and share alike; 8. if there be no dependents in the foregoing schedule dependency shall be determined according to the facts as of the time of the injury; if the deceased employee leaves dependents only partially dependent upon his earnings for support at the time of the injury, the monthly compensation shall be equal to such proportion of the monthly payments for the benefit of persons totally dependent as the amount contributed by the employee to such partial dependents bears to the average wage of the deceased at the time of the injury resulting in his death; the duration of compensation to partial dependents shall be fixed by the commission in accordance with the facts shown, but shall in no case exceed compensation for one hundred months.

(b) A death benefit paid to an alien not residing in the United States shall be only sixty per cent of the amount specified in this section.

(c) In the event of the death of a dependent

before the expiration of the time named in the award, the funeral expenses of such person, not to exceed one hundred fifty dollars, shall be paid.

Sec. 8. Chapter 24, article 5, Revised Code of 1928, is amended by adding section 1438b:

Sec. 1438b. APPORTIONMENT OF COMPENSATION. Compensation to a dependent widow or widower shall be for the use and benefit of such widow or widower and of the dependent children, and the commission may, from time to time, apportion such compensation between them in such way as it deems best for the interest of all beneficiaries.

Sec. 9. Chapter 24, article 5, Revised Code of 1928, is amended by adding section 1438c:

Sec. 1438c. PAYMENT WHEN NO DEPENDENT SURVIVES. In the case of an injury resulting in death, where there is no dependent, the employer or insurance carrier, or the state compensation fund, as the case may be, shall pay the burial expenses of the deceased, as provided herein, and shall pay into the state treasury the sum of eight hundred fifty dollars. Such payments shall be placed in a special fund for the purpose of enabling the commission to provide such additional awards as may be necessary to enable injured employees to accept the benefits of any law of the state, or of the United States, or both jointly, for the promotion of vocational rehabilitation of persons disabled in industry, and, in the discretion of the commission, to provide additional awards for injured employees in such sums as may be necessary where the employees' compensable permanent disabilities are of such a nature as to prevent them from caring for their persons and

their bodily functions, and where the employees' resources are insufficient to provide such unusual expenses of care and attendance.

Sec. 10. Chapter 24, article 5, Revised Code of 1928, is amended by adding section 1438d:

Sec. 1438d. TOTAL DISABILITY. (a) For temporary total disability: 1. if there be no one residing in the United States totally dependent upon the employee at the time of the injury, compensation of sixty-five per cent of the average monthly wage shall be paid during the period of such disability, not to exceed one hundred months; 2. if there be persons residing in the United States totally dependent for support upon the employee, compensation shall be paid as provided herein with an additional allowance of ten dollars per month for such dependents during the period of such disability.

(b) For total disability adjudged to be permanent, compensation of sixty-five per cent of the average monthly wage shall be paid during the life of the injured person.

(c) In the absence of proof to the contrary, disability shall be deemed total and permanent if caused by: 1. the total and permanent loss of sight of both eyes; 2. the loss by separation of both feet; 3. the loss by separation of both hands; 4. an injury to the spine resulting in permanent and complete paralysis of both legs or both arms, or one leg and one arm; 5. an injury to the skull resulting in incurable imbecility or insanity; 6. the loss by separation of one hand and one foot. Such enumeration is not exclusive, and in all other cases

permanent total disability shall be determined in accordance with the facts.

Sec. 11. Chapter 24, article 5, Revised Code of 1928, is amended by adding section 1438e:

Sec. 1438e. PARTIAL DISABILITY. (a) For temporary partial disability there shall be paid during the period thereof, not to exceed sixty months, sixty-five per cent of the difference between the wages earned before the injury and the wages which the injured person is able to earn thereafter.

(b) Disability shall be deemed permanent partial disability if caused by any of the following specified injuries, and compensation of fifty-five per cent of the average monthly wage of the injured employee, in addition to the compensation for temporary total disability, shall be paid for the period given in the following schedule:

1. For the loss of a thumb, fifteen months.

2. For the loss of a first finger, commonly called the index finger, nine months.

3. For the loss of a second finger, seven months.

4. For the loss of a third finger, five months.

5. For the loss of the fourth finger, commonly called the little finger, four months.

6. The loss of a distal or second phalange of the thumb or the distal or third phalange of the first, second, third or fourth finger, shall be con-

sidered equal to the loss of one-half of such thumb or finger, and compensation shall be one-half of the amount specified for the loss of the entire thumb or finger.

7. The loss of more than one phalange of the thumb or finger shall be considered as the loss of the entire finger or thumb, but in no case shall the amount received for more than one finger exceed the amount provided for the loss of a hand.

8. For the loss of a great toe, seven months.

9. For the loss of a toe other than the great toe, two and one-half months.

10. The loss of the first phalange of any toe shall be considered equal to the loss of one-half of such toe and compensation shall be one-half of the amount for one toe.

11. The loss of more than one phalange shall be considered as the loss of the entire toe.

12. For the loss of a major hand, fifty months, or of a minor hand, forty months.

13. For the loss of a major arm, sixty months, or of a minor arm, fifty months.

14. For the loss of a foot, forty months.

15. For the loss of a leg, fifty months.

16. For the loss of an eye by enucleation, thirty months.

17. For the permanent and complete loss of

sight in one eye without enucleation, twenty-five months.

18. For permanent and complete loss of hearing in one ear, twenty months.

19. For permanent and complete loss of hearing in both ears, sixty months.

20. The permanent and complete loss of the use of a finger, toe, arm, hand, foot or leg may be deemed the same as the loss of any such member by separation.

21. For the partial loss of use of a finger, toe, arm, hand, foot, leg, or partial loss of sight or hearing, fifty per cent of the average monthly wage, during that proportion of the number of months in the foregoing schedule provided for the complete loss of use of such member, or complete loss of sight or hearing, which the partial loss of use thereof bears to the total loss of use of such member or total loss of sight or hearing.

22. For permanent disfigurement about the head or face, which shall include injury to or loss of teeth, the commission may allow such sum for compensation thereof as it may deem just, in accordance with the proof submitted, for a period not to exceed eighteen months.

(c) In cases not enumerated in subsection (b), where the injury causes partial disability for work the employee shall receive, during such disability, compensation equal to fifty-five per cent of the difference between his average monthly wages before the accident and the monthly wages he is able to earn thereafter, but the payment

shall not continue after the disability ends, or the death of the injured person, and in case the partial disability begins after a period of total disability, the period of total disability shall be deducted from such total period of compensation.

(d) In determining the percentage of disability, consideration shall be given, among other things, to any previous disability, the occupation of the injured employee, the nature of the physical injury, and the age of the employee at the time of the injury. In case there is a previous disability, as the loss of one eye, one hand, one foot, or otherwise, the percentage of disability for a subsequent injury shall be determined by computing the percentage of the entire disability and deducting therefrom the percentage of the previous disability as it existed at the time of the subsequent injury.

(e) The commission may adopt a schedule for rating permanent disability and reasonable and proper rules to carry out the provisions of this section.

Sec. 12. Chapter 24, article 5, Revised Code of 1928, is amended by adding section 1438f:

Sec. 1438f. NEGLECT OF EMPLOYEE. No compensation shall be payable for the death or disability of an employee, if his death be caused by, or insofar as his disability may be aggravated, caused or continued by an unreasonable refusal or neglect to submit to or follow any competent and reasonable surgical treatment or medical aid.

Approved March 1, 1939.

CHAPTER 29

(House Bill No. 247)

AN ACT

TRANSFERRING CERTAIN FUNDS FROM THE SO-CALLED STATE LOAN BOARD FUND TO THE STATE TREASURER.

Be it Enacted by the Legislature of the State of Arizona:

Sec. 1. RE-APPROPRIATION OF UNEXPENDED BALANCES. All balances remaining in the so-called state loan board fund, as said fund appears under the provisions of subdivision 47, section 1, chapter 73, Session Laws of 1937, regular session, shall be transferred to the fund for the office of the state treasurer, for the purpose of administering permanent fund loans and securities therefor and carrying out the duties imposed upon the state treasurer by section 7, article X, Constitution of Arizona.

Sec. 2. EMERGENCY. To preserve the public peace, health and safety, it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 2, 1939.

CHAPTER 30

(Senate Bill No. 21)

AN ACT

RELATING TO PARDONS AND PAROLES; IMPOSING CONDITIONS WITH RESPECT THERETO, AND AMENDING CHAPTER 138, REVISED CODE OF 1928, BY ADDING SECTION 5320a.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. Chapter 138, Revised Code of 1928, is amended by adding section 5320a:

Sec. 5320a. LIMITATION UPON CONSIDERATION OF APPLICATIONS. (a) The board of pardons and paroles shall not receive, consider, or act upon an application for parole or commutation until the expiration of the minimum term fixed by the court in the judgment and sentence rendered by it against the person whose release or commutation of sentence is sought. The provisions of this act shall apply only to those convictions, sentences, and commitments occurring after the date this act takes effect. Any member of the board of pardons and paroles who shall violate the provisions of this section shall be guilty of a misdemeanor, and upon conviction imprisoned in the county jail not more than six months, fined not more than one thousand dollars, or both. His office shall also be declared vacant, and he shall forever be ineligible to hold any public office.

(b) Immediately upon entering of the judg-

ment and sentence of the court, in any conviction for a felony, it shall be the duty of the county attorney of the county in which the conviction was obtained to send a statement of facts and any evidence of previous record to the chairman of the board of pardons and paroles.

(This bill having remained with the governor five days, Sundays excluded, and the legislature being in session, it has become a law without his signature.)

HARRY M. MOORE,
Secretary of State.

CHAPTER 31

(House Bill No. 69)

AN ACT

RELATING TO THE RIGHTS AND PRIVILEGES OF FOREIGN CORPORATIONS, AND AMENDING SECTION 660, REVISED CODE OF 1928.

Be it enacted by the Legislature of the State of Arizona:

Section 1. Sec. 660, Revised Code of 1928, is amended to read:

660. RIGHTS UPON COMPLIANCE. Upon complying with the provisions of this article any foreign corporation shall have and enjoy the same rights and privileges held and enjoyed by a like domestic corporation. No alien corporation here-

after shall ever own or hold any land within the state of Arizona. No foreign corporation shall hereafter be appointed to act as executor, administrator, trustee, guardian of the estate of a minor or incompetent person, or in any other fiduciary capacity except in the capacity of testamentary trustees.

Approved March 2, 1939.

CHAPTER 32

(Senate Bill No. 213)

AN ACT

CREATING THE DEPARTMENT OF LIQUOR LICENSES AND CONTROL, TRANSFERRING BALANCES IN THE LIQUOR LICENSES ADMINISTRATION FUND THERETO, AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. CREATION OF DEPARTMENT. There is hereby created the department of liquor licenses and control, relating to the licensing and control of the manufacture and sale of spirituous liquors.

Sec. 2. TRANSFER OF BALANCES. All balances standing to the credit of the liquor license division of the state tax commission, in the liquor license administration fund, as provided in subdivision 49, chapter 73, Session Laws of 1937, regular session (p. 407), shall be transferred to the credit of the department of liquor licenses and control, and become immediately available for the purpose

of carrying out the purposes of chapter 7, Session Laws of 1939, regular session. All balances remaining in said fund at the close of the twenty-seventh fiscal year shall revert to the general fund.

Sec. 3. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 2, 1939.
(Repealed by Chapter 64.)

CHAPTER 33

(Senate Bill No. 56)

AN ACT

RELATING TO THE COLORADO RIVER; PROVIDING FOR A COMPACT BETWEEN ARIZONA, CALIFORNIA AND NEVADA, AND FOR THE APPROVAL OF THE COLORADO RIVER COMPACT; AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. TRI-STATE COMPACT. The state of Arizona, desiring to enter into a compact with the states of California and Nevada under the authority of and in accordance with the provisions of the Act of Congress of the United States of America approved December 21, 1928 (45 Stat. 1057, "Boulder Canyon Project Act"), proposes the following compact or agreement between the states of Arizona, California and Nevada:

COMPACT BETWEEN THE STATES OF ARIZONA, CALIFORNIA AND NEVADA

The states of Arizona, California and Nevada, desiring to enter into a compact or agreement under the Act of Congress of the United States of America approved December 21, 1928 (45 Statutes at Large, page 1057, "Boulder Canyon Project Act"), have agreed upon the following articles:

ARTICLE I

The major purposes of this Compact are to provide for the equitable division and apportionment of the use of the waters of the Colorado River System apportioned to the Lower Basin under the Colorado River Compact; to establish the relative importance of different beneficial uses of such water; to promote interstate comity; to remove causes of present and future controversies; and to secure the expeditious agricultural and industrial development of the Lower Basin, the storage of its waters, and the protection of life and property from floods.

ARTICLE II

As used in this compact:

"Colorado River System" means that portion of the Colorado River and its tributaries within the United States of America;

"Colorado River Basin" means all of the drainage area of the Colorado River System and all other territory within the United States of America to which the waters of the Colorado River System shall be beneficially applied;

"States of the Upper Division" means the states of Colorado, New Mexico, Utah, and Wyoming;

"States of the Lower Division" means the states of Arizona, California and Nevada;

"Lee's Ferry" means a point in the main stream of the Colorado River one mile below the mouth of the Paria River;

"Upper Basin" means those parts of the states of Arizona, Colorado, New Mexico, Utah, and Wyoming within and from which waters naturally drain into the Colorado River System above Lee's Ferry, and also all parts of said states located without the drainage area of the Colorado River System which are now or shall hereafter be beneficially served by waters diverted from the system above Lee's Ferry;

"Lower Basin" means those parts of the states of Arizona, California, Nevada, New Mexico and Utah within and from which waters naturally drain into the Colorado River System below Lee's Ferry, and also all parts of said states located without the drainage area of the Colorado River System which are now or shall hereafter be beneficially served by waters diverted from the system below Lee's Ferry;

"domestic use" includes the use of water for household, stock, municipal, mining, milling, industrial, and other like purposes, but excludes the generation of electrical power.

ARTICE III

(a) The aggregate annual consumptive use

(diversions less returns to the river) of water of and from the Colorado River for use in the state of California, including all uses under contracts made under the provisions of the Boulder Canyon Project Act and all waters necessary for the supply of any rights which may now exist, shall not exceed four million, four hundred thousand acre feet of the waters apportioned to the Lower Basin States by paragraph (a) of Article III of the Colorado River Compact, plus not more than one-half of any excess or surplus waters unapportioned by said Colorado River Compact, such uses always to be subject to the terms of said compact.

(b) Of the seven million, five hundred thousand acre feet annually apportioned to the Lower Basin by paragraph (a) of Article III of the Colorado River Compact, there is hereby apportioned annually to the state of Nevada three hundred thousand acre feet and annually to the state of Arizona two million, eight hundred thousand acre feet for the exclusive beneficial consumptive use by said states of Nevada and Arizona, respectively, in perpetuity.

(c) The state of Arizona may annually use one-half of the excess or surplus waters unapportioned by the Colorado River Compact.

(d) In addition to the water covered by paragraphs (b) and (c) hereof, the state of Arizona shall have the exclusive beneficial consumptive use of the Gila River and its tributaries within the boundaries of the state of Arizona in perpetuity.

(e) The waters of the Gila River and its tributaries, except return flow after the same enters the Colorado River, shall never be subject to any

diminution whatever by any allowance of water which may be made by treaty or otherwise to the United States of Mexico, but if, as provided in paragraph (c) of Article III of the Colorado River Compact, it shall become necessary to supply water to the United States of Mexico from waters over and above the quantities which are surplus as defined by said Colorado River Compact, then the state of California shall and does mutually agree with the state of Arizona to supply, out of the main stream of the Colorado River, one-half of any deficiency which must be supplied to Mexico by the Lower Basin.

(f) Neither the states of Arizona, California nor Nevada will withhold water nor require the delivery of water which cannot reasonably be applied to domestic and agricultural uses.

(g) All the provisions of this compact or agreement shall be subject in all particulars to the provisions of the Colorado River Compact.

ARTICLE IV

This compact or agreement shall take effect and become binding and obligatory when it shall have been approved by the Congress of the United States of America, by the legislatures of each of the states of Arizona, California and Nevada and when the states of Arizona, California and Nevada shall have ratified the Colorado River Compact. When approved by the legislature of a signatory state the original and four copies of this compact or agreement shall be signed by the governor of such state and notice of such approval and signing shall be given by such governor to the governors of the other signatory states and to the president of the United States

of America. The governor last signing shall forward the original copy for deposit in the archives of the Department of State of the United States of America and one copy to the governor of each of the other signatory states.

IN WITNESS WHEREOF this compact or agreement is executed.

STATE OF ARIZONA

By_____
Governor, at Phoenix, Arizona
_____, 19____

STATE OF CALIFORNIA

By_____
Governor, at Sacramento, California
_____, 19____

STATE OF NEVADA

By_____
Governor, at Carson City, Nevada
_____, 19____

Sec. 2. ACCEPTANCE BY ARIZONA. The proposed agreement between the states of Arizona, California and Nevada, as set forth in section 1 of this act, is approved and accepted for the state of Arizona. The governor of the state of Arizona is authorized and directed to sign said agreement for the state of Arizona, and to give notice of its approval as in said agreement provided.

Sec. 3. CONDITIONAL APPROVAL OF COLO-

RADO RIVER COMPACT. If the agreement set forth in section 1, of this act, be approved by the Congress of the United States, and the states of California and Nevada within one year after the effective date of this act, or within a period of one additional year thereafter provided the governor of the state of Arizona shall by proclamation so extend the period for such approval, the Colorado River Compact shall thereupon be and become by the terms of this act ratified for and on behalf of the state of Arizona.

Sec. 4. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 3, 1939.

CHAPTER 34

(Senate Bill No. 141)

AN ACT

RELATING TO MORTGAGES; PROVIDING FOR ACTIONS ON FORECLOSURE, AND AMENDING SECTION 2, CHAPTER 17, SESSION LAWS OF 1937, SECOND SPECIAL SESSION; AND DECLARING AN EMERGENCY.

Be it enacted by the Legislature of the State of Arizona:

Section 1. Sec. 2, chapter 17, Session Laws of 1937, second special session, is amended to read:

2. ACTIONS FOR FORECLOSURE. In all actions now pending or hereafter commenced, for the foreclosure of real estate mortgages or on notes secured thereby executed prior to March 4, 1933, the court upon application of either the plaintiff or the defendant in such action, provided said defendant is not in default for want of pleading, and unless upon hearing of said application good cause is shown to the contrary, may order such cause continued for a period not longer than March 4, 1941.

Sec. 2. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 4, 1939.

CHAPTER 35

(House Bill No. 161)

AN ACT

AUTHORIZING THE STATE BOARD OF SOCIAL SECURITY AND WELFARE TO PAY CERTAIN CLAIMS AGAINST THE DEFUNCT FUND KNOWN AS THE "GOVERNOR'S RELIEF FUND".

Be it Enacted by the Legislature of the State of Arizona:

Section 1. AUTHORIZATION TO PAY CLAIMS. The state board of social security and

welfare is authorized and directed to pay, out of any moneys received by it under the provisions of section 21, article 2, chapter 77, Session Laws of 1935, regular session, as amended, claims against the governor's relief fund (abolished by section 8, chapter 2, Session Laws of 1937, first special session) for value received in milk, medicine, clothing, or food furnished not earlier than April 12, 1937, and not later than June 2, 1937, for the relief of needy children, on orders in good faith issued by and received from authorized agencies through which purchases of such supplies had theretofore commonly been made for account of the said governor's relief fund.

Sec. 2. EMERGENCY. To preserve the public peace, health and safety, it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 8, 1939.

CHAPTER 36

(House Bill No. 153)

AN ACT

RELATING TO AGRICULTURE, AND PROVIDING FOR THE INSTITUTION AND CONTROL OF PRORATION PROGRAMS WITH RESPECT TO VITICULTURAL AND CITRUS PRODUCTS, AND DECLARING AN EMERGENCY.

Be it enacted by the Legislature of the State of Arizona:

Section 1. SHORT TITLE. This act may be known and cited as the Arizona agricultural prorate act of 1939.

Sec. 2. DEFINITIONS. In this act, unless the context otherwise requires:

"person" includes any individual, firm, association, or corporation;

"agricultural waste" includes economic waste and waste incident to the harvesting or preparation for delivery to market of the commodities affected by this act in excess of reasonable market demands;

"product" or "commodity" means any viticultural or citrus product, and includes grape, orange, grapefruit, lemon, lime, or deviation thereof;

"proration zone" or "zone" means any district or districts with respect to which a program of market proration is proposed to be or has been instituted;

"commissioner" means the agricultural prorate commissioner;

"producer" means any person engaged in the business of commercially growing or producing any viticultural or citrus product for commercial use to the extent of at least one producing factor;

"distributor" means any person, other than a retailer, who acquires and distributes any product at wholesale or rerail;

"retailer" means any person engaged in the business of making sales at retail;

"handler" means any person receiving commodities from the producer for the purpose of marketing the same;

"primary channel of trade" means that transaction in which the producer or his cooperative marketing association loses physical possession of the commodity through the sale thereof or other disposition commercially;

"producing factor" means the unit of one acre in commercial production unless the commissioner finds a smaller unit is required to assure reasonable control of the commodity, in which case the commissioner may determine the producing factor to be either one-half or one-fourth of an acre;

"owner" means the producer in possession of viticultural or citrus commodities and legally entitled to dispose of the same for marketing purposes;

"proration" means the uniform percentage of their total production which all producers may harvest and prepare for market, or which they may market during specified proration periods;

"dealer" means any distributor or retailer;

"processor" means any person who buys, or otherwise takes title to or possession of, viticultural or citrus products for the purpose of processing, manufacturing, selling, reselling, or redelivering the same in dried, canned, extracted, fermented, distilled, or other preserved form, and includes: 1. any person or exchange conducting such business, and, 2. any person or exchange buying such products from the producer thereof, and reselling them to any person or exchange conducting such business;

"production" means that portion of the total crop of a commodity of a producer which qualifies for marketing and sale to the consuming public under existing standardization and other laws of this state and the United States, and for which a market is available;

"supervisor of inspection" means the supervisor appointed under the provisions of section 4, chapter 95, Session Laws of 1929, and amendments thereto.

Sec. 3. DECLARATION. The unreasonable waste of agricultural wealth occasioned by the harvesting, preparation for market, and delivery to market of greater quantities of viticultural and citrus commodities than are reasonably necessary to supply the demands of the market is opposed to the public interest, and the difficulty inherent in any attempt by individuals to correlate within a reasonable degree the supply of any such commodity to current consumptive demands is creating chaotic economic conditions in certain agricultural areas of the state of such severity as to imperil the ability of producers to contribute in appropriate amounts to the support of ordinary governmental and educational functions, thus tending to increase and increasing the tax burdens of other citizens for the same purposes. In the interest of the public welfare and general prosperity of the state, the unnecessary and unreasonable waste of agricultural wealth, hereinafter referred to as "agricultural waste", involved in the harvesting or preparation for and delivery to market of commodities for which there exists a limited consumer demand, should be eliminated, at the same time preserving to all producers equality of opportunity in the available markets.

Sec. 4. PRORATED MARKETING PETITION.

(a) An agricultural prorated marketing program may be based either upon a producing zone or upon a marketing zone, the basis to be specified in the petition therefor.

(b) A program for the prorated marketing of a variety or kind of commodity may be initiated by presenting a petition therefor to the commissioner. The petition, among other things, shall contain: 1. a description of the district or districts comprising the zone upon which the proposed marketing program is to be based, accompanied, if desired, by a map; 2. a general statement of facts showing the necessity for the institution of a prorated marketing program; 3. a statement of the period during which it is desired to establish the proposed marketing program, or, if the petition contains no such statement, the program shall continue until terminated as provided in this act, and, 4. in case the proposed prorating program relates to products for which no producing factor is established in this act, or it is desired that the commissioner fix a smaller producing factor than that provided in this act, the desired producing factor shall be stated in the petition. The petition shall be signed by not less than two-thirds of the qualified producers of the kind or variety of products for which a prorating program is proposed, and by the owners of not less than two-thirds of the producing factors of such products within the proposed producing zone, or, as the case may be, supplying the proposed marketing zone. The signatures may be either in person or by authorized agent or representative, in writing, other than a marketing contract. Any non-profit cooperative marketing association may sign such petition for any of its members, if expressly authorized by an instrument in writing signed by the member.

(c) Each producer shall be entitled to sign for the number of producing factors specified in the petition which he produced or possessed during the preceding season.

(d) A number of counterparts of a petition for a prorate program may be filed and the signatures on all of the counterparts shall be counted as if signed to one counterpart. Each counterpart shall have attached thereto the affidavit of a producer of the product to which the petition relates that each signature to said counterpart was affixed in his presence and is genuine.

(e) Written withdrawals of signatures from a petition may be filed in the commissioner's office before, but not after, the commissioner has directed publication of notice of the hearing thereon.

Sec. 5. BOND FOR COSTS. There shall be filed with every petition for a prorate program a good and sufficient undertaking to be approved by the commissioner, in double the amount of the probable cost of conducting the hearing of the petition, conditioned that the sureties will pay all such costs in case the petition is denied.

Sec. 6. HEARING. (a) Upon receipt of a petition for the establishment, annexation, or termination of a prorate program, the commissioner shall hold a hearing at some central point located within the district described in the petition and proposed to be established as a prorating, producing, or marketing zone. All counterparts of the petition bearing signatures and the names and addresses of all persons claimed by petitioners as being producers shall be filed in the commissioner's office and at such other places as the commissioner may

direct, and be open to public inspection by any interested party for not less than fifteen days prior to the hearing.

(b) Notice of hearing on a petition shall be given by publication, not less than ten days prior to the hearing, in a newspaper of general circulation published in each county in which the district described in the petition, or any part thereof, is situated, and by posting, not less than ten days prior to the hearing, in not less than ten conspicuous places in each such county. If no newspaper is published in any county, said notice shall be published in a newspaper published in the state and having general circulation in such county. If the proposed proration zone includes more than one district, the required notice shall be given and a hearing held in each district.

(c) In the case of a petition filed within thirty days after this act takes effect, the time during which the names and addresses of the producers shall be open to public inspection shall be ten days and the posting and publication of the petition shall be five days before the date of the hearing.

Sec. 7. SUFFICIENCY OF PETITION. (a) At the beginning of the hearing on a petition the commissioner shall determine the sufficiency of the petition. The certificate of the supervisor of inspection as to the number of producers, acres, or other producing factors engaged in the production of any variety or kind of commodity shall be prima facie evidence of the facts therein stated. The certificate of the supervisor of inspection that he has examined the petition and that the same is signed by not less than sixty-six and two-thirds per cent of the qualified producers of the kind or variety of

product within the proposed producing zone or supplying the proposed marketing zone, and by the owners of not less than sixty-six and two-thirds per cent of the producing factors within the proposed producing zone or supplying the proposed marketing zone, as the case may be, shall be prima facie evidence of the sufficiency of the signatures to the petition. Any person interested may contest the sufficiency of the petition or the validity or sufficiency of any signature thereto by written objection filed before the beginning of the hearing. The commissioner shall hear and pass upon all such objections.

(b) In determining the sufficiency of the petition for a prorate program and of the signatures thereon the commissioner shall be guided by the following rules:

1. In case of community property the signature of the husband shall be sufficient.

2. In case of separate property, the signature of the husband or wife alone, as the case may be, shall be sufficient.

3. In case of a partnership, signature by any partner shall be prima facie sufficient, but may be contested by other partners.

4. In case of a corporation, signature by the president or secretary shall be prima facie sufficient, but may be contested by any shareholder of the corporation.

5. In case of leases or sharecropping contracts, the signature of the person having the main control over the crop shall be sufficient.

6. Signatures of guardians of minors and in-

competent persons, executors and administrators of estates, and receivers, shall be sufficient without an order of the court authorizing the same.

7. Signatures by agent or attorney-in-fact shall be accepted if written authority, duly signed and acknowledged, is filed with the petition or produced at the hearing.

8. Signatures by a non-profit cooperative marketing association shall be accepted on behalf of any of its members, if such non-profit cooperative marketing association is expressly authorized so to sign by an instrument in writing signed by the member.

Sec. 8. ADJOURNMENT AND TRANSCRIPT. Any hearing on a petition for a prorate program may be adjourned from time to time and from place to place as the circumstances may require. A transcript of the proceedings at all such hearings shall be made by the commissioner and be open to inspection by any interested party.

Sec. 9. FINDINGS OF FACT. (a) If upon hearing the commissioner find that: 1. the petition, including all counterparts which may have been filed prior to the first publication of notice of the hearing, is signed, in person or by authorized representatives, by the required number of producers and by the owners of the required number of producing factors; 2. the economic stability of the agricultural industry concerned is being imperiled by prevailing market conditions; 3. agricultural waste is occurring or is about to occur; 4. the institution of a program of prorated marketing will conserve the agricultural wealth of the state and prevent threatened agricultural waste; 5. the in-

stitution of a proration program as proposed in the petition will advance the public welfare without discrimination against any producer; 6. the proposed program may be instituted and conducted without permitting unreasonable profits to the producers and that the commodity named in the petition cannot be marketed at a reasonable profit otherwise than by means of such a program, and, 7. the proposed zone of proration includes all the territory within the state reasonably necessary to render the proposed program feasible, he shall make written findings to that effect.

(b) If it appear to the commissioner that the inclusion of territory additional to that described in any petition is necessary to the feasibility of the program proposed, he shall postpone further proceedings until notice is given to the producers within such additional territory in the manner provided in section 6. Thereafter the petition may be amended to include such additional territory and the commissioner may complete the hearing and make findings in the manner provided. If the commissioner find against the existence of any of the facts prescribed in this section, he shall deny the petition.

Sec. 10. DECLARATION OF PROGRAM AND ZONE. If the commissioner find that a prorate program petition is signed by two-thirds or more of the producers of the commodity named in the petition within or serving the zone described and by the owners of two-thirds or more of the producing factors within or serving said zone, and that all other facts specified in section 9 exist, he shall forthwith make an order declaring the proposed program instituted, and shall specify and define the zone in which the program shall be effective and designate it by a title indicative of the com-

modity concerned. Each such zone shall constitute a separate entity and its affairs shall be managed by a program committee.

Sec. 11. REVIEW OF COMMISSIONER'S ORDER. Any order of the commissioner instituting a proration program or substantially affecting the rights of an interested party may be reviewed by any court of competent jurisdiction. Any such action must be commenced within thirty days after the effective date of the order or within thirty days after the beginning of the injurious effect complained of.

Sec. 12. PROGRAM COMMITTEE. (a) In the event of the institution of a marketing program in a proration zone the commissioner shall forthwith select a proration program committee of five producers, not more than two of whom shall be under contract with the same handler or be members of the same cooperative marketing association.

(b) In the selection of a program committee the commissioner shall take cognizance of, and, in so far as possible, give representation to the various geographical areas or districts coming under the program. The members of the committee shall be appointed from a list of fifteen nominations made in the petition or by the producers on the first day of the hearing. If more than fifteen members be nominated, selection of fifteen shall be made by those present at the hearing from among the nominees. Voting for such committee nominees shall be in person or by proxy, each producer to have one vote. All proxies shall be witnessed and dated. No proxy dated more than thirty days before the hearing shall be recognized. A cooperative marketing association, if expressly authorized by an instrument in

writing, signed by its members, may vote on behalf of said members.

(c) If requested in the petition or at the hearing the commissioner shall appoint, in the same manner as provided for appointment of the program committee, an alternate for each member thereof. An alternate shall be entitled to sit as a regular member of the committee in case the member for whom he is an alternate fails to attend any meeting of the committee.

(d) The committee members shall continue in office until successors are appointed and have accepted their appointment.

(e) Members of the committee shall serve without compensation but may be reimbursed for their actual and necessary expenses, including travel expenses.

Sec. 13. NEW HEARING. In the event a marketing program continues for more than one year, a new hearing shall be held, of which notice shall be given by posting and publication as provided in section 6. At such hearing the marketing program may be revised and a new program committee appointed.

Sec. 14. AGENT TO ADMINISTER. As soon as practicable after its appointment, the program committee shall appoint an agent, who shall administer the proration program under the direction of the committee and shall be subject to removal by the committee. Said agent shall appoint, subject to approval by the committee, such deputy agents and other assistants as may be necessary to direct the program. The agent and his deputies or as-

sistants shall receive such compensation as may be fixed by the program committee.

Sec. 15. APPROVAL AND MODIFICATION. (a) A marketing program, to be made effective in any proration zone, shall be approved by the commissioner, after hearing upon any such program proposed by petitioners at the petition hearing or by the program committee.

(b) Any program may be altered or modified from time to time by the program committee with the approval of the commissioner. Before any such alteration or modification shall be approved by the commissioner he shall: 1. hold a hearing in the zone, and, 2. find that the proposed program is reasonably calculated to maintain the existence of the facts specified in section 9, and may modify any program submitted to make it conform to this requirement.

Sec. 16. COMMISSIONER MAY INITIATE OR MODIFY PROGRAM. (a) In the event a program committee fails within a reasonable time to present to the commissioner a prorating program, or presents a program which is not inconsistent with the conditions prescribed in section 9, the commissioner shall initiate a proper program or modify the program presented, as the case may be, in conformity with the provisions of section 9.

(b) If at any time during the operation of any proration program, it appears probable to the commissioner that the program being carried out has ceased to be in conformity with the provisions of section 9, it shall be his duty, after hearing, to so modify the program as to obtain the conditions required.

Sec. 17. POWERS OF PROGRAM COMMITTEE. (a) In any marketing program approved by the commissioner, the program committee shall be empowered to determine the method, manner and extent of proration, and the movement of the prorated commodity and of any grade, size or quality thereof, from harvest into a primary channel of distribution. Proration may be periodic or seasonal in character and may be based upon actual production, whether in storage or otherwise, or upon estimated production. The estimated production shall be subject to revision by the committee in accordance with crop and market conditions. In estimating production the committee shall give consideration, among other factors, to the normal production of the various producing units.

(b) For the purpose of minimizing the effect of existing surpluses upon market conditions, the committee shall be empowered:

1. To establish and maintain surplus pools, which shall be authorized to receive from each producer from time to time his surplus of the prorated commodity and market the same by grades for the account of the producer when it can be advantageously disposed of either in its original or some converted state; but such surplus shall not be marketed in any form which would directly compete with that part of the crop which is regularly certificated. Any part of any such surplus may be turned over by the program committee to charitable organizations, self-help cooperatives, and similar agencies, under proper safeguards to prevent the commodity so disposed of from directly competing with the part of the crop marketed through the usual channels of trade. In the operation of any such surplus pool,

the program committee may fix grading, packing, and servicing charges to be assessed against commodities received by the pool and requiring such handling. The program committee shall handle all commodities received by a surplus pool and account for the same on a pooled basis. Each producer delivering his surplus to a pool shall be credited for his proportionate share of the surplus so delivered.

2. To create, establish, or otherwise obtain and operate facilities for the grading, packing, servicing, processing, preparing for market, and disposal of such surplus in such manner as to maintain stability in the markets and to sell such surplus or any of its derived products.

3. To appoint and empower subcommittees in separate producing areas within the zone to facilitate the carrying out of the purposes of this act.

4. To provide for the elimination of such parts of surplus production as cannot be economically disposed of, and to spread the burden of such elimination equally on an acreage basis among all producers.

5. To collaborate and cooperate with agencies or organizations with similar purposes, whether of this state, other states, or of the United States, in the formulation and execution of a common marketing program. In proper cases the commissioner may require such collaboration and cooperation.

6. To minimize an existing surplus by cooperating with the proper agencies in the enforcement of applicable existing standardization or other laws of this state or of the United States, enacted to protect the consuming public from fraud or deception.

7. To create, maintain, and disburse an equalization fund to be used for the removal of inequalities between producers as to the total volume marketed through prorated channels resulting from errors in estimating production or surplus.

8. To establish and apply methods of equating the marketable supply of any grade, quality, or size of any commodity to the reasonable market demands therefor.

9. To broaden distribution and increase consuming outlets by appropriate educational and trade stimulation efforts of a general industry nature and not unfairly depreciative of the qualities of any other food product, provided such program is requested in the petition for institution of the program or in writing by not less than two-thirds of the qualified producers and of the owners of not less than two-thirds of the producing factors involved.

10. To make contracts and agreements in the name of the zone in furtherance of any power mentioned in this section.

(c) The cost of the exercise of the powers granted to the program committee in subsection (b) shall be a part of the cost of the operation of the marketing program and shall be obtained through fees in the same manner as other costs of the program, but no part of any funds raised for the purposes specified in paragraph 9, subsection (b), shall be applied to any other purpose.

Sec. 18. PRORATION CERTIFICATES. (a) After a proration program has been formulated, and approved by the commissioner, the agent for the zone shall assume administration of the program and any

subsequent modification thereof and the issuance of proration certificates thereunder.

(b) Proration certificates shall be divided into primary and secondary certificates. Each producer shall be entitled to one primary certificate, which shall indicate: 1. the quantities of the commodity for which the program has been instituted which the producer named in the certificate is entitled to harvest or otherwise prepare for market and delivery into the primary channels of trade, and, 2. from time to time, the number of secondary certificates theretofore issued under it. Secondary certificates shall be numbered consecutively and shall be used to control the time and volume of harvesting or other preparation for disposal. Secondary certificates shall contain such other provisions as the program committee may require to carry out any program authorized by this act, and shall accompany all deliveries of the prorated commodity by producers into a primary trade channel, except that in the case of commodities which are normally concentrated for preparation for market the program committee may authorize harvesting of the entire crop for the purpose of delivery to a concentration point and subsequent marketing control. Such certificates shall be negotiable between producers.

(c) In the operation of any program, cooperative and other market agencies entitled to the possession of commodities for marketing purposes may be authorized to receive certificates for producers represented by them and to represent their respective producers when proration is applied to the commodity while in the possession of such agencies.

Sec. 19. CERTIFICATE FEES. (a) The agent under each zone program shall collect for each cer-

tificate issued to the producers a reasonable and proportional fee to be fixed by the program committee, so calculated as to produce the expenses of administration and costs of institution of the program, and a proper proportion of the cost of maintenance of the commissioner's office.

(b) Certificate fees shall be used, under rules and regulations prescribed by the commissioner, only for the purpose of defraying the expenses of the organization, administration and enforcement of the program under which collected, and for the support of the commissioner's office. At the end of each marketing season all such funds shall be audited by a certified public accountant. Any balance remaining on hand shall be distributed to the producers who contributed thereto in proportion to their contributions, except that, if the balance remaining on hand after the payment of expenses is in the opinion of the program committee so small as not to warrant the expense of distribution, it shall be paid over to the commissioner to be used by him in maintaining his office.

Sec. 20. BONDS OF AGENTS. No person or committee shall have or receive any money under the provisions of this act until such person or committee, individually or as a whole, files and maintains with the secretary of state an official bond in such penal sum as the commissioner may prescribe.

Sec. 21. ANNEXATION OF AREA. (a) Any area producing the same kind or variety of commodity as a proration zone already established under this act, and competing with such proration zone, may be annexed thereto in the manner provided in this section.

(b) A petition similar in form and content to

that prescribed in section 4, describing the area proposed to be annexed, and signed by not less than two-thirds of the producers of said commodity in the petitioning area and by the owners of not less than two-thirds of the producing factors in said area, shall be filed with the commissioner. The commissioner shall forthwith inform the program committee of the zone to which it is proposed to annex the new area and the committee shall within ten days advise the commissioner if it disapproves the petition. Failure to disapprove shall be deemed approval. If the petition be disapproved, no further proceedings shall be had. If the committee approve the petition, notice of hearing thereon, in the manner provided in section 6, shall be given by the commissioner in the area proposed to be annexed. If it appear from evidence produced at such hearing that the petition, including all counterparts thereof, was sufficiently signed and that the inclusion of the area described in the petition is necessary to make the marketing program effective, the commissioner shall so find and make an order including the new area in the original proration zone.

(c) When an additional area is added to a proration zone the existing program committee shall function until the end of the current marketing season, at which time a new committee shall be appointed to represent the entire area as provided in section 12.

Sec. 22. TERMINATION OF PROGRAM. (a) After the institution of any proration program, such program, if not limited to a definite period by the petition therefor, shall remain in effect, unless there be filed with the commission an application for its termination signed by not less than forty per cent of the producers and the owners of forty per cent of

the producing factors of the industry within the zone in which the program is effective. Any such petition shall be accompanied by a good and sufficient undertaking in double the amount of the probable cost of conducting the hearing. A hearing must be held upon the petition, to determine the sufficiency of the signatures thereto, within thirty days after the presentation of the same. If upon such hearing it be established that the petition to terminate is sufficiently signed, the commissioner shall terminate the program. In such case, the cost of conducting the hearing shall be paid from the funds of the program to the extent that they are available and thereafter from the undertaking. In the event the petition be found insufficiently signed, the entire cost of conducting the hearing shall be paid from the undertaking.

(b) The commissioner may at any time initiate an investigation on his own motion to determine whether or not the facts specified in section 9 continue to exist. Upon a finding that any one or more of the prerequisite facts no longer exist, the commissioner shall terminate the program.

Sec. 23. AGRICULTURAL PRORATE COMMISSIONER. (a) The dean of the college of agriculture of the university of Arizona shall ex officio be the agricultural prorate commissioner.

(b) The commissioner shall keep an office in the city of Phoenix, but may hold hearings and transact business in such places as he may deem expedient and proper for the performance of his duties. He shall have a seal bearing the inscription, "Agricultural Prorate Commissioner". The seal shall be affixed to all orders of the commissioner, to authentications of copies of records, and to such

other instruments as the commissioner shall direct. All courts shall take judicial notice of said seal.

(c) The commissioner may appoint a secretary and such other personnel as may be necessary to carry out his duties as commissioner, prescribe their duties and compensation, and remove them at pleasure. The commissioner shall receive no compensation for the performance of his duties as such, but shall be reimbursed for his traveling and other expenses necessarily incurred in the performance of his duties under this act.

Sec. 24. POWERS AND DUTIES OF COMMISSIONER. (a) The agricultural prorate commissioner shall be vested with the power and authority to carry out the purposes of and perform the duties prescribed in this act, and shall have power to sue and be sued as the Arizona agricultural prorate commissioner. For the purpose of carrying out the provisions of this act the commissioner is authorized to adopt such necessary rules and regulations as he may from time to time deem advisable.

(b) The conduct of any hearing, inquiry or investigation involving the institution, modification, or suspension of any prorated marketing program shall be held before the commissioner. Hearings on minor and incidental matters may be held before the secretary or such other employee as the commissioner may designate for the purpose.

(c) The commissioner or any employee designated by him to hold any hearing, inquiry, or investigation shall have power to administer oaths and issue subpoenas for attendance of witnesses and the production of papers, books, maps, accounts, documents, and testimony in any such hearing, inquiry,

or investigation. The superior court of the county in which any such inquiry, investigation, or hearing may be held shall have power to compel the attendance of witnesses and to require the disclosure by such witnesses of all facts known to them relative to the matters under investigation, and the production of papers, maps, books, accounts, documents, and testimony as required by any subpoena issued by the commissioner. Any person disobeying an order or subpoena issued under the authority of the commissioner shall be guilty of contempt and shall be certified to the superior court of the county in which the contempt occurs, which court shall punish the same.

Sec. 25. POWERS OF INVESTIGATION. The commissioner, personally or through his duly authorized representatives and agents, shall have access, solely for the purposes of investigating possible violations of a program, to the records of producers, dealers, distributors, public and private property transportation agencies, and handlers of a commodity as to which a proration program has been instituted, and shall have at all times free and unimpeded access to all buildings, yards, warehouses, storage and transportation facilities, and other places in which any commodity under a proration program is kept, stored, handled, or transported. Information obtained by the commissioner shall be confidential and shall not be disclosed except when required in a judicial proceeding.

Sec. 26. INJUNCTION. Any person who shall market, handle, or transport any commodity in violation of any provision of an original or modified proration program approved and made effective by the commissioner, may be enjoined in an action brought by the commissioner in the superior court

of the county in which the violation is alleged to be occurring. In the same proceeding any number of defendants alleged to be violating the same program may be enjoined, although their properties and interests may be situated in several counties and their actual violations of the program may be separate and distinct.

Sec. 27. RECORDS OF THE COMMISSIONER. A full and accurate record of the business and acts performed or of testimony taken by the commissioner, or by any employee designated by him under the provisions of this act, shall be kept and placed on file in the office of the commissioner, which record shall at all reasonable times be open to inspection by anyone affected by a prorate program.

Sec. 28. VIOLATIONS. (a) It shall be a misdemeanor for: 1. any person to willfully render or furnish a false or fraudulent report, statement, or record required under this act; 2. any person to deliver into a primary trade channel without proper authority any commodity upon which a proration program shall have been instituted; 3. any handler, dealer, or carrier to receive or have in his possession without proper authority any commodity upon which a proration program has been instituted; 4. any person to aid or abet in the commission of any act specified in this section, and each infraction shall constitute a separate and distinct offense.

(b) The provisions of this section shall not apply to a common carrier operating over a regular route or between fixed termini where such shipment is made by such common carrier in good faith and in accordance with its duties as a common carrier and where a record of every such shipment within or from this state is kept by such common carrier,

showing the date, character, origin, and destination of shipment, and the names of the consignor and the consignee. Such record shall be open to inspection at all reasonable hours by or on the written order of the official or administrative authority charged with the enforcement of this act or any marketing program instituted under it.

Sec. 29. CIVIL LIABILITY. Any person who violates any provision of a proration program approved and made effective by the commissioner shall be liable civilly in an amount not to exceed five hundred dollars for each violation, to be recovered by the commissioner in any court of competent jurisdiction. All sums recovered under this section shall be paid into the general fund of the county.

Sec. 30. DUTY OF CERTAIN OFFICERS TO COOPERATE. It shall be the duty of the supervisor of inspection, the state entomologist, and the several county attorneys, and the deputies or assistants of such officers, to cooperate with the commissioner and program committees in enforcing the provisions of this act and any program instituted under the provisions hereof.

Sec. 31. SEVERABILITY. If any provision of this act be held invalid, such invalidity shall not affect other provisions which can be given effect without the invalid provision, and to this end the provisions of the act are declared to be severable.

Sec. 32. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall

take effect upon its passage in the manner provided by law.

Approved March 8, 1939.

CHAPTER 37

(House Bill No. 147)

AN ACT

RELATING TO LAND SETTLEMENT, AND AMENDING SECTION 3, CHAPTER 43, SESSION LAWS OF 1929, REGULAR SESSION, AS AMENDED.

Be it enacted by the Legislature of the State of Arizona:

Section 1. Sec. 3, chapter 43, Session Laws of 1929, as amended, is amended to read:

3. PAYMENTS, AND REFORMING CONTRACTS. (a) Payments of principal and interest shall be made on January 1 of each year until a total of thirty such payments have been made.

(b) The board, at its discretion, may reform any contract by reducing the purchase price of the land to not less than twenty five dollars per acre and may add to the terms of the contract the sum or sums of any short time loans which may have been made to the contractor.

Approved March 8, 1939.

CHAPTER 38

(House Bill No. 34)

AN ACT

RELATING TO BARBERING; ENLARGING THE POWERS OF THE BOARD OF BARBER EXAMINERS; AMENDING SECTION 19, ARTICLE 15, CHAPTER 58, REVISED CODE OF 1928, AND AMENDING ARTICLE 15, CHAPTER 58, REVISED CODE OF 1928, AS AMENDED, BY ADDING SECTIONS 20a, 20b AND 20c.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. Sec. 19, article 15, chapter 58, Revised Code of 1928, as amended (chapter 51, Session Laws of 1935, regular session), is amended to read:

19. REFUSAL OR REVOCATION OF CERTIFICATES. The board shall refuse to issue or renew, or shall suspend or revoke, a certificate for any of the following causes:

1. Malpractice or incompetency.

2. Infectious, contagious, or communicable disease contracted by the applicant or registrant.

3. Advertising by means of known false or deceptive statements.

4. Advertising, practicing, or attempting to practice under a trade name or name other than one's own.

5. Habitual drunkeness or addiction to the use of a habit forming drug.

6. Commission of any offense enumerated in paragraphs 3, 4, and 5, section 21.

7. Violation of any sanitary regulation promulgated by the board or the state board of health.

8. Continuing to be employed or to practice in a barber shop or beauty culture shop wherein any sanitary regulation promulgated by the board or the state board of health is known by the registrant to be violated, or wherein prices are charged in violation of a lawful order of the board.

9. Violating a lawful order of the board regulating the minimum prices to be charged by the registrant.

10. Violation of any lawful order, rule, or regulation of the board.

Sec. 2. Article 15, chapter 58, Revised Code of 1928, as amended, is amended by adding section 20a:

20a. UNFAIR TRADE PRACTICES. (a) The board shall have power to establish minimum prices to be charged for barbering, subject to the conditions hereinafter prescribed.

(b) Upon receipt of an application and agreement signed by not less than seventy-five per cent of the registered barbers in any district, to establish minimum prices for barbering therein, the board shall set a hearing. Notice of the date and place of such hearing shall be given by the secretary, by

registered mail, to every registered barber in such district not less than ten days prior thereto. The board shall, prior to the hearing, investigate the conditions in such district. At the hearing, any barber or other person affected by the proposed agreement may testify or present arguments. After the hearing and investigation, the board may approve or disapprove the agreement as submitted or recommend such changes therein as it may deem proper, including a change of the boundaries of the district, and shall issue an appropriate order. Thereafter, no barber, hair cutter, or apprentice in the district shall charge or collect any price less than that ordered by the board for any barbering work.

(c) The board, upon its own initiative or upon application of seventy-five per cent of the registered barbers affected, may order a new investigation and hearing regarding the minimum prices theretofore established for any district. Such hearing, and any order issued pursuant thereto, shall be subject to the provisions of this section.

(d) In establishing minimum prices for any district, the board shall consider only: 1. reasonableness of the proposed prices; 2. local conditions affecting the relation of the barbering profession to public health and safety; 3. minimum prices required to provide sanitary services and appliances necessary to minimize danger to public health, and, 4. costs necessarily incurred in such district in maintaining a barber shop in a healthful and sanitary condition.

(e) In this act, unless the context otherwise requires, "district" means any city, town, or village, or any clearly defined, contiguous portion thereof or

territory in addition thereto, in which two or more barber shops are located.

Sec. 3. Article 15, chapter 58, Revised Code of 1928, as amended, is amended by adding section 20b:

20b. COURT REVIEW. Any person aggrieved by an order of the board establishing minimum prices for barbering in any district may appeal therefrom within ten days after the date of the order complained of by filing notice of appeal with the clerk of the superior court of the county in which such district is located. The court shall hear the appeal on the merits, but shall not consider any question of evidence or procedure arising out of the hearing before the board.

Sec. 4. Article 15, chapter 58, Revised Code of 1928, as amended, is amended by adding section 20c:

20c. MEDIATION. The board shall act as mediator and arbitrator in any controversy or issue relating to barbering which may arise between or among barbers, either as individuals or as organized groups.

Sec. 5. SEVERABILITY. If any provision of this act be held invalid, such invalidity shall not affect other provisions which can be given effect without the invalid provision, and to this end the provisions of the act are declared to be severable.

Approved March 8, 1939.

CHAPTER 39

(House Bill No. 150)

AN ACT

DEFINING AND PROHIBITING UNFAIR SALES, PROVIDING REMEDIES FOR VIOLATIONS THEREOF, AND ESTABLISHING PENALTIES THEREFOR, REPEALING CHAPTER 44, SESSION LAWS OF 1937, REGULAR SESSION, AND DECLARING AN EMERGENCY.

Be it enacted by the Legislature of the State of Arizona:

Section 1. SHORT TITLE. This act is known and may be cited as the unfair sales act of 1939.

Sec. 2. DEFINITIONS. (a) In this act, unless the context otherwise requires:

"cost to the retailer" means the invoice cost of the merchandise to the retailer, or the replacement cost of the merchandise to the retailer, whichever is lower, less all trade discounts except customary discounts for cash, to which shall be added: 1. freight charges not otherwise included in the invoice cost or the replacement cost of the merchandise as herein set forth; 2. cartage to the retail outlet if done or paid for by the retailer, which cartage cost, in the absence of proof of a lesser cost, shall be deemed to be three-fourths of one per cent of the cost to the retailer as herein defined after adding thereto freight charges but before adding thereto cartage and markup, and, 3. a markup to cover a proportionate part of the cost of doing business, which markup, in the absence of proof of a lesser

cost, shall be twelve per cent of the cost to the retailer as herein set forth after adding thereto freight charges and cartage but before adding thereto a markup;

"cost to the wholesaler" means the invoice cost of the merchandise to the wholesaler, or the replacement cost of the merchandise to the wholesaler, whichever is lower, less all trade discounts except customary discounts for cash, to which shall be added: 1. freight charges, not otherwise included in the invoice cost or the replacement cost of the merchandise as herein set forth, and, 2. cartage to the retail outlet if done or paid for by the wholesaler, which cartage cost, in the absence of proof of a lesser cost, shall be deemed to be three-fourths of one per cent of the cost to the wholesaler as herein set forth after adding thereto freight charges but before adding thereto cartage;

"replacement costs" means the cost per unit at which the merchandise sold or offered for sale could have been bought by the seller at any time within thirty days prior to the date of sale or the date upon which it is offered for sale by the seller if bought in the same quantity or quantities as the seller's last purchase of the said merchandise;

"cost to the retailer" and "cost to the wholesaler" mean bona fide costs; and purchases made by retailers and wholesalers at prices which cannot be justified by prevailing market conditions within this state shall not be used in determining cost to the retailer and cost to the wholesaler;

"sell at retail", "sales at retail", and "retail sale" mean and include any transfer for a valuable consideration, made in the ordinary course of trade or in

the usual prosecution of the seller's business, of title to tangible personal property to the purchaser for consumption or use other than resale or further processing or manufacturing, and include any transfer of such property where title is retained by the seller as security for the payment of the purchase price;

"sell at wholesale", "sales at wholesale", and "wholesale sales" mean and include any transfer for a valuable consideration made in ordinary course of trade or the usual conduct of the seller's business, of title to tangible personal property to the purchaser for purposes of resale or further processing or manufacturing, and include any transfer of such property where title is retained by the seller as security for the payment of the purchase price;

"retailer" means and includes every person, partnership, corporation or association engaged in the business of making sales at retail within this state, except that, in the case of a person, partnership, corporation or association engaged in the business of making both sales at retail and sales at wholesale, such term shall be applied only to the retail portion of such business;

"wholesaler" means and includes every person, partnership, corporation, or association engaged in the business of making sales at wholesale within this state, except that, in the case of a person, partnership, corporation or association engaged in the business of making both sales at wholesale and sales at retail, such term shall be applied only to the wholesale portion of such business.

(b) When one or more items are advertised, offered for sale, or sold with one or more other

items at a combined price, or are advertised, offered as a gift, or given with the sale of one or more other items, each and all of said items shall for the purposes of this act be deemed to be advertised, offered for sale, or sold, and the price of each item named shall be governed by the provisions, respectively, defining "cost to the retailer" and "cost to the wholesaler".

Sec. 3. UNFAIR SALES AND COMPETITION. It is hereby declared that any advertising, offer to sell, or sale of any merchandise, either by retailers or wholesalers, at less than cost as defined in this act, with the intent, or effect, of inducing the purchase of other merchandise, or of unfairly diverting trade from a competitor or otherwise injuring a competitor, impair and prevent fair competition, injure public welfare, and are unfair competition and contrary to public policy and the policy of this act, where the result of such advertising, offer or sale is to tend to deceive any purchaser or prospective purchaser, or to substantially lessen competition, or to unreasonably restrain trade, or to tend to create monopoly in any line of commerce.

Sec. 4. PENALTIES. Any retailer who shall, in contravention of the policy of this act, advertise, offer to sell or sell at retail any item of merchandise at less than cost to the retailer as defined in this act; or any wholesaler who shall, in contravention of the policy of this act, advertise, offer to sell, or sell at wholesale any item of merchandise at less than cost to the wholesaler as defined in this act, shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not more than five hundred dollars. Proof of any such advertising, offer to sell or sale by any retailer or wholesaler in contravention of the policy of this act shall be

prima facie evidence of a violation of this act.

Sec. 5. INJUNCTIONS. In addition to the penalties provided in this act, the courts of this state are hereby invested with jurisdiction to prevent and restrain violations of this act, and it shall be the duty of the several county attorneys, in the respective counties, to institute proceedings in equity to prevent and restrain violations. Any person damaged, or who is threatened with loss or injury, by reason of a violation of this act, shall be entitled to sue for and have injunctive relief in any court of competent jurisdiction against any damage or threatened loss or injury by reason of a violation of this act.

Sec. 6. EXEMPTED SALES. The provisions of this act shall not apply to sales at retail or sales at wholesale: 1. where merchandise is sold in bona fide clearance sales, if advertised, marked, and sold as such; 2. where perishable merchandise must be sold promptly in order to forestall loss; 3. where merchandise is imperfect or damaged or is being discontinued and is advertised, marked and sold as such; 4. where merchandise is sold upon the final liquidation of any business; 5. where merchandise is sold for charitable purposes or to relief agencies; 6. where merchandise is sold on contract to departments of the government or governmental institutions; 7. where the price of merchandise is made in good faith to meet competition; 8. where merchandise is sold by any officer acting under the order or direction of any court.

Sec. 7. DECLARATION OF POLICY AND PURPOSE. It is hereby declared that the practice of selling certain items of merchandise below cost in order to attract patronage is generally a form of deceptive advertising and an unfair method of

competition in commerce. Such practice causes commercial dislocations, misleads the consumer, works back against the farmer, directly burdens and obstructs commerce, and diverts business from dealers who maintain a fair price policy. Bankruptcies among merchants who fail because of the competition of those who use such methods result in unemployment, disruption of leases, and non-payment of taxes and loans, and contribute to an inevitable train of undesirable consequences, including economic depression, and it is hereby declared to be the policy of this state to protect the well-being of its citizens through the prevention, suppression and elimination of unfair methods of competition. The purpose of this act is to carry out such policy in the public interest.

Sec. 8. SEVERABILITY. If any provision of this act be held invalid, such invalidity shall not affect other provisions which can be given effect without the invalid provision, and to this end the provisions of the act are declared to be severable.

Sec. 9. REPEAL. Chapter 44, Session Laws of 1937, regular session, is repealed. This section does not negative an implied repeal of any statute which conflicts with this act.

Sec. 10. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 8, 1939.

CHAPTER 40

(House Bill No. 76)

AN ACT

RELATING TO LICENSED MONEY LENDERS, TRANSFERRING THE ADMINISTRATION OF CHAPTER 45, REVISED CODE OF 1928, TO THE STATE BANKING DEPARTMENT, AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. TRANSFER OF ADMINISTRATION. (a) The administration of chapter 45, Revised Code of 1928, relating to licensed money lenders, and providing for the regulation of small loans, is transferred to the state banking department. The powers vested in and duties imposed upon the state auditor, as licensing official, under the provisions of said chapter 45, Revised Code of 1928, are vested in and imposed upon the superintendent of banks.

(b) Upon this act taking effect the state auditor shall turn over to the superintendent of banks all records, files, documents and other material having to do with the administration of said chapter.

Sec. 2. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 8, 1939.

CHAPTER 41

(House Bill No. 88)

AN ACT

RELATING TO BUILDING AND LOAN ASSOCIATIONS, AND AMENDING SECTION 618, REVISED CODE OF 1928, AS AMENDED.

Be it enacted by the Legislature of the State of Arizona:

Section 1. Sec. 618, Revised Code of 1928, as amended, is amended to read:

618. INVESTMENT OF FUNDS. (a) A building and loan association may make loans:

1. Upon notes secured by first mortgages on improved real property, or on real property to be improved under contract with the association. Unless the federal housing administrator has insured or made a commitment to insure the same, no such loan shall exceed sixty per cent of the conservative market value of the improved real property mortgaged; except, in case the savings or investment accounts of the association are insured by the Federal savings and loan insurance corporation, as provided in title four of the National Housing Act, such loan may equal but shall not exceed seventy-five per cent of the conservative appraised value of the improved real property mortgaged. No loan shall be made except upon the report in writing of two appraisers, giving the conservative market value of the property to be mortgaged.

2. Upon the security of shares of the association,

to the amount of ninety per cent of their withdrawal value.

(b) An association may also:

1. Lend or invest an amount not greater than twenty per cent of its total assets in bonds of the United States, the home owners' loan corporation; bonds and warrants of the state of Arizona, the counties, cities, towns, school districts, road districts, and other municipalities and improvement districts of the state; national mortgage associations; debentures issued by the federal housing administrator, and in bonds, debentures and notes issued by any federal home loan bank or consolidated federal home loan bank.

2. Invest in the stock and become a member of any federal home loan bank of which it may be eligible to become a member under the terms and provisions of the federal home loan bank act, and nothing in the laws of this state shall prohibit any association from investing any part of its capital, surplus or funds in the stock or becoming a member of a federal home loan bank. Any association which shall be or desires to become a member of a federal home loan bank shall be subject to such examinations, inspections and regulations as may be required under the terms of the federal home loan bank act, or by the federal home loan bank board, or the federal home loan bank of which said association is or desires to become a member. The superintendent of banks, his agents and employees, are authorized to furnish to the federal home loan bank board, to any federal home loan bank, or to the duly appointed examiners of either, such copies of instruments concerning any such association, or to disclose to them any information with reference to the condition or

affairs thereof, as they may require. Any association joining or associating itself with a federal home loan bank is authorized to borrow money, in any amount, from such bank, and to assign, pledge and hypothecate any of its assets, in such amount as may be required by said bank as security therefor, and shall have and exercise all powers which are conferred upon any member association in such federal home loan bank by the provisions of the federal home loan bank act and the regulations of the federal home loan bank board. Any association may subscribe to the shares of any federal savings and loan association domiciled in this state, and may pay for such shares in cash or by the transfer of assets of the subscriber association approved by the federal home loan bank board in writing.

Approved March 8, 1939.

CHAPTER 42

(Senate Bill No. 34)

AN ACT

RELATING TO LABOR; PROVIDING FOR THE ESTABLISHMENT OF MINIMUM WAGES ON PUBLIC WORKS, AND AMENDING SECTION 1350, REVISED CODE OF 1928, AS AMENDED.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. Sec. 1350, Revised Code of 1928, as amended, is amended to read:

Sec. 1350. HOURS OF LABOR AND WAGES

ON PUBLIC WORKS. (a) Eight hours, and no more, shall constitute a lawful day's work for any person doing manual or mechanical labor, employed by or on behalf of the state or any political subdivision thereof, except in an extraordinary emergency, in time of war, or for the protection of property or human life, in which case every person working in excess of eight hours in any day shall be paid time and one-half for all time in excess of eight hours.

(b) Not less than the minimum per diem wage fixed by the Arizona state highway commission for manual or mechanical labor performed for said commission, or for contractors performing work under contract with said commission, shall be paid to any person doing manual or mechanical labor, employed by or on behalf of the state or any political subdivision thereof. The commission shall determine and publish such minimum per diem wage not later than April 15 of each odd numbered year.

(c) A person doing manual or mechanical labor, employed by any contractor or sub-contractor in the execution of any contract with the state or with a political subdivision thereof, shall be deemed to be employed by or on behalf of the state or such political subdivision, as the case may be.

(d) This section shall not be construed to apply to any position or employment the salary or wage for which is determined by the state general appropriation therefor.

Approved March 8, 1939.

CHAPTER 43

(House Bill No. 263)

AN ACT

MAKING AN APPROPRIATION TO PAY INDEBTEDNESS INCURRED BY STATE OFFICES AND DEPARTMENTS OF STATE NOT PAYABLE OUT OF EXISTING APPROPRIATIONS, AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. APPROPRIATION. The sum of two thousand three hundred four dollars and eighteen cents is appropiated, out of the general fund of the state, to the offices, departments, and agencies enumerated in section 2.

Sec. 2. BASIS OF CLAIMS. The sum appropriated in section 1 is appropriated for the use of the following offices and departments, in the amounts, for the purposes, and in full satisfaction of all claims of the respective claimants against the said offices and departments, during the periods specified:

1. Attorney-general, to pay indebtedness incurred in excess of funds available: 1a. American Law Book Co., materials furnished, January-May, 1937, thirty dollars; 1b. Bobbs-Merrill Co., materials furnished, November, 1936-January, 1937, seventy-two dollars; 1c. Lawyers' Co-operative Publishing Co., materials furnished, September, 1936-June, 1937, sixty-one dollars; 1d. Frank Sheppard Co., materials furnished, November, 1936-December, 1937, forty-two dollars; 1e. Mountain States Tele-

phone and Telegraph Co., services rendered, May 18, 1935-December 21, 1936, two hundred fifty-one dollars and twenty-five cents; 1f. West Publishing Co., materials furnished, April, 1936-June, 1937, two hundred four dollars, and, 1g. Western Union Telegraph Co., services rendered, April, 1935-May, 1936, nineteen dollars and fifty-nine cents.

2. Board of directors of state institutions, to pay indebtedness incurred without proper authority: Mountain States Telephone and Telegraph Co., services rendered, March 1-March 16, 1937, twenty-one dollars and seventy-five cents.

3. State board of health, division of child hygiene, to pay indebtedness incurred in excess of funds available: 3a. Arizona Printers, materials furnished and services rendered, June, 1937, eighty-four dollars and fifty-four cents; 3b. H. M. Clark Office Supply Co., materials furnished, March-April, 1937, forty dollars and eighty-one cents; 3c. Heinze, Bowen and Harrington, Inc., materials furnished, April-June, 1937, one hundred eighty-four dollars and six cents; 3d. Mesa Journal-Tribune, services rendered, May, 1937, twenty-five dollars; 3e. Frank L. Snell, Jr., trustee Manufacturing Stationers, materials furnished, April-May, 1937, forty-four dollars and fifty-six cents; 3f. Standard Insurance Agency, services rendered, April 2-May 25, 1937, five dollars; 3g. Vinson-Carter Electric Co., materials and services, May, 1937, five dollars and thirty-six cents; 3h. Western Union Telegraph Co., services rendered, June, 1937, twenty dollars and forty-three cents.

4. State board of health, bureau of vital statistics, to pay indebtedness incurred in excess of funds available: 4a. Dorsey Burke Drug Co., materials

furnished, April, 1937-December, 1938, ninety-eight dollars and ninety cents; 4b. Mesa Journal-Tribune, services rendered, February-June, 1937, fifty dollars; 4c. Mountain States Telephone and Telegraph Co., services rendered, April 22-July 21, 1937, two hundred dollars and eighty-seven cents; 4d. Walsh Bros., materials and services, June, 1937, eight dollars; 4e. Western Union Telegraph Co., services rendered, April-May, 1937, thirty-eight dollars and eleven cents.

5. State dairy commissioner, to pay indebtedness incurred in excess of funds available: Mountain States Telephone and Telegraph Co., services rendered, August, 1936-April, 1937, sixty-three dollars and thirty-three cents.

6. Governor, to pay indebtedness incurred in excess of funds available: Mountain States Telephone and Telegraph Co., services rendered, January-May, 1937, one hundred and seventy-seven dollars and seventy-eight cents.

7. Secretary of state, to pay indebtedness not paid during the calendar quarter in which incurred, and which successor in office refuses to approve for payment out of appropriations for subsequent quarter: 7a. Heinze, Bowen and Harrington, Inc., materials furnished, October-December, 1938, sixty-one dollars and ninety-one cents; 7b. Mountain States Telephone and Telegraph Co., services rendered, October, 1936, and September-December, 1938, ninety-four dollars and seventy-five cents; 7c. Bisbee Review, services rendered, September, 1934-October 11, 1938, thirty-eight dollars and eighty-five cents.

8. Superintendent of public instruction, to pay

indebtedness incurred in excess of available funds: 8a. Ray J. Becker, materials and services, April, 1937, and April, 1938, thirty dollars; 8b. Mountain States Telephone and Telegraph Co., services rendered, November-December, 1936, thirty dollars and ninety-two cents.

9. State board of social security and welfare, to pay indebtedness incurred upon which the statute of limitations has run: 9a, Coolidge Grocery Co., materials furnished, June, 1937, thirty-four dollars and thirty-one cents; 9b. Head Lumber Co., materials furnished, October, 1937, two hundred and twenty-nine dollars and ninety cents; 9c. Mountain States Telephone and Telegraph Co., services rendered, February-March, 1937, thirty-five dollars and twenty cents.

Sec. 3. PAYMENT OF CLAIMS. The state auditor shall audit all claims embraced in section 2 as other claims are audited and shall draw his warrant in payment of any thereof only upon the approval and signature as provided by law of a responsible agent of the office or department by which the indebtedness was incurred.

Sec. 4. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 8, 1939.

CHAPTER 44

(House Bill No. 215)

AN ACT

MAKING AN APPROPRIATION TO THE BOARD OF DIRECTORS OF STATE INSTITUTIONS, FOR THE PAYMENT OF CLAIMS AGAINST THE STATE PRISON, AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. APPROPRIATION. The sum of forty-five thousand seven hundred ten dollars and forty-three cents is appropriated, out of the general fund of the state, to the board of directors of state institutions.

Sec. 2. PURPOSE. The appropriation contained in section 1 is for the purpose of satisfying claims for unpaid accounts against the state prison, for the period from January 1, 1937, to July 1, 1938, amounting to forty-one thousand seven hundred ninety-five dollars and twenty-three cents, and for satisfying claims for unpaid accounts against the state prison, incurred in the first quarter of the twenty-seventh fiscal year, amounting to three thousand nine hundred fifteen dollars and twenty cents, all of which remain unpaid because of the depletion of the state prison fund.

Sec. 3. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 8, 1939.

CHAPTER 45

(Senate Bill No. 10)

AN ACT

RELATING TO WORKMEN'S COMPENSATION; PRESCRIBING SALARIES AND BONDS OF MEMBERS AND EMPLOYEES OF THE INDUSTRIAL COMMISSION OF ARIZONA, AND AMENDING SECTION 1392, REVISED CODE OF 1928, AS AMENDED, AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. Sec. 1392, Revised Code of 1928, as amended, is amended to read:

Sec. 1392. SALARY, QUALIFICATIONS, BOND OF COMMISSIONERS AND EMPLOYEES. Each commissioner shall receive an annual salary of five thousand dollars. He shall give a corporate surety bond in the sum of ten thousand dollars, to be approved by the governor and filed with the state treasurer. All employees or deputies of the commission receiving or disbursing funds of the state shall give corporate surety bonds to the state in amounts and with surety to be approved by the commission.

Sec. 2. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 9, 1939.

CHAPTER 46

(Senate Bill No. 112)

AN ACT

RELATING TO THE COLORADO RIVER COMMISSION; PROVIDING FOR ITS CREATION, DEFINING ITS POWERS AND DUTIES, AND MAKING AN APPROPRIATION; AND DECLARING AN EMERGENCY.

Be it enacted by the Legislature of the State of Arizona:

Section 1. POWERS AND DUTIES. The Colorado river commission shall have power:

1. To represent the state in civil and legal matters pertaining to the Colorado river and its tributaries within the state.

2. To claim rights in the Colorado river for the state, by and with the approval of the governor, and to enforce and defend such rights in the courts.

3. To enforce existing rights and claims of the state in the Colorado river.

4. To make application for dam sites upon the Colorado river and its tributaries and perfect the state's rights thereto with any department of the state, or of another state or the United States.

5. To make appropriations of waters of the Colorado river not otherwise appropriated, and cooperate with the state water commissioner in the discharge of his duties in connection with appro-

priations of the waters of said river.

6. To negotiate for and cooperate with any state or with the government of the United States in making surveys of the Colorado river and its tributaries in Arizona.

7. To gather data regarding projects for the use in this state of the water of the Colorado river for irrigation or power, and disseminate the information so gathered to the end that uses may be found for the electrical power possible of development by means of such water.

8. To discover potential users of power and to encourage feasible enterprises looking to the utilization of Colorado river power.

Sec. 2. REPORT. Not later than December 1 of each even numbered year the commission shall report to the governor in writing and as of the same date in each odd numbered year, to the governor and the legislature, stating in detail the work done, progress made, expense incurred, money received, and such other information as it may deem beneficial.

Sec. 3. EMPLOYEES. The commission shall have power, with the approval of the governor, to employ such engineers, clerks, and other employees as it may deem necessary including, notwithstanding the provisions of section 52a, Revised Code of 1928, such legal counsel as may be required to protect the rights of the state, and to fix their compensation.

Sec. 4. MEMBERS OF COMMISSION. (a) The Colorado river commission of Arizona shall consist of three members, who shall be appointed by the governor, with the advice and consent of the senate.

The terms of such members shall end, one on January 31, 1941, one on January 31, 1943, and one on January 31, 1945. Thereafter the term of each member shall be six years. An appointment to fill a vacancy caused otherwise than by expiration of term shall be for the unexpired term only.

(b) The governor shall be a member of the commission ex-officio.

Sec. 5. ORGANIZATION. Upon the appointment of the first members of the commission it shall organize by the selection from among its membership of a chairman and a secretary, who shall serve at the pleasure of the commission. The members of the commission, other than the secretary, shall receive fifteen dollars per day, not to exceed one hundred days in any year, and actual and necessary expenses, while attending to their official duties. The secretary shall receive such compensation as the other members of the commission and the governor shall deem proper.

Sec. 6. APPROPRIATION. The sum of fifty thousand dollars is appropriated to the Colorado river commission, to carry out the purposes of this act. This appropriation shall be exempt from the provisions of the financial code, and any balance remaining at the end of the fiscal year shall not revert to the general fund.

Sec. 7. TRANSFER OF FUNDS. All funds remaining to the credit of the attorney general under the provisions of chapter 6, Session Laws of 1935, regular session, shall be transferred to the Colorado river commission to carry out the provisions of this act. Said funds shall be exempt from the provisions of the financial code and any balance remain-

ing at the end of the fiscal year shall not revert to the general fund.

Sec. 8. REPEAL. Chapter 3, Session Laws of 1929, is repealed.

Sec. 9. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 9, 1939.

CHAPTER 47

(Senate Bill No. 11)

AN ACT

RELATING TO TAXATION; IMPOSING A LICENSE TAX ON MOTOR VEHICLES, AND AMENDING ARTICLE 5, CHAPTER 31, REVISED CODE OF 1928, BY ADDING SECTIONS 1635a, 1635b, 1635c, 1635d, 1635e, 1635f, 1635g, AND 1635h; AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. Article 5, chapter 31, Revised Code of 1928, is amended by adding section 1635a:

Sec. 1635a. LICENSE TAX IMPOSED. (a) In addition to other fees prescribed by law, the own-

er of every motor vehicle, trailer, or semi-trailer subject to a registration fee shall pay annually a vehicle privilege license tax.

(b) The object for which said tax is imposed is to assist in defraying the cost of maintenance of the state, county, and city governments.

Sec. 2. Article 5, chapter 31, Revised Code of 1928, is amended by adding section 1635b:

Sec. 1635b. PAYMENT OF TAX. The vehicle license tax shall be paid to the county assessor at the time of application for the first registration in each registration year of a motor vehicle, trailer, or semi-trailer subject to taxation, and before a registration card shall be issued therefor or such vehicle shall be operated upon any highway.

Sec. 3. Article 5, chapter 31, Revised Code of 1928, is amended by adding section 1635c:

Sec. 1635c. AMOUNT OF TAX. (a) In the event the applicant for registration is a resident of an incorporated city or town, the vehicle license tax shall be equal to four cents, or, if not a resident of an incorporated city or town, three cents, on each dollar of the full cash value of the vehicle to be registered.

(b) In the event the vehicle sought to be registered has not been previously registered in this state, and the application for registration is made after the beginning of the registration year, the vehicle license tax shall be reduced by one-twelfth for each full month from the beginning of the registration year to the time application for registration is made.

Sec. 4. Article 5, chapter 31, Revised Code of 1928, is amended by adding section 1635d:

Sec. 1635d. DETERMINATION OF VALUE OF VEHICLES OTHER THAN COMMON CARRIERS. The prima facie full cash value of a motor vehicle, trailer, or semi-trailer, other than a vehicle operating as a common carrier on a fixed schedule and over routes designated by the corporation commission, shall be:

1. During the first calendar year of the life of the vehicle, sixty per cent of the manufacturer's list price of a vehicle of the same model and make, plus the manufacturer's list price of all equipment and apparatus attached or added to the vehicle after its purchase and not included in the manufacturer's list price of the vehicle.

2. During each year thereafter, twenty-five per cent less than the prima facie full cash value of the vehicle for the next preceding calendar year.

Sec. 5. Article 5, chapter 31, Revised Code of 1928, is amended by adding section 1635e:

Sec. 1635e. DETERMINATION OF VALUE OF VEHICLES OPERATING AS COMMON CARRIERS. (a) The prima facie full cash value of a motor vehicle, trailer, or semi-trailer operating as a common carrier on a fixed schedule and over routes designated by the corporation commission shall be:

1. During the first calendar year of the life of the vehicle, sixty per cent of the manufacturer's list price of a vehicle of the same model and make, plus the manufacturer's list price of all equipment

and apparatus attached or added to the vehicle after its purchase and not included in the manufacturer's list price of the vehicle.

2. During each year thereafter, thirty-three and one-third per cent less than the prima facie full cash value of the vehicle for the next preceding calendar year.

(b) A motor vehicle, trailer, or semi-trailer operated in this state in interstate commerce shall be assessed by the vehicle superintendent at such proportion of the prima facie full cash value as the whole number of miles traveled by the vehicle in this state bears to the length of route or routes designated by the corporation commission in this state shall bear to the total length of established route or routes in all states over which such motor vehicle, trailer or semi-trailer usually operates; provided, however, upon presentation of proof of assignment of a motor vehicle, trailer or semi-trailer to operate over a specific route or routes, the length of such route or routes shall be the basis for apportionment hereunder. In all other cases, such mileage shall be estimated in accordance with rules prescribed by the superintendent. The taxes collected under this subsection shall be paid to the county assessor of the county in which the carrier's statutory agent resides or in which its principal office in this state is located.

Sec. 6. Article 5, chapter 31, Revised Code of 1928, is amended by adding section 1635f:

Sec. 1635f. IN LIEU OF OTHER TAXES. Motor vehicles, trailers, and semi-trailers subject to the vehicle tax shall be deemed to constitute a class separate and distinct from all other tangible

personal property or classes thereof. The vehicle privilege license taxes shall be in lieu of all ad valorem property taxes on any motor vehicle, trailer, or semi-trailer subject to said license taxes, but shall not be deemed to affect or prevent the collection of any other excise tax or tax based upon a factor other than the value of the vehicle. The license tax on any motor vehicle, trailer, or semi-trailer shall not be charged against nor deemed to constitute a lien on the real property of the owner thereof.

Sec. 7. Article 5, chapter 31, Revised Code of 1928, is amended by adding section 1635g:

Sec. 1635g. DISTRIBUTION OF TAX. (a) Taxes collected under the provisions of subsection (b), section 1635e, shall be transmitted to the state treasurer, through the state auditor, for the credit of the general fund. From all other license taxes collected under the provisions of this act the county assessor shall transmit to the state treasurer, through the state auditor, for the credit of the general fund, an amount equal to one-fourth cent on each dollar of the full cash value of the vehicle, together with a statement showing the total assessed value of the vehicles assessed, the total amount of taxes collected, the amount of taxes remitted to the state and the amount retained for county and city purposes. If the owner of the vehicle is a resident of an incorporated city or town, the assessor shall promptly transmit to the treasurer of such city or town an amount equal to one cent on each dollar of the full cash value of the vehicle. The balance of the receipts from the vehicle privilege license tax shall be paid to the county treasurer, to be distributed for school purposes and otherwise in the manner provided by law.

Sec. 8. Article 5, chapter 31, Revised Code of

1928, is amended by adding section 1635h:

Sec. 1635h. EXEMPTIONS. A motor vehicle, trailer, or semi-trailer not registered as a common carrier and owned by a person entitled to an exemption from taxation under the constitution and laws of the state shall be exempt from the vehicle privilege license tax in the manner provided by law for the exemption of other property of such person.

Sec. 9. SEVERABILITY. If any provision of this act be held invalid, such invalidity shall not affect other provisions which can be given effect without the invalid provision, and to this end the provisions of the act are declared to be severable.

Sec. 10. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 9, 1939.

CHAPTER 48

(Senate Bill No. 231)

AN ACT

MAKING AN APPROPRIATION TO THE BOARD OF DIRECTORS OF STATE INSTITUTIONS FOR THE PAYMENT OF WAGES OF THE CAPITOL ELEVATOR OPERATOR, AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. APPROPRIATION. The sum of seven hundred fifty dollars is appropriated, out of the general fund of the state, to the board of directors of state institutions.

Sec. 2. PURPOSE. The appropriation contained in section 1 is for the purpose of paying the salary of the capitol elevator operator during the third and fourth quarters of the twenty-seventh fiscal year.

Sec. 3. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 9, 1939.

CHAPTER 49

(House Bill No. 29)

AN ACT

FOR THE RELIEF OF MARY CLARE, GLADYS BROAN, ELEANOR G. BUNTON, DOROTHY B. NIX, EDNA S. GODBEHERE, MAI N. FREEMAN, DONNA STONE, AND LUPE ESTRADA, AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. APPROPRIATION. The sum of two thousand nine hundred forty dollars, in the several amounts set opposite the names respectively of the claimants following, is appropriated for the relief of: Mary Clare, six hundred ninety-five dollars; Gladys Broan, seven hundred sixty dollars; Eleanor G. Bunton, seven hundred thirty-five dollars; Dorothy B. Nix, three hundred twenty dollars; Edna S. Godbehere, one hundred forty-five dollars; Mai N. Freeman, ninety-five dollars; Donna Stone, ninety-five dollars; Lupe Estrada, ninety-five dollars.

Sec. 2. BASIS OF CLAIM. Said sum, and the several amounts thereof, shall be in full satisfaction of the claims of Mary Clare, Gladys Broan, Eleanor G. Bunton, Dorothy B. Nix, Edna S. Godbehere, Mai N. Freeman, Donna Stone, and Lupe Estrada, for services rendered to the department of the secretary of state, at the request and authorization of the said secretary of state, during the months of February, March, April, May, June, and September, 1938, for which claims against the initiative and referendum fund, approved by the secretary of state, were by the state auditor disallowed, and in addition thereto, for services rendered as aforesaid on September 16 to 19 inclusive, 1938.

Sec. 3. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 9, 1939.

CHAPTER 50

(Senate Bill No. 143)

AN ACT

RELATING TO MOTOR VEHICLE TRANSPORTATION; PROVIDING FOR THE LICENSING AND REGULATION OF MOTOR CARRIER TRANSPORTATION AGENTS, AND DECLARING AN EMERGENCY.

Be it enacted by the Legislature of the State of Arizona:

Section 1. DEFINITIONS. In this act, unless the context otherwise requires:

"motor carrier" means any person, firm, or corporation, including lessee, trustee, and receiver, transporting or offering to transport persons by motor vehicle for compensation, without being authorized so to operate as required by law, or not required by law to be so authorized;

"motor carrier transportation agent" means a person acting, either individually or as an officer of a corporation, member of a partnership or association, or employee, agent or representative of a corporation, firm or association, or otherwise, as an intermediary between the public and a motor carrier in arranging for transportation, or who sells, offers for sale, or negotiates for transportation, when such transportation is furnished or offered by a motor carrier;

"agent's license" means motor carrier transportation agent's license;

"commission" means the corporation commission.

Sec. 2. LICENSE REQUIRED. No person shall engage in the business or act in the capacity of a motor carrier transportation agent without first obtaining a license therefor from the corporation commission.

Sec. 3. APPLICATION FOR LICENSE. An agent's license shall be issued only to an individual, but if the applicant is an officer, member, commission agent, or employee of a corporation, firm, or person, he shall so state in his application, and such corporation, firm, or person shall join in the application and set forth the relationship between it and the applicant. The application shall be verified, and shall be in such form and contain such information as the commission may require.

Sec. 4. FORM OF LICENSE. If an applicant for an agent's license is found, after hearing, to be unfit to properly perform the services proposed and to conform to the provisions of law with regard thereto, the commission shall deny the application. If granted, the license shall contain: 1. name of licensee; 2. location at which he is licensed to act as motor carrier transportation agent; 3. motor carriers for which licensed to negotiate, and, 4. such other regulations and restrictions as the commission may deem necessary in the particular case. The license shall be displayed in a prominent place at the location named, and the licensee shall not do business at any other location. No license shall be transferable or assignable.

Sec. 5. LICENSE FEE. The fee for an

agent's license shall be one hundred dollars per year, to be paid at the time of application. Every agent's license shall expire December 31 of each year.

Sec. 6. SUSPENSION AND REVOCATION. The commission may suspend for ten days, pending hearing before it, and upon the findings at the hearing may revoke, any agent's license if the licensee in acting as motor carrier transportation agent has: 1. engaged in false advertising or false representations; 2. arranged for, sold, offered for sale, or has negotiated for sale, transportation by any carrier not authorized by the Arizona corporation commission or the interstate commerce commission to carry on the business of a common carrier, which is conducting its business in a manner contrary to public interest or in violation of law or an order, rule, or regulation of the commission, or, 3. violated any provision of this act, or any federal enactment, rule or regulation.

Sec. 7. BOND. Before issuing an agent's license, the commission shall require the applicant to furnish satisfactory bond to the state in the sum of ten thousand dollars, conditioned upon the faithful performance of any undertaking as a motor carrier transportation agent. Any person who suffers injury by reason of a breach of the condition of such bond may bring an action thereon in the name of the state, in his own behalf, to recover damages, which damages shall include such attorneys' fee as the court may allow, plus all costs.

Sec. 8. RECORDS. Every motor carrier transportation agent shall maintain and keep for not less than two years an exact record of all transactions as such agent, including: 1. amount paid

to him by each person transported and by any motor carrier and name of each such payor; 2. point of destination; 3. name of motor carrier; 4. name of driver of the vehicle used, and, 5. license number or other identification plate number, and make and motor number, of the vehicle. The commission or its authorized agent shall be permitted to inspect such records at any time.

Sec. 9. ACTS CONSTITUTING AGENT. Any person, firm, or corporation shall be deemed to be acting as a motor carrier transportation agent who: 1. orally or by card, circular, pamphlet, newspaper, radio, sign, billboard, or in any other manner advertises as one who arranges for, sells, furnishes, negotiates for, or provides transportation over the public highways, when such transportation is furnished or offered, by motor carrier; 2. manages or conducts as manager, conductor, agent, proprietor, ticket collector, or otherwise, a place at which such transportation may be arranged, or is offered or proposed to be arranged, or, 3. aids, abets, advises, or encourages any person, firm, or corporation to act as a motor carrier transportation agent.

Sec. 10. PENALTY. Any person acting as a motor carrier transportation agent without a license, or any licensed agent violating any provision of this act or condition of his license, shall be guilty of a misdemeanor, and upon conviction shall be punished by a fine of not less than fifty nor more than one hundred dollars, by imprisonment in the county jail not more than six months, or by both such fine and imprisonment.

Sec. 11. APPLICATION OF ACT. This act shall not apply to the carriage or proposed car-

riage of any person when no compensation therefor is paid, or offered, proposed, requested, or required to be paid, by or on behalf of the person transported, nor to the transportation of persons wholly within the corporate limits of an incorporated city or town; but transportation for which there is paid, or requested or required to be paid, by or on behalf of the person transported, a portion of the expense incurred in such transportation shall be deemed transportation provided by a motor carrier within the meaning of this act.

Sec. 12. ENFORCEMENT. It shall be the duty of the superintendent of the Arizona highway patrol and the superintendent of the motor vehicle division of the state highway department to cooperate and assist in enforcing the provisions of this act. Upon request of the commission said officials shall promptly investigate any alleged violation of the provisions of this act and make full report thereof to the commission, and the commission shall immediately prosecute all violations.

Sec. 13. SEVERABILITY. If any provision of this act be held invalid, such invalidity shall not affect other provisions which can be given effect without the invalid provision, and to this end the provisions of the act are declared to be severable.

Sec. 14. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 9, 1939.

CHAPTER 51

(House Bill No. 119)

AN ACT

RELATING TO WILD LIFE, EMPOWERING THE ARIZONA GAME AND FISH COMMISSION TO COOPERATE WITH THE SECRETARY OF AGRICULTURE IN THE ESTABLISHMENT, MAINTENANCE, AND COMPLETION OF WILDLIFE-RESTORATION PROJECTS, AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. DEFINITIONS. In this act, unless the context otherwise requires:

"commission" means the Arizona game and fish commission;

"secretary" means the secretary of agriculture of the United States;

"wildlife-restoration act of congress" means chapter 899, first session, seventy-fifth congress, approved September 2, 1937, commonly known as the Pittman-Robertson federal aid in wildlife-restoration act, and includes the rules and regulations issued by the secretary pursuant thereto;

"wildlife-restoration project" or "project" means a project for the selection, restoration, rehabilitation, or improvement of areas of land or water adaptable as feeding, resting, or breeding

places for wildlife other than fish, and includes acquisition by purchase, condemnation, lease, or gift of such property or interests therein as may be suitable or capable of being made suitable therefor and the construction of such works as may be necessary for such purposes, such research into problems of wildlife management as may be necessary to efficient administration of wildlife resources, and such preliminary or incidental expenses as may be incurred in and about such project.

Sec. 2. ACCEPTANCE OF ACT. This state accepts the benefits extended by the wildlife-restoration act of congress, and agrees to comply with the provisions thereof and the rules and regulations issued by the secretary of agriculture of the United States pursuant thereto, in any year in which benefits are apportioned and paid to this state thereunder. The Arizona game and fish commission shall be the agency of the state for the purposes of this act.

Sec. 3. WILDLIFE-RESTORATION PROJECTS. The commission shall have power to cooperate and enter into agreements with the secretary for the establishment, maintenance, and completion of wildlife-restoration projects, pursuant to the wildlife-restoration act of congress. In the initiation and carrying on of the work of any project, the commission shall comply with the provisions of said act. Every project initiated under the provisions of this act shall be under the supervision of the commission.

Sec. 4. ACQUISITION OF LANDS. The commission, in the name of the state and with the approval of the governor, shall have power to ac-

quire, by purchase, lease, or gift, either for cash or upon installments, such lands or other property, or interests therein, as may be necessary for the purpose of carrying on any wildlife-restoration project pursuant to an agreement entered into between the commission and the secretary.

Sec. 5. LICENSE FEES. All moneys received from hunting licenses shall be deposited in the state game and fish protection fund, and no part thereof shall be diverted or appropriated for any purpose other than the uses of the commission.

Sec. 6. FINANCIAL PROVISIONS. (a) In the event the commission desires to avail itself of moneys apportioned to this state for any fiscal year pursuant to the wildlife-restoration act of congress, it shall notify the secretary to that effect, not later than sixty days after receipt of certification by the secretary of the estimated amount, to be apportioned to this state for such year.

(b) Upon receipt of final certification by the secretary of the amount apportioned to this state for any fiscal year pursuant to the wildlife-restoration act of congress, the state treasurer shall transfer this state's one-third share of the amount so apportioned from any moneys appropriated by the state for the specific purpose of carrying out the provisions of this act to the wildlife-restoration account in the state game and fish protection fund. Moneys received from the federal aid to wildlife-restoration fund of the United States established and maintained pursuant to the wildlife-restoration act of congress, shall be deposited in said wildlife-restoration account. Claims against said account shall be made and paid in the manner provided by law for payment of claims against the

state game and fish protection fund.

(c) Moneys in the wildlife-restoration account of the state game and fish protection fund shall be expended solely for work allowable under the provisions of the wildlife-restoration act of congress, and for which the secretary agrees to contribute seventy-five per cent of the cost from the federal aid to wildlife-restoration fund. In carrying on the preliminary work required to secure the approval of any wildlife-restoration project by the secretary, or in carrying on the work of any approved project prior to the time moneys have been received therefor from the federal aid to wildlife-restoration fund, the commission shall have power to expend moneys in the state game and fish protection fund, to the extent necessary to secure such approval or to carry on the work of such approved project. Thereafter, upon receipt of moneys from the federal aid to wildlife-restoration fund for expenditure on such project, the commission shall promptly cause the state game and fish protection fund to be reimbursed for the amounts so expended, from this state's moneys in the wildlife-restoration account, to the extent of not more than one-third of the amount received from the United States to be expended on such project.

(d) Any moneys appropriated by the state and remaining in the wildlife-restoration account of the state game and fish protection fund at the end of of the fiscal year following the fiscal year in which said moneys were credited thereto by the state treasurer, and which have not theretofore been pledged for the use of any wildlife-restoration project pursuant to an agreement entered into between

the commission and the secretary, shall revert to the general fund.

Sec. 7. APPROPRIATION. An amount equal to one-third of the amount apportioned to this state for the twenty-seventh fiscal year, namely six thousand two hundred three dollars eighty-nine cents and for the twenty-eighth and twenty-ninth fiscal year, not to exceed twenty-thousand dollars per year, is appropriated to the Arizona game and fish commission for the purpose of carrying out the provisions of this act.

Sec. 8. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 10, 1939.

CHAPTER 52

(House Bill No. 201)

AN ACT

AUTHORIZING THE STATE HIGHWAY COMMISSION TO APPROVE AND PAY A CLAIM OF THE PHOENIX-TEMPE STONE COMPANY, A CORPORATION, FOR ADDITIONAL EXPENSE INCURRED IN COMPLETION OF THE WICKENBURG UNDERPASS PROJECT, AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. AUTHORIZATION FOR PAYMENT OF CLAIM. Any provision of law to the contrary notwithstanding, the state highway commission is authorized to approve and pay out of the state highway fund, that certain claim of the Phoenix-Tempe Stone Company, a corporation, in the sum of One Thousand four hundred twenty-nine dollars and ninety-three cents, for additional expense incurred between March 16, 1937, and April 17, 1937, in completion of the Wickenburg underpass contract, occasioned by interference of sewer construction.

Sec. 2. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 10, 1939.

CHAPTER 53

(House Bill No. 280)

AN ACT

MAKING AN APPROPRIATION TO THE STATE BOARD OF SOCIAL SECURITY AND WELFARE FOR THE PURPOSES OF DIRECT RELIEF, AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. APPROPRIATION. The sum of thirty thousand dollars is appropriated out of the general fund of the state, to the state board of social security and welfare.

Sec. 2. PURPOSE. The purpose of the appropriation contained in section 1 is to enable the state board of social security and welfare to carry on the work of direct relief in the several counties, in the manner provided by law.

Sec. 3. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 11, 1939.

CHAPTER 54

(House Bill No. 103)

AN ACT

RELATING TO DENTISTRY, AND AMENDING SECTION 20, CHAPTER 24, SESSION LAWS OF 1935, REGULAR SESSION.

Be it enacted by the Legislature of the State of Arizona:

Section 1. Sec. 20, chapter 24, Session Laws

of 1935, regular session, is amended to read:

20. REVOCATION OF LICENSE. The dental board may, after hearing as hereinafter provided, revoke the license issued to any person under the provisions hereof for any of the following causes:

1. Physical or mental incompetency to practice his profession.

2. Fraud or misrepresentation in procuring a license.

3. Gross immorality.

4. The habitual use of intoxicating liquors or drugs to such an extent as to render him unfit for practice.

5. The commission of a felony or any crime involving moral turpitude, either before or after conviction in a court.

6. For unprofessional conduct. Unprofessional conduct means: 1. employing persons known as "cappers" or "steerers" to obtain business; 2. obtaining a fee by fraud or misrepresentation; 3. willfully betraying professional secrets; 4. employing directly or indirectly any student or any suspended or unlicensed dentist to perform operations of any kind, to treat lesions of the human teeth or jaws, or correct malimposed formations thereof; 5. practicing dentistry under a trade or corporate name or false or assumed name other than a partnership name containing the name of one or more of the partners; 6. making use of any

advertising statements of a character tending to deceive or mislead the public; 7. advertising professional superiority or the performance of professional services in a superior manner; 8. advertising prices, credit, or terms of credit for professional service or materials; 9. advertising by means of any large display or glaring light sign, containing as a part thereof the representation of a tooth, teeth, bridge work or any portion of the human head; 10. employing or making use of advertising solicitors or free publicity press agents; 11. advertising any free dental work or free examination, or 12. advertising to guarantee any dental service, or to perform any dental operation painlessly.

Approved March 13, 1939.

CHAPTER 55

(House Bill No. 178)

AN ACT

RELATING TO PUBLIC DUMPING GROUNDS; PROVIDING FOR THE DEPOSITING OF RUBBISH AND REFUSE, AND REPEALING SECTION 4715, REVISED CODE OF 1928.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. PUBLIC DUMPING GROUNDS. Special areas to be used by the public for the dumping and depositing of rubbish, refuse, debris and trash shall be provided by (a) the governing body of each incorporated city or town, or (b) the

board of supervisors on behalf of each unincorporated city or town. Such areas shall be known as public dumping grounds and shall be located at such intervals and as conveniently as the board or governing body may deem necessary, but in no case within one mile of an incorporated city, town or residential area, nor within one-quarter of a mile of any federal or state highway, park, recreational area, or monument. If any county or any incorporated city or town owns no land suitable for the purpose, the board of supervisors of such county, or the governing board of such city or town shall purchase, lease, or otherwise acquire control of sufficient property for such dumping grounds.

Sec. 2. PENALTY. Any person who dumps, deposits, places, throws or leaves any refuse, rubbish, debris, trash, filthy, or odoriferous objects or substances, except fertilizer upon any land, lot, or property, public or private, except on such public dumping grounds as now are or hereafter shall be provided as prescribed herein, is guilty of a misdemeanor.

Sec. 3. REPEAL. Sec. 4715, Revised Code of 1928, is repealed. This section does not negative an implied repeal of any statute which conflicts with this act.

Approved March 13, 1939.

CHAPTER 56

(House Bill No. 56)

AN ACT

RELATING TO GAME AND FISH PRESERVATION, AND AMENDING SECTION 40, CHAPTER 84, SESSION LAWS OF 1929, REGULAR SESSION.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. Amending clause. Section 40, Chapter 84, Session Laws 1929, is hereby amended to read as follows:

Section 40. PERMIT TO CAPTURE OR DESTROY ANIMALS INJURIOUS TO PROPERTY; FOR SCIENTIFIC OR BREEDING PURPOSES. The commission may issue permits to kill or capture alive any species of animals or birds which are seriously injurious to agricultural or other interests in any particular community. If captured they may be placed in other sections of the state for restocking purposes, or may be disposed of as the commission may determine; such permit shall expire and be void thirty days after date of issuance. The commission may also issue a permit, revocable at pleasure, to any person to collect and possess wild animals or wild birds, or birds' nests or eggs, for scientific, propagation, or exhibition purposes. The applicant for a permit for scientific purposes must file written testimonials from two well known ornithologists or zoologists, and pay the sum of one dollar for the permit, but duly accredited representatives of public educational

or scientific institutions, or governmental departments of the United States engaged in the scientific study of birds and animals may be granted such a permit without endorsements or charge. A scientific permittee shall not be required to obtain a hunting license for taking birds or animals for scientific purposes.

A person holding a permit issued pursuant to this section may buy, sell, possess, and transport, for scientific purposes, animals, and birds legally taken, and sell them alive for propagation to a person holding such a permit. When transported, said specimens, or the package in which the same are transported, shall have clearly and conspicuously marked on the outside the name and address of the consignor and consignee, an accurate statement of the contents, and that such specimens are for scientific or propagation purposes. Each person receiving a permit under this section must file with the commission within fifteen days after the expiration of his permit, a report of his activities under the permit, which report shall set forth the name and address of the permittee, number of his permit, number of specimens of each specie taken thereunder, or otherwise acquired, disposition of the same, names and addresses of persons acquiring the same from the permittee, the number of each species reared in captivity and the number on hand for propagation purposes at the expiration of the permit.

The commission may also issue a license to game and fish breeders, and the game and fish artificially propagated by such licensee may be possessed, bought and sold under such regulations as the commission may prescribe.

The commission is hereby authorized to pre-

scribe from time to time rules and regulations governing the possession, sale and transportation of animals and birds for propagation purposes raised in captivity under this act.

Section 2. EMERGENCY. To preserve the public peace, health and safety, it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 13, 1939.

CHAPTER 57

(House Bill No. 131)

AN ACT

RELATING TO LIVESTOCK; PRESCRIBING THE GENERAL DUTIES OF THE LIVESTOCK SANITARY BOARD; REGULATING INSPECTION OF ANIMALS, AMENDING SECTIONS 2077 AND 2104, REVISED CODE OF 1928, AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. Section 2077, Revised Code of 1928, as amended, is amended to read:

Sec. 2077. GENERAL DUTIES OF BOARD; PEACE OFFICERS MUST ASSIST BOARD. (a)

The board (1) shall exercise general supervision over the livestock interests of the state, protect the industry from theft and from contagious and infectious diseases, and the public from diseased and unwholesome meat products; (2) shall advise and recommend legislation fostering the livestock industry; (3) shall appoint and fix the salary of a secretary, who shall file an oath of office and give bond payable to the state in the sum of two thousand dollars; (4) may employ such other clerical help as the board shall deem necessary; (5) shall appoint inspectors and deputies to further the objects specified in subdivision (a), who shall be under the direction and control of the board; (6) shall keep a permanent record of its acts and of the acts and reports of its inspectors and detectives; (7) shall assist in the prosecution of persons charged with the violation of the livestock laws; (8) may call upon any cattle inspector or peace officer to execute its orders, and such officer shall obey such orders; (9) may issue or revoke permits for the shipment of horses, mules, and asses which are being moved from time to time upon construction work within the state without brand inspection; (10) may waive the inspection of livestock before slaughter, and may grant permission to transfer or sell hides of neat animals, horses, mules or asses without such hides being tagged or marked, provided, that such hides shall be inspected and the regular inspection fee paid thereon prior to such shipment or sale; (11) may prescribe and enforce rules and regulations made in conformity with this chapter, waiving inspections and/or inspection fees in such cases as the board may deem advisable.

(b) By and with the advice of the state veterinarian the board shall have power: (1) To make

and publish rules and regulations to control the importation of animals into this state; to establish quarantine, provide its boundaries and give notice thereof, and to do all things necessary to affect the object of such quarantine and to protect the livestock industry from contagious or infectious diseases and to prevent the spread thereof. (2) To make rules for the slaughter of animals affected with contagious or infectious diseases, and for the disposition of the carcasses of the animals so slaughtered, when such action appears necessary to prevent the spread of any contagion or infection among livestock. (3) To make rules and regulations governing the importations, manufacture, sale, distribution or use within the state of serums, vaccines and other biologics intended for diagnostic or therapeutic uses with animals, and to regulate the importation, manufacture, or use of virulent blood or living virus of any diseases affecting animals. (4) The board shall prescribe rules and regulations for the sale of livestock straying from its accustomed range. The board shall furnish suitable blanks, in triplicate, upon which all inspectors shall keep a record of their inspections and upon which they shall report to the board all inspections made. The inspection reports, whether in the hands of the inspector or in the office of the board, shall at all times be subject to inspection by any person desiring to examine them, and the secretary of the board shall aid any person requesting any information obtainable from the inspection records. All moneys received by the board from the sale of strays shall be remitted every fifteen days to the state treasury, through the state auditor, to be deposited in a special fund designated as the "stray fund", and shall be expended only for the payment of stray claims, as provided by the rules of the board.

Section 2. Section 2104, Revised Code of 1928, as amended, is amended to read:

Sec. 2104. INSPECTION MUST BE MADE IMMEDIATELY; FEE; CERTIFICATE. (a) Before any neat animals, horses, mules or asses are slaughtered, sold or driven or conveyed from their accustomed range, or driven or conveyed out of this state, or driven or conveyed from a pasture or other place where they have been kept, such animals must be inspected for health, brands and marks immediately before such drive or conveyance.

(b) Except as otherwise provided for in this act, it shall be unlawful to slaughter, sell, drive or convey any of the aforesaid animals without such inspection. Upon being advised that any of the aforesaid animals are subject to inspection, the inspector shall proceed at once to inspect said animals, and the owner or person in charge shall pay said inspector ten cents per head for such inspection. Upon the completion of said inspection, the inspector shall deliver to the person in charge of said animals a certificate on a form provided by the Livestock Sanitary Board, showing the date of inspection, the purpose for which inspected, the number, sex and kind of animals inspected, with the brands thereon, and the fee collected therefor, if any, which fee shall thereupon be paid to said inspector by the person in charge of said animals. Provided, that when, prior to inspection, application is made to the board in writing for a waiver of inspection fee, and it appears to the satisfaction of the board that animals are to be moved from pasture or other feeding ground for any purpose, other than slaughter, sale, change of ownership, or removal from the state, the board may waive

the inspection fee; but it is unlawful for any person to sell, transfer ownership in, or move any of the aforesaid animals from this state until said animals have been inspected and the inspection fee paid thereon.

Any person who shall sell or otherwise cause the ownership to be changed of any neat animals, horses, mules or asses or who shall cause any such animal to be slaughtered or driven or removed from the state, from the accustomed range or from a pasture or other place where they have been kept before they have been inspected as provided in subsections (a) and (b) hereof, and any person who, for the purpose of procuring any waiver of an inspection fee as provided in subsection (b), shall falsely represent to the board that any animals are being removed from one feeding ground to another for a purpose other than change of ownership, slaughter or removal from the state, shall be guilty of a misdemeanor and upon conviction shall be fined not less than fifty nor more than three hundred dollars, or imprisoned in the county jail not less than thirty nor more than one hundred and eighty days, or both.

Sec. 3. REPEAL. All acts or parts of acts in conflict with this act are hereby repealed.

Sec. 4. EMERGENCY. To preserve the public peace, health and safety, it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 13, 1939.

CHAPTER 58

(House Bill No. 127)

AN ACT

RELATING TO THE SHEEP SANITARY COMMISSION, AMENDING SECTION 2121, CHAPTER 48, REVISED CODE OF 1928, AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. Sec. 2121, Revised Code of 1928, is amended to read:

Sec. 2121. POWERS OF COMMISSION. (a) The commission shall exercise general supervision over, and do all things practicable to protect the sheep and goat industries against disease among sheep and goats. It shall prepare and promulgate necessary rules and regulations: 1. for the quarantining and dipping of sheep and goats infected with scab or scabies, or any other infectious or contagious disease, or which have been exposed to any such disease; 2. for the speedy and effective suppression and eradication of disease among sheep or goats, and, 3. to prevent the spread and contraction of infectious or contagious diseases, including the requirement of inspection of any sheep or goats shipped or transported or to be shipped or transported, by common carrier, contract carrier, private carrier, or in any other manner whatsoever, whether such shipping or transportation be in interstate or intrastate commerce, or both, and to require any owner, before proceeding to move any sheep or goats in any of the man-

ners aforesaid, to furnish an inspection certificate in the form to be required by the commission.

(b) The commission may appoint inspectors and require them to give bond in the sum of five hundred dollars each; may employ such other persons and purchase such supplies and materials as may be necessary in carrying out the purposes of this act, and shall cause a permanent record of its acts, official reports and correspondence to be kept.

(c) The state veterinarian shall assist, advise and cooperate with the sheep sanitary commission in carrying out its orders, rules and regulations.

Sec. 2. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 13, 1939.

CHAPTER 59

(House Bill No. 130)

AN ACT

RELATING TO LIVESTOCK; PROVIDING FOR THE INSPECTION OF HIDES OF LIVESTOCK, AND AMENDING SECTIONS 2146

AND 2155, REVISED CODE OF 1928, AS AMENDED.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. Sec. 2146, Revised Code of 1928, as amended, is amended to read:

Sec. 2146. INSPECTION OF HIDES. (a) It is unlawful for any person to have in his possession, or to sell, offer for sale, give or exchange the meat of any neat animal, horse, mule or ass, unless the whole hide of such animal has been inspected for marks and brands and the meat thereof stamped as hereinafter provided. The hide of any such animal shall be marked, as provided by the board, so that it may be identified, for which the inspector shall collect ten cents for each hide so inspected. The inspector shall stamp upon the hind quarter, side, shoulder, neck and shank, of both sides of the meat of the carcass the words "brand inspected." Such stamping shall be done with a stamp adopted and furnished by the board. A violation of this section shall constitute a misdemeanor, and upon conviction shall be punished by a fine of not less than fifty nor more than three hundred dollars, imprisonment in the county jail not less than thirty nor more than one hundred and eighty days, or both.

(b) Inspectors shall have authority to stop and search, without warrant, any vehicle, or to search without warrant any container which such inspector suspects contains unstamped meat, and if any be found it shall be taken by the inspector, and unless proof be submitted within twelve hours which satisfied the inspector that the person from

whom the meat was taken is the lawful owner thereof, such meat shall be forfeited to the state and sold or disposed of by the inspector.

(c) This section shall not be construed to apply to producers who are slaughtering such animals for their own consumption, nor to require that meat bearing a federal meat inspection stamp, unless the possessor so desires, be stamped as provided in this act.

Sec. 2. Sec. 2155, Revised Code of 1928, as amended, is amended to read:

Sec. 2155. INSPECTION BEFORE SLAUGHTER. Any person carrying on the business of slaughtering livestock shall notify the nearest livestock inspector of the location of his slaughter house and of the time it is proposed to slaughter any such animals. No livestock shall be slaughtered until inspected, unless inspection before slaughter be waived by the board. When any such animals are slaughtered, the inspector shall inspect the hides for brands and marks, charging therefor ten cents for each hide inspected, and tag or mark the same in the manner prescribed by the board, unless such tagging or marking be waived by the board.

Approved March 13, 1939.

CHAPTER 60

(Substitute House Bill No. 128)

AN ACT

RELATING TO SHEEP AND GOATS, PROVIDING FOR INSPECTION AND THE SUPPRESSION OF DISEASE, AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. INSPECTION OF IMPORTED SHEEP AND GOATS. (a) Any person intending to bring any sheep or goats into this state for any purpose except immediate slaughter, shall give notice in writing, by telegraph, registered letter, or by delivery in person, of his intention, to the secretary of the sheep sanitary commission, at Phoenix. Such notice shall be so given that it shall be received by the secretary not less than forty-eight hours prior to the proposed day of entry, and shall state the number of sheep or goats which it is desired to bring in, and the day and place of entry. Upon receiving said notice, the secretary shall immediately notify an inspector, who shall proceed forthwith to the place named and inspect said sheep or goats. If the same are found to be clean and healthy and free from any contagious or infectious disease, the inspector shall deliver to the owner, or to the person in charge, a certificate of health for the flock, which will permit the sheep or goats to be brought into the state. Before such certificate is issued an inspection fee of five cents per head shall be paid to the inspector.

(b) When the inspector learns that any sheep or goats have been brought into the state without inspection, he shall immediately proceed to inspect the same and collect the fees as provided in this act.

(c) The provisions of this section shall not apply to sheep or goats in course of transit through the state, in railroad cars, from a point without the state to another state or country, and which are not to be unloaded in this state except in quarantine pens for the purpose of feeding and watering, and for a period of time not to exceed twenty-four hours at any unloading.

(d) Sheep or goats temporarily removed from the state, by an owner who is a permanent resident of the state with headquarters therein, under a permit or certificate issued by the sheep sanitary commission in compliance with the rules and regulations of the commission, shall not be subject to the provisions of this section, but when it is desired to re-introduce the same herd of sheep or goats into the state, full compliance must be had with the law and the rules and regulations of the commission pertaining to the shipping, transporting or moving of sheep or goats.

Sec. 2. INSPECTION FEE. Should the owner or person in charge of any sheep or goats about to be brought into the state, fail or refuse to pay the inspection fee, the inspector shall refuse to deliver a certificate of health, and shall not permit said sheep or goats to enter the state. If brought into the state notwithstanding, or if said sheep or goats be already in the state at the time of such inspection, the inspector shall take charge of them, and not allow them to be driven away.

He shall immediately notify the secretary, or the most accessible member of the commission, and upon receiving the authority of the commission so to do shall go before a justice of the peace of the county where said sheep or goats may then be found, and institute an action against the owner or person in charge to enforce payment of the inspection fees, costs incurred in keeping and caring for said sheep or goats, and costs of the proceeding.

Sec. 3. INSPECTION FEES A LIEN. Fees due for the inspection of any sheep or goats and costs and expenses incurred in caring for and feeding the same, shall constitute a lien upon said sheep or goats, whether in the custody of the owner or the commission. If in the custody of any inspector, they shall not be delivered to the owner or to the person in charge thereof until such inspection fees, and any fines, costs and expenses have been paid. Upon the failure or refusal of the owner or person in charge of sheep or goats which are subject to the payment of fees, to pay the same, the sheep sanitary commission shall cause legal proceedings to be instituted in its name for the foreclosure of the lien and the collection of such fees, fines, costs and expenses, and said sheep or goats shall remain in the custody of the inspector until the determination of said suit, and no bond shall be required from the sheep sanitary commission or any of its inspectors.

Sec. 4. TRANSMITTAL OF FEES. All fees collected or received by the sheep sanitary commission under the provisions of this act, shall be transmitted through the state auditor to the state treasurer, and placed in the general fund in conformity with Section 2617, Revised Code of 1928.

Sec. 5. PENAL PROVISIONS. Any person who shall bring any sheep or goats into the state without complying with the provisions of this act shall be guilty of a misdemeanor and upon conviction fined not less than fifty nor more than one hundred dollars, imprisoned in the county jail not to exceed thirty days, or both. Failure on the part of the owner or person in charge of any such sheep or goats to produce a certificate of health for the flock shall be prima facie evidence that they were brought into the state without complying with the provisions of this act. The judgment of the justice of the peace shall operate as a lien upon such sheep or goats and they or so many thereof as may be necessary shall be sold in the manner provided by law for the sale of personal property under execution, and the proceeds applied to the payment of said fine and costs. It is made the express duty of inspectors to make criminal complaint against any person who brings sheep or goats into this state in violation of the provisions contained in said section.

Sec. 6. ACT SUPPLEMENTAL. This act shall be construed as supplementary to and not in conflict with other laws governing or regulating the livestock industry.

Sec. 7. SEVERABILITY. If any provision of this act be held invalid, such invalidity shall not affect other provisions which can be given effect without the invalid provision, and to this end the provisions of the act are declared to be severable.

Sec. 7. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure,

and shall take effect upon its passage in the manner provided by law.

Approved March 13, 1939.

CHAPTER 61

(Senate Bill No. 47)

AN ACT

RELATING TO OLD AGE ASSISTANCE, AND AMENDING SECTION 2, CHAPTER 70, SESSION LAWS OF 1937, REGULAR SESSION; AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. Sec. 2, chapter 70, Session Laws of 1937, regular session, is amended to read:

Sec. 2. ELIGIBILITY FOR ASSISTANCE TO THE NEEDY AGED. Assistance shall be granted under this act to any person who:

1. is not less than sixty-five years of age;

2. is a citizen of the United States;

3. has resided in the state for not less than five years within the nine years, and continuously for not less than one year immediately preceding the date of application for assistance;

4. has not sufficient income or other re-

sources to provide a reasonable subsistence compatible with decency and health;

5. is not an inmate of or being maintained by any municipal, state, federal or private institution at the time of receiving assistance, except as a guest of the home for aged and infirm Arizona pioneers, at Prescott. An inmate of any such institution, except a penal institution may make application for assistance, but such assistance, if granted, shall not begin until after he ceases to be an inmate. This section shall not be construed to prohibit the granting of assistance to a person temporarily confined in an institution for medical or surgical care;

6. has not, within five years prior to the filing of application, made an assignment or transfer of property with the intent of rendering himself eligible for assistance under the provisions of this act;

7. is not because of physical or mental condition, in need of continued institutional care, which care is reasonably available to him;

8. does not have or own cash or other personal property, exclusive of household furniture, the fair value of which exceeds one thousand dollars;

9. has not, during the twelve months immediately preceding his application, received, and does not currently receive an income from all sources, not including contributions and assistance from public or private charities, of a net value exceeding three hundred sixty dollars per annum.

Sec. 2. EMERGENCY. To preserve the

public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 13, 1939.

CHAPTER 62

(Senate Bill No. 129)

AN ACT

RELATING TO DELINQUENT TAXES; PROVIDING FOR EXEMPTION OF INTEREST THEREON, AND AMENDING SECTION 2, CHAPTER 46, SESSION LAWS OF 1937, REGULAR SESSION, AS AMENDED.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. Sec. 2, chapter 46, Session Laws of 1937, regular session, as amended, is amended to read:

Sec. 2. INTEREST EXEMPTION. Except as otherwise provided in this section, all taxes levied against real and personal property which were delinquent on October 1, 1938, shall be exempt from all interest if paid on or before the first Monday in December, 1939. In case of state, county, and school district taxes the entire sum thus exempted shall not exceed five hundred dollars. Exemption shall also be allowed on single half-year

payments within the time set forth above, but the amount of such exemption in the case of state, county, and school district taxes shall not exceed the sum of two hundred dollars for any such half-year period. Taxes becoming delinquent subsequent to October 1, 1938, and all taxes for which exemption of interest is herein provided but which remain unpaid after the first Monday in December, 1939, shall carry the interest provided by law, and the period of delinquency shall be effective from the date when said delinquency first accrued. The exemption of interest herein provided shall not apply to taxes on property sold to private parties, prior to the passage of this act, for delinquent taxes. During the foregoing period of exemption from interest, real property held by the state under certificate of purchase shall, in the event of redemption by the former owner, be subject to the same exemptions as provided herein for other property.

Approved March 13, 1939.

CHAPTER 63

(Senate Bill No. 239)

AN ACT

MAKING AN APPROPRIATION TO THE BOARD OF DIRECTORS OF STATE INSTITUTIONS, FOR THE STATE PRISON, AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. APPROPRIATION. The sum of fifty thousand two hundred sixty-nine dollars and seventy-three cents is appropriated out of the general fund to the board of directors of state institutions.

Sec. 2. PURPOSE. The appropriation contained in section 1 is for the use and benefit of the state prison, for the purposes and in the maximum amounts following: 1. new buildings, seventeen thousand dollars; 2. materials and repair of buildings, water supply, cooling system, gas system, and sanitation, fourteen thousand four hundred twenty dollars and twenty-three cents; 3. replacement of prison gates, two thousand five hundred dollars; 4. kitchen and dining room equipment, six thousand six hundred ten dollars; 5. agricultural and work implements, two thousand four hundred eighty-seven dollars and fifty cents; 6. trucks and wagons, four thousand two hundred seventy-five dollars; 7. dairy cattle, two thousand fifty dollars, and, 8. weapons and ammunition, nine hundred twenty-seven dollars.

Sec. 3. CONDITION. No part of the appropriation pertaining to buildings or repairs shall be expended for labor other than skilled labor necessary to supervise prison labor.

Sec. 4. EXEMPTION. The appropriation contained in this act shall not be subject to the provisions of section 2616, Revised Code of 1928.

Sec. 5. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure,

and shall take effect upon its passage in the manner provided by law.

Approved March 13, 1939.

CHAPTER 64

(Senate Bill No. 154)

AN ACT

RELATING TO SPIRITUOUS LIQUORS; CREATING THE DEPARTMENT OF LIQUOR LICENSES AND CONTROL AND THE OFFICE OF SUPERINTENDENT OF SUCH DEPARTMENT AND VESTING ADMINISTRATION AND ENFORCEMENT OF LAWS RELATING TO SPIRITUOUS LIQUORS IN SUCH SUPERINTENDENT; PROVIDING FOR THE LICENSING AND REGULATION OF THE MANUFACTURE AND SALE OF SPIRITUOUS LIQUORS; AMENDING SECTIONS 1, 2, 3, 4, 5, 6, 8, 10 AND 11, CHAPTER 46, SESSION LAWS OF 1935, REGULAR SESSION; AMENDING CHAPTER 46, SESSION LAWS OF 1935, REGULAR SESSION, BY ADDING SECTIONS 2a, 4a, 4b, 4c and 4d; REPEALING CHAPTER 7, SENATE BILL 7, AND CHAPTER 32, SENATE BILL 213, SESSION LAWS OF 1939, REGULAR SESSION; AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. Sec. 1, chapter 46, Session Laws of

1935, regular session, is amended to read:

Sec. 1. DEFINITIONS. In this act, unless the context otherwise requires:

"spirituous liquor" includes alcohol, brandy, whiskey, rum, tequilla, mescal, gin, wine, porter, ale, beer, any malt liquor, malt beverage, absinthe or compound or mixture of any of them, or of any of them with any vegetable or other substance, alcohol bitters, bitters containing alcohol, and any liquid mixture or preparation, whether patented or otherwise, which produces intoxication, fruits preserved in ardent spirits, and beverages containing more than one-half of one per cent of alcohol by volume;

"beer" means any beverage obtained by the alcoholic fermentation, infusion or decoction of barley malt, hops, or other ingredients not drinkable, or any combination of them;

"wine" means the product obtained by the fermentation of grapes or other agricultural products containing natural or added sugar or any such alcoholic beverage fortified with grape brandy and containing not more than twenty-four per cent of alcohol by volume;

"sell" includes to solicit or receive an order for, to keep or expose for sale, to deliver for value, to peddle, to keep with intent to sell, and to traffic in;

"person" includes partnership, association, company or corporation, as well as a natural person;

"company" or "association", when used in ref-

erence to a corporation, includes successors or assigns;

"traveler" means a person who in consideration of a given price per day, or fraction of a day, on the American or European plan, or per meal, is furnished by another person with food or lodging, or both, or is in transit on a public conveyance.

"hotel" means any establishment provided with accommodations where, in consideration of payment, food and lodging are customarily furnished to travelers and where spirituous liquors are sold in the original container or by individual portions;

"vehicle" means any means of transportation by land, water, or air, and includes everything made use of in any way for such transportation;

"off-sale retailer" means any person operating a bona fide regularaly established retail liquor store selling spirituous liquors, wines and beer, and any established retail store selling commodities other than spirituous liquors and engaged in the sale of spirituous liquors only in the original package, to be taken away from the premises of such retailer and to be consumed off said premises;

"on-sale retailer" means any person operating an establishment where spirituous liquors are sold in the original container and in individual portions for consumption on the premises;

"broken package" means any container of spirituous liquor on which the United States tax seal has been broken or removed, or from which

the cap, cork or seal placed thereupon by the manufacturer has been removed.

Sec. 2. Sec. 2, chapter 46, Session Laws of 1935, regular session, is amended to read:

Sec. 2. DEPARTMENT LIQUOR LICENSES AND CONTROL; SUPERINTENDENT. There is hereby created the department of liquor licenses and control and the office of superintendent of such department.

The governor, by and with the advice and consent of the Senate, shall appoint the superintendent of the department of liquor licenses and control, for a term which shall end on January 31, 1945, and on January 31st of each sixth year thereafter. The governor may remove the superintendent for inefficiency, neglect of duty, malfeasance, misfeasance, or nonfeasance in office, but his action may be reviewed by the superior court of Maricopa county in a trial de novo before said court in a proper proceeding instituted within thirty days after such removal. The superintendent shall receive a salary of four thousand eight hundred dollars per annum. He shall give a surety bond, to be approved by the state treasurer, in the sum of twenty-five thousand dollars, conditioned upon the faithful performance of his duties.

Neither the superintendent or any employee of the superintendent shall serve on any committee of any political party, nor engage in political activities other than voting.

The transfer from the state tax commission to the superintendent of liquor licenses and control of all balances remaining in the liquor license ad-

ministration fund, as provided in chapter 32, Senate Bill 213, Session Laws of 1939, regular session, is hereby confirmed and expenditures heretofore or hereafter made by the superintendent of such funds are hereby ratified and approved.

Sec. 3. Chapter 46, Session Laws of 1935, regular session, is amended by adding section 2a:

Sec. 2a. POWERS AND DUTIES OF SUPERINTENDENT. (a) The superintendent of liquor licenses and control shall administer and enforce the provisions of this act.

(b) The superintendent shall have power: 1. to prescribe necessary rules and regulations: 1a. for carrying out the provisions of this act; 1b. for the proper conduct of the business to be carried on under each specific type of spirituous liquor license; 1c. to enable and assist state officials to collect all taxes levied or imposed in connection with spirituous liquors, and, 1d. to procure full compliance by licensees, in the conduct of their business, with all laws; 2. to prescribe forms for applications and licenses, and such other forms as may be necessary under this act; 3. to examine books, records, and papers of any licensee; 4. to hear and determine complaints against any licensee; 5. to issue subpoenas and other necessary process to procure the presence of persons and the production of papers; 6. to administer oaths, take testimony, and punish for contempt, and, 7. to employ necessary deputies and assistants, and pay their compensation and other expenses of administering this act.

(c) Not later than the fifth day of each month, the superintendent shall submit a detailed

financial report of his activities during the preceding calendar month to the governor and the state treasurer.

Sec. 4. Section 3, chapter 46, Session Laws of 1935, regular session, is amended to read:

Sec. 3. MANUFACTURE OR SALE OF LIQUOR WITHOUT LICENSE ILLEGAL. It shall be unlawful for any person to buy for resale, sell or deal in spirituous liquors in the state of Arizona without first having procured a license issued by the superintendent as herein provided. Provided, however, that the provisions of this act shall not apply to drug stores selling only spirituous liquors upon prescription. The provisions of this act shall not apply to ethyl alcohol intended for use and/or used for the following purposes: 1. for scientific, chemical, mechanical, industrial and medicinal purposes; 2. for use by those authorized to procure the same tax-free, as provided by the acts of congress and regulations promulgated thereunder; 3. in the manufacture of denatured alcohol produced and used as provided by the acts of congress and regulations promulgated thereunder; 4. in the manufacture of patented, patent, proprietary, medicinal, pharmaceutical, antiseptic, toilet, scientific, chemical, mechanical, and industrial preparations or products, unfit and not used for beverage purposes; 5. in the manufacture of flavoring extracts and syrups, unfit for beverage purposes. Provided, however, that it shall be unlawful to sell or deal in alcohol for beverage purposes without first complying with the provisions of this act.

Every person having in his possession or custody or under his control any still or distilling apparatus shall register the same with the superin-

tendent under such rules and regulations as he may prescribe, and every still or distilling apparatus not so registered together with all mash, wort, wash, for distillation or for the production of spirits or alcohol, and all finished products, together with all personal property in the possession or custody of, or under the control of any person, which property may be used in the manufacture or transportation of spirituous liquors, and which shall be found in the building or in any yard or enclosure connected with the building in which the unregistered still or distilling apparatus may be, shall be forfeited to the state.

Such still, distilling apparatus, mash, wort, wash, or finished products shall forthwith be destroyed by any agent of the superintendent or other peace officer, and all personal property forfeited to the state shall be sold at public auction to the highest bidder for cash on five days notice, which notice shall be posted at the court house in the county in which such personal property was seized or at the office of the superintendent in Phoenix, Arizona, and shall be published in some newspaper of general circulation located in the state of Arizona in some place nearest to where the personal property was seized. After paying the expenses of such publication and the expenses of sale out of the proceeds of the sale any balance shall be paid into the general fund of the state.

It shall be unlawful for any person to have in his possession or to transport any spirituous liquor, which liquor shall have been manufactured in any distillery, winery, brewery, or rectifying plant contrary to the laws of the United States and the state of Arizona; and any property used in the transporting of such spirituous liquor shall be for-

feited to the state and shall be seized and disposed of as provided in the preceding paragraph of this section.

Any house, building, out-house, or enclosure in which a still or distilling apparatus is operated or in which any still, distilling apparatus or spirituous liquors upon which all taxes imposed have not been paid is hereby declared to be a public place.

Sec. 5. Sec. 4, chapter 46, Session Laws of 1935, regular session, is amended to read:

Sec. 4. APPLICATION FOR LICENSE. (a) Any person desiring a license to manufacture, sell, or deal in spirituous liquors shall make application therefor to the superintendent of liquor licenses and control on a form prescribed and furnished by him.

(b) A person desiring a license within an incorporated city or town shall make his application in triplicate, and shall file one copy with the superintendent and two with the city clerk. The city clerk shall immediately file one copy in his office and post the other, for a period of ten days, in a conspicuous place on the front of the premises wherein the business is proposed to be conducted, with a statement requiring any person opposed to the issuance of the license to file his written objections with the clerk within ten days after the date of posting. The governing body of the city or town, within five days after the expiration of the time for filing objections, shall meet and consider the application and any objections filed.

It shall then enter an order approving or disapproving the issuance of the license, and shall

file a certified copy thereof with the superintendent. If disapproved, a statement of the reasons therefor shall be attached to the order.

(c) If a license is applied for to conduct a spirituous liquor business outside of an incorporated city or town, two copies of the application shall be filed with the clerk of the board of supervisors of the county wherein the applicant desires to do business, and the proceedings by said clerk and board of supervisors shall be as provided in subsection (b) for cities and towns.

(d) Upon receipt of an application for a spirituous liquor license, the superintendent shall place the same on file until the expiration of the time fixed for the certified order by the governing body of the city or town or the board of supervisors, and shall consider such order together with other facts in his possession relating to the qualifications of the applicant.

Sec. 6. Chapter 46, Session Laws of 1935, regular session, is amended by adding section 4a:

Sec. 4a. QUALIFICATIONS OF LICENSEE. (a) Every spirituous liquor licensee shall be a qualified elector. If a partnership, all members shall be qualified electors.

(b) No license shall be issued to any person who, within one year prior to application therefor, has violated any provision of a spirituous liquor license theretofore issued or has had any such license revoked, or, within two years, has been convicted of a felony.

Sec. 7. Chapter 46, Session Laws of 1935,

regular session, is amended by adding section 4b:

Sec. 4b. RESTRICTIONS ON ISSUANCE OF LICENSES. (a) The total number of spirituous liquor licenses issued within a single county shall not exceed:

1. Hotel and on-sale retailers' licenses providing for consumption on the premises of all spirituous liquors: 1a. in a county having a population of one hundred thousand or more, one license for each two thousand five hundred inhabitants; 1b. in a county having a population of twenty-five thousand or more but less than one hundred thousand, one license for each two thousand inhabitants; 1c. in a county having a population of less than twenty-five thousand, one license for each one thousand inhabitants.

2. Hotel and on-sale retailers' licenses providing for consumption on the premises of beer and wine, one license for each five hundred inhabitants, including licenses permitting the sale of beer and wine as provided in subsection (1) hereof.

(b) The population of a county shall be deemed to be its population as last determined by the bureau of the census, less the number of Indian wards of the United States residing therein, as shown by such census.

(c) Subsection (a) shall not be construed to prevent any licensee, holding a valid license at the time this act takes effect, or his transferee, from continuing the said licensed business or from renewing his license, subject to compliance with the provisions of law and the rules and regulations of

the superintendent, regardless of the fact that such continuance or renewal may result in there being outstanding, in any county, licenses in excess of the number provided in subsection (a).

(d) No retailer's license shall be issued for any premises within three hundred feet of a public or parochial school, except upon special permission by the superintendent.

Sec. 8. Chapter 46, Session Laws of 1935, regular session, is amended by adding section 4c:

Sec. 4c. ISSUANCE OF LICENSES. (a) The superintendent shall issue a spirituous liquor license only upon satisfactory showing of the capability, qualifications, and reliability of the applicant, and that the public convenience requires and will be substantially served by such issuance.

(b) A separate license shall be issued for each specific business, and each license shall specify: 1. the particular spirituous liquors which the licensee is authorized to manufacture, sell, or deal in; 2. the place of business for which issued, and, 3. the purpose for which the liquors may be manufactured or sold. The license shall be to manufacture, sell, or deal in spirituous liquors only at the place and in the manner provided therein.

(c) Any spirituous liquor license shall be transferable as to the person licensed or as to any location within the same county, upon payment of a transfer fee of twenty-five dollars and after application in the manner provided for original application for a license. The transferee shall have the qualifications required of an original applicant. No transfer shall be made while any

charge for violation of this act or a rule or regulation of the superintendent is pending, and no transfer as to location shall be made unless it is shown to the satisfaction of the superintendent that the public convenience requires and will be substantially served thereby.

Sec. 9. Chapter 46, Session Laws of 1935, regular session, is amended by adding section 4d:

Sec. 4d. REVOCATION AND SUSPENSION. (a) Any spirituous liquor license may be suspended or revoked by the superintendent for violation of or non-compliance with: 1. any provision of this act or of law; 2. any rule or regulation issued pursuant to this act, or, 3. any condition of the license.

(b) A license shall be suspended or revoked only after a hearing before the superintendent, of which reasonable notice shall be given the licensee or an employee of the licensee by service on the licensed premises.

(c) The decision of the superintendent shall be final in any matter relating to the issuance, renewal, suspension, or revocation of a license, unless the person aggrieved, within ten days after the date of the decision, files an appeal with the superior court of the county in which the licensed premises are located. In such appeal, the court shall hear and determine the matter de novo, not more than ten days after the date of filing the appeal. Pending determination of the appeal, the decision and order of the superintendent shall remain in full force and effect, and may not be superseded.

Sec. 10. Sec. 5, chapter 46, Session Laws of 1935, regular session, is amended to read:

Sec. 5. LICENSE FEES. (a) The annual fees for licenses shall be:

1. Distiller's license, three hundred fifty dollars.

2. Brewer's license, three hundred fifty dollars.

3. Winer's license, one hundred fifty dollars.

4. Wholesaler's license to sell all spirituous liquors, two hundred fifty dollars.

5. Wholesaler's license to sell wine and beer, one hundred dollars.

6. Hotel or on-sale retailer's license to sell all spirituous liquors by individual portions and in the original containers, one hundred fifty dollars.

7. Hotel or on-sale retailer's license to sell wine and beer by individual portions and in the original containers, seventy-five dollars.

8. On-sale retailer's license to sell beer by individual portions and in the original container, twenty-five dollars.

9. Off-sale retailer's license to sell all spirituous liquors, fifty dollars.

10. Off-sale retailer's license to sell wine and beer, fifty dollars.

11. Off-sale retailer's license to sell beer, twenty-five dollars.

12. Railroad license issued in the name of an operating railroad company to sell all spirituous liquors in individual portions or in the original containers on all passenger trains operated by such railroad company, two hundred and twenty-five dollars.

(b) Where the business of an on-sale retail licensee is seasonal, not extending over periods of more than six months in any calendar year, he may designate the periods of his operation, and a license may be granted for such periods only, upon payment of one-half the fee prescribed in subsection (a).

(c) If application for a license is made on or after July 1 in any year, one-half of the annual fee shall be charged.

(d) The fee shall accompany the application, or in case of renewal, shall be paid in advance. Every license shall expire December 31 of each year.

(e) This section shall not be construed to invalidate any valid license issued prior to the date this act takes effect.

Sec. 11. Sec. 6, chapter 46, Session Laws of 1935, regular session, is amended to read:

Sec. 6. FINANCIAL PROVISIONS. (a) All license, registration or other fees collected hereunder and all fines assessed and collected under this act shall be paid to the superintendent of liq-

uor licenses and control, and all moneys received by the superintendent pursuant to this act shall be promptly, and at least weekly, paid to the state treausry, through the state auditor, and credited to the liquor license administration fund.

(b) One-third of the license fees collected in each county shall be paid monthly by the state treasurer on warrant of the state auditor to the county treasurer of the county wherein such licensed business is located.

(c) Claims for expenditures under this act shall be approved by the superintendent and paid from the appropriation herein provided in the manner provided by law for payment of other claims against the state.

(d) There is hereby appropriated for the balance of the current fiscal year, inclusive of funds otherwise available, out of the general fund not otherwise appropriated, the sum of thirty thousand dollars ($30,000.00) and for each fiscal year thereafter the sum of eighty thousand dollars ($80,000.00) for the purpose of carrying out the provisions of this act and for the payment of all salaries and expenses of the department of liquor licenses and control.

Sec. 12. Sec. 8, chapter 46, Session Laws of 1935, regular session, is amended to read:

Sec. 8. UNLAWFUL ACTS. (a) It shall be unlawful for any person engaged in the business of distiller, winer, brewer, rectifier, blender, or other producer, or of wholesaler, of any spirituous liquor, directly or indirectly, or through an affiliate:

1. To require that any retailer purchase any spirituous liquor from such producer or wholesaler to the exclusion, in whole or in part, of any spirituous liquor sold or offered for sale by other persons.

2. To induce, through any of the following means, any retailer to purchase any spirituous liquor from such producer or wholesaler to the exclusion, in whole or in part, of spirituous liquor sold or offered for sale by other persons: 2a. by acquiring any interest in property owned, occupied, or used by the retailer in his business, or in any license with respect to the premises of the retailer; 2b. by furnishing, giving, renting, lending, or selling to the retailer any equipment, fixtures, signs, supplies, money, services, or other thing of value, subject to such exception as the rules adopted pursuant to this act may prescribe, having due regard for established trade customs and the purposes of this subsection; 2c. by paying or crediting the retailer for any advertising, display, or distribution service; 2d. by guaranteeing any loan or the repayment of any financial obligation of the retailer; 2e. by extending credit to the retailer on any sale of spirituous liquor, and any extension or acceptance of credit in violation hereof shall subject the licenses of all parties concerned to suspension or revocation at the option of the superintendent, and all licensees who may be indebted to other licensees engaged in the sale of spirituous liquors for resale on the date this act takes effect shall pay such indebtedness prior to November 30, 1939; 2f. by requiring the retailer to take and dispose of a certain quota of any spirituous liquor; 2g. by offering or giving any bonus, premium, or compensation to the retailer or any of his officers, employees, or representatives, or, 2h.

by any other form of commercial bribery.

(b) It shall be unlawful:

1. For any distiller, winer, brewer, or wholesaler to sell, dispose of, or give any spirituous liquor to any person other than a licensee, except in such sampling of wares as is necessary in the ordinary course of the business.

2. For any off-sale retailer to sell spirituous liquors except in the original container, to permit any spirituous liquor to be consumed on his premises, or to sell spirituous liquor in any container having a capacity of less than eight ounces.

3. For any licensee or employee of such licensee to serve, sell, or furnish spirituous liquor to any intoxicated or disorderly person, or to allow or permit such person to come into or remain in or about his premises.

4. For any licensee or other person to sell, furnish, dispose of, give, or cause to be sold, furnished, disposed of or given to a person under the age of twenty-one years, or for any person under the age of twenty-one years to buy, receive, or have in his possession, any spirituous liquor.

5. For any licensee to employ a person under the age of twenty-one years to manufacture, sell, or dispose of spirituous liquors.

6. For any hotel or on-sale retail licensee to employ a person under the age of twenty-one years in any capacity connected with the handling of spirituous liquors.

7. For any hotel, on-sale or off-sale retail licensee to sell, dispose of, deliver, or give any spirituous liquor to any person, or to allow any person to consume spirituous liquors on his premises, between the hours of one o'clock a. m. and six o'clock a. m. on week days, and one o'clock a. m. and twelve o'clock noon on sundays.

8. For any hotel, on-sale or off-sale retail licensee to sell, dispose of, deliver, or give away any spirituous liquor on his premises on election days during the hours that polling places are open for voting.

9. For any licensee to operate or allow the operation of any gambling or game of chance in any form upon his premises.

10. For any distiller, winer, or brewer to use a vehicle for the trucking or transportation of spirituous liquors unless there is affixed to both sides of the vehicle a permanent sign showing the name and address of the licensee and the type and number of his license, in letters not less than three and one-half inches in height.

11. For any hotel or on-sale retail licensee to employ any female for the purpose of soliciting the purchase of spirituous liquors by patrons of the establishment for themselves, on a percentage basis, or otherwise, and no such licensee shall serve any of his female employees or allow any patron of his establishment to give spirituous liquor to, or to purchase the same for or drink the same with, any such female employee.

12. For any person to consume spirituous liquor from a broken package in any public place,

thoroughfare, or gathering, and the license of any licensee permitting a violation of this paragraph on his premises shall be subject to revocation. This paragraph shall not apply to sales of spirituous liquors in individual portions by a hotel or on-sale retail licensee.

13. For any person to take or solicit orders for spirituous liquors unless he is a registered solicitor of a licensed wholesaler, a registered salesman of a distillery or a manufacturer. Every manufacturer, distiller, producer and wholesaler shall register with the superintendent each salesman or solicitor through whom he operates or conducts sales. Upon termination of the employment of any such salesman or solicitor, the employer shall promptly notify the superintendent and return such credentials as may have been issued for the salesman or solicitor. A fee of one dollar shall be collected for each registered solicitor for wholesalers or manufacturers in this state, and a fee of ten dollars for each registered salesman or solicitor for a distillery having its place of manufacture outside of the state. No retail licensee shall purchase spirituous liquors from any person other than a registered solicitor or salesman. The superintendent shall issue a certificate of registration to each such person so registered as herein provided and may for good cause shown cancel any such certificate of registration so issued.

14. For an employee of any licensee, during his working hours or in connection with his employment, to give to or purchase for any other person, accept a gift of, purchase for himself, or consume any spirituous liquor.

(c) Any person having knowledge or posses-

sion of facts that tend to establish the guilt of any other person or corporation charged with a violation of the provisions of this section shall not be excused from giving testimony or producing evidence when legally called upon so to do, on the ground that it may tend to incriminate him under the laws of the state; but no person shall be prosecuted or subject to any penalty or forfeiture for, or on account of, any transaction, matter or thing concerning which he may so testify or produce evidence.

Sec. 13. Sec. 10, chapter 46, Session Laws of 1935, regular session, is amended to read:

Sec. 10. REPORTS REQUIRED. Every person to whom a license is issued under the provisions of this act shall, on or before the 5th day of each month, make a report to the superintendent for the preceding calendar month upon forms to be prescribed by the superintendent showing the exact amount of spirituous liquors manufactured by said licensee in this state during said preceding calendar month, and the character thereof, the exact amount of spirituous liquors purchased or otherwise received by such licensee during said preceding calendar month, and from whom purchased or received; showing the exact character of said liquors, and whether manufactured within or without this state; the exact amount of spirituous liquors sold or otherwise disposed of by said licensee during said preceding calendar month, and the exact character of such liquors; the inventory of licensee, at the end of said month, showing the exact character of liquors in inventory. The superintendent shall have a right at any time to make an examination of the books and records of any licensee, and of his premises and to otherwise

check the accuracy of the report herein required.

Sec. 14. Sec. 11, chapter 46, Session Laws of 1935, regular session, is amended to read:

Sec. 11. EMPLOYEES. (a) Neither the superintendent nor any of his employees, deputies, or assistants shall be interested directly or indirectly in any business licensed to deal in spirituous liquors. Violation of this section, by the superintendent, shall create a vacancy in his office, and by an employee, shall cause his immediate dismissal.

(b) Every employee, deputy, and assistant of the superintendent engaged in the inspection of premises or exercising any of his authority shall execute a surety bond to the state in an amount, not less than five thousand dollars, fixed by the superintendent, and shall, for identification purposes, have credentials signed by the superintendent and countersigned by the governor. When bearing such credentials he shall have the powers and duties of a peace officer.

Sec. 15. REPEALING CLAUSE. Chapter 7, Senate Bill 7, and chapter 32, Senate Bill 213, Session Laws of 1939, regular session, and all laws and parts of laws in conflict herewith are hereby repealed.

Sec. 16. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 13, 1939.

CHAPTER 65

(Senate Bill No. 72)

AN ACT

RELATING TO POLICE COURTS; AMENDING SECTION 438, REVISED CODE OF 1928, AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. Sec. 438, Revised Code of 1928, is amended to read:

Sec. 438. POLICE COURTS. In each city or town incorporated under the general laws of this state there shall be a police court. Said court, and every police court established by a city incorporated under the provisions of article 3, chapter 12, shall have jurisdiction of all cases arising under the ordinances of the city or town, and shall have concurrent jurisdiction with justices of the peace in the precincts where said city or town is established over all violations of the laws of the state committed within the limits of said city or town.

Sec. 2. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 14, 1939.

CHAPTER 66

(House Bill No. 93)

AN ACT

FOR THE RELIEF OF ANA MAE HEDRICK, ADMINISTRATRIX OF THE ESTATE OF JERRY HEDRICK, DECEASED.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. APPROPRIATION. The sum of three hundred seven dollars and forty cents is appropriated, out of the general fund of the state, for the relief of Ana Mae Hedrick, administratrix of the estate of Jerry Hedrick, deceased.

Sec. 2. BASIS OF CLAIM. Said sum shall be in full satisfaction of the claim of the estate of Jerry Hedrick, deceased, for costs incurred by the said Jerry Hedrick in his lifetime in defending a suit instituted by the state of Arizona for the cancellation of a certain mining operator's lease on state land, in Mohave county, issued to said Jerry Hedrick by the state land commissioner on December 26, 1935, which claim is evidenced by the judgment of the superior court in and for Maricopa county, under date of March 1, 1937, in favor of said Jerry Hedrick and against the state of Arizona, in the amount of seventy-eight dollars and sixty-five cents, for said costs, and the mandate of the supreme court, under date of February 21, 1938, for costs incurred in defending an appeal of said case, in the amount of two hundred twenty-eight dollars and seventy-five cents.

Approved March 14, 1939.

CHAPTER 67

(House Bill No. 120)

AN ACT

MAKING AN APPROPRIATION FOR THE PURCHASE OF LAND FOR THE STATE SCHOOL FOR THE DEAF AND THE BLIND, AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. APPROPRIATION. The sum of three thousand two hundred dollars is appropriated to the state school for the deaf and the blind.

Sec. 2. PURPOSE. The appropriation made in section 1 is for the purpose of enabling the state school for the deaf and the blind to exercise an option held by it for the purchase of land adjacent to said school, needed as a site for a primary and kindergarten building, the erection of which is authorized and conditional appropriation therefor made under the provisions of chapter 5. Session Laws of 1938, fourth special session, which said conditions are at the present time impossible of fulfillment.

Sec. 3. CONDITION. If and when construction of the additions to the plant of the state school for the deaf and the blind shall be undertaken under the terms of said chapter 5, Session Laws of 1938, fourth special session, the appropriation contained in said act shall be deemed to be re-

duced in the amount of the appropriation contained in this act.

Sec. 4. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 14, 1939.

CHAPTER 68

(House Bill No. 149)

AN ACT

RELATING TO INSURANCE, AND AMENDING SECTIONS 1784, 1809, 1820, 1821, 1845 AND 1863, REVISED CODE OF 1928.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. Sec. 1784, Revised Code of 1928, is amended to read:

Sec. 1784. EXPENSE OF EXAMINATIONS. (a) The compensation of examiners and other persons engaged in an examination of an insurance company, and necessary traveling and other expense properly incurred in connection therewith, shall be paid by the company examined. The commission shall transmit a certified statement of such expenses to the company, which

shall promptly pay the amount to the state treasurer, through the state auditor, and the same shall be credited to the insurance examination fund. Claims against said fund shall be presented to the state auditor as other claims against the state, and shall require the approval of the commission.

(b) No insurance company, nor any officer or director thereof, shall directly or indirectly pay, give, or loan any money or things of value to any member of the corporation commission, clerk or employee of the state, or examiner or other person employed in the examination for services or on any pretense whatsoever. An insurance company violating any provision of this section shall be subject to a fine not exceeding one thousand dollars, and any officer, director or agent of said company or any other person acting for or on its behalf, violating the provisions of this section shall be guilty of a felony and shall be punished therefor as provided by law.

Sec. 2. Sec. 1809, Revised Code of 1928, is amended to read:

Sec. 1809. ANNUAL STATEMENT AND TAX. (a) Every insurance company doing business in this state shall make and file with the commission annually, on or before March 1, a statement under oath, upon a form prescribed by the commission, of the business of such company during the year ending December 31 next preceding, the total amount of premiums collected or contracted for, the total amount actually paid to policy holders for losses, the total amount paid policy holders on cancellation, and the amount paid or credited to policy holders as dividends. Such statement shall also contain information as to the busi-

ness transacted in this state; give the total amount of insurance written; amount of premiums collected or contracted for; amount paid for losses and claims; amount paid as cancellation and return premiums and the amount paid or credited to policy holders as dividends on business in this state; amount of reinsurance in other companies, naming them, on business in this state and the amount of premiums paid therefor, and amount of reinsurance accepted from other companies, naming them, on business in this state and the amount of premiums received therefor.

(b) Fire insurance companies shall segregate and make a separate statement of all premiums for fire insurance collected or contracted for during the next preceding year for insurance upon property in each city, town, or settlement having an organized fire department, whether paid or volunteer, and shall file one copy each of such verified statement with the state treasurer and the state auditor.

(c) Every foreign or alien company doing business in this state shall pay to the state treasurer, through the state auditor, a tax of two per cent of all premiums collected or contracted for in this state during the year ending December 31 next preceding, after deducting from the gross amount of such premiums cancellation and return premiums and dividends, and the amount received as reinsurance, on business in this state. Such tax shall be due at the time of filing the statement required in subsection (a), and shall be payment in full of all demands of any and all taxes on said company or of licenses for conducting said business of insurance, except the fees prescribed for

agents' licenses and for the commission, and the tax prescribed in section 1821.

(d) All moneys collected from fire insurance companies as prescribed in subsection (c), and arising out of insurance upon property within the limits of any city, town, or settlement having an organized fire department, whether paid or volunteer, shall be by the state treasurer paid to the governing body of such city or town, or, if unincorporated, to the board of supervisors of the county in which located, to be used for maintaining a pension fund for firemen. The commission shall embody in its annual statement a blank form, with the names of the cities, towns, and settlements entitled to share in said tax, and, not later than April 30 following, shall certify to the state treasurer and the state auditor the names of the cities, towns, and settlements having organized fire departments, the amount of premiums received by fire insurance companies out of insurance upon property within the limits of each of said cities, towns, and settlements, the amount of tax paid upon such premiums, and the exact amount which each fire department is entitled to receive. The treasurer shall keep such moneys in a separate fund to be paid out as provided herein.

(e) Any company failing or refusing for more than thirty days after March 1 to render the statement and information or to pay the tax prescribed by this section shall be liable to a fine of twenty-five dollars for each additional day of delinquency. Said tax may be collected by distraint and said fine recovered in an action by the commission in the name of the state. All fines collected shall be paid into the general fund. The commission shall revoke the certificate of author-

ity of a delinquent company until all such taxes and fines are paid.

Sec. 3. Sec. 1820, Revised Code of 1928, is amended to read:

Sec. 1820. INSURANCE BY UNINCORPORATED PERSON. (a) No person shall engage in the business of insurance, except as agent of a person or company authorized to conduct such business, unless possessed of the capital required of an insurance company doing the same kind of business, and invested in like manner, nor unless he has deposited with the state treasurer securities of the same kind and amount required of an insurance company doing the same kind of business, nor unless the commission has granted him a certificate that he has complied with the law relating to insurance companies and that the business of insurance specified therein may be safely entrusted to him. This subsection shall not apply to underwriters' agencies of fire insurance companies.

(b) Every person receiving a certificate from the corporation commission authorizing him to engage in the business of insurance shall be subject to the laws relating to insurance companies and to the jurisdiction and supervision of the commission, in the same manner as an insurance company authorized to engage in the kind of business specified in the certificate. No such person shall transact business under a corporate or fictitious name or under any name, style, or title other than his true name or that of the persons comprising the partnership or association.

(c) Nothing in this section shall be construed

to prohibit the formation or admission of an association having a minimum surplus, over and above all liabilities, of two hundred and fifty thousand dollars, to transact business as inter-insurer only, by means of reciprocal or inter-insurance contracts between several parties who are or shall become subscribers, and who shall comprise and be recognized as the company. Such inter-insurance contracts may be executed by an attorney in fact, corporate or personal, duly authorized by and acting for the subscribers separately and jointly under a power of attorney. The maximum liability of any subscriber for losses and expenses shall be fixed and determined, in an amount not less than one nor more than six times the premium deposit by the power of attorney. Any association may carry on its business under any name selected by it, which name shall contain the words "inter-insurance" or "reciprocal", or the words "inter-insurance exchange" placed immediately thereunder.

Sec. 4. Sec. 1821, Revised Code of 1928, is amended to read:

Sec. 1821. INSURANCE WITH NON-ADMITTED COMPANY. (a) Except as otherwise provided in this section, insurance with a non-admitted company on property located or operations conducted within this state shall be placed only through an agent licensed by the commission to place excess lines of insurance in non-admitted companies, but a citizen of this state may negotiate insurance on his own property with a non-admitted company. Any non-admitted company, insuring risks under this section shall appoint each member of the commission its attorney, upon whom all lawful processes in any action or proceeding against such company may be served.

(b) Insurance shall be placed by an agent with a non-admitted company only when it cannot be procured from a majority of the companies admitted to transact that particular class of insurance business, and when it is not so placed for the purpose of procuring it at a rate lower than that at which it will be accepted by any admitted company. It shall be conclusively presumed that insurance is placed for such purpose when it is actually placed with a non-admitted company at a premium lower than the lowest which could be obtained from any admitted company unless, not later than the date the insurance attaches, there is filed with the commission a statement describing the insurance specifying the rate charged and the lowest rates procurable from admitted companies. If such insurance violates this section, the commission shall so notify the agent within five days after the required statement is filed and order him to effect termination of the insurance within ten days thereafter, and the agent's refusal or failure shall constitute a misdemeanor. If the commission does not within five days so notify the agent, such insurance may be maintained. Statements filed under this subsection shall not be subject to public inspection unless the commission determines that the public interest or the welfare of the agent so requires.

(c) Every agent licensed to place excess lines of insurance in non-admitted companies shall keep in his office a complete set of books and accounts of the business so transacted, and the commission may at any time examine the same at the expense of the agent, to be paid in advance. The commission shall suspend the license of any agent refusing to pay such expenses until he pays the same.

(d) Not later than February 1 of each year, any agent who has placed excess lines of insurance with non-admitted companies shall file with the commission, on a form furnished by it, a sworn statement of such business transacted during the preceding calendar year. Not later than March 10 thereafter, he shall pay to the commission an excess line tax thereon of three per cent of the gross premiums less returned premiums on account of cancellation or reduction of premiums, excluding gross premiums and return premiums upon business governed by subsection (k).

(e) In determining the excess line tax, the total premium charged for non-admitted insurance placed in a single transaction with one underwriter or group of underwriters, whether in one or more policies, shall be allocated to this state in such proportion as the total premium on the insured properties or operations in this state, computed on the exposure in this state on the basis of any single standard rating method in use in all states or countries where such insurance applies, bears to the total premium so computed in all such states or countries.

(f) The provisions of subsection (e) shall not apply to insurance on motor transit operations conducted between this and other states. With respect thereto, the excess line tax shall be paid on the total premium charged on all non-admitted insurance, less: 1. the portion of the premium, determined as provided in subsection (e), charged for operations in other states taxing such premium of an insured maintaining its headquarters office in this state, or, 2. the premium for operations outside of this state of an insured maintaining its

headquarters office outside of this state and a branch office in this state.

(g) A penalty of one per cent shall be added for each calendar month or fraction thereof which elapses after March 10 during which any portion of the excess line tax remains unpaid, but the commission may remit the penalty if it finds that the delinquency arose from excusable mistake. Any agent who willfully fails or refuses to report any insurance required by this section to be reported, or who by willful omission from the records required to be maintained attempts to evade the payment of any tax, shall be required to pay the tax and a penalty equal to the amount of the tax, and shall be guilty of a misdemeanor.

(h) Upon written application and payment of a fee of five dollars, the commission may issue to an agent who is licensed to represent an admitted company a license to place excess lines of insurance in non-admitted companies. Such license shall expire April 1 of each year. The commission may deny, suspend, or revoke any such license, after proper notice and hearing, for any violation of this section.

(i) Every insured for whom insurance has been effected with a non-admitted company shall, upon request of the commission, produce any policy, contract, or other document relating thereto, and disclose the amount of premiums paid or agreed to be paid therefor, and for each refusal shall be subject to a penalty of two hundred dollars.

(j) This section shall not be construed to au-

thorize any non-admitted company to do business in this state.

(k) This section shall not apply to reinsurance or the liability of an admitted company, nor shall the provisions of subsection (b) which limit the insurance which may be placed with non-admitted companies apply to:

1. Insurance upon: 1a. perils of navigation, transit, or transportation upon hulls, freights, or disbursements, or other shipowner interests; 1b. goods, wares, merchandise, or other personal property or interests therein, in course of exportation from or importation into any country or transportation by land or water from point of origin to final destination, and including war risks; 1c. marine builders' risks, drydocks, and marine railways, including ship repairers' liability, and protection and indemnity insurance, but excluding insurance covering bridges and tunnels.

2. Aircraft insurance.

3. Insurance on property or operations of railroads engaged in inter-state commerce.

(1) Each placing of insurance in violation of this section is a misdemeanor.

Sec. 5. Sec. 1845, Revised Code of 1928, is amended to read:

Sec. 1845. MEDICAL EXAMINATION. No life insurance company shall enter into any contract of insurance in excess of twenty-five hundred dollars, upon lives within this state without previously causing to be made a medical examination

of the insured by a licensed physician and surgeon. This provision shall not apply to reinstatements of policies previously in force in the company, annuity contracts, contracts combining annuities and life insurance, or the insurance of groups of lives of persons employed in the same company, factory, or business enterprise, nor to the conversion of any individual certificate issued in connection with such insurance of groups of lives to another form of insurance contract. Any company violating this section, or any person soliciting, effecting, or attempting to effect a contract of insurance contrary to the provisions hereof shall be fined not less than one hundred nor more than one thousand dollars for each offense.

Sec. 6. Sec. 1863, Revised Code of 1928, is amended to read:

Sec. 1863. QUALIFICATIONS FOR BENEFICIAL MEMBERSHIP. A society may admit to beneficial membership any person not more than sixty years of age, but any person applying for insurance in excess of twenty-five hundred dollars shall, as a condition precedent to admission to beneficial membership, be examined by a licensed physician and surgeon in accordance with the laws of the society. A beneficial member of any such society who shall apply for a certificate providing for disability benefits need not be required to pass an additional medical examination therefor.

Approved March 14, 1939.

CHAPTER 69

(House Bill No. 169)

AN ACT

RELATING TO BANKING, AND FIXING THE RATE OF INTEREST OR DISCOUNT ON INSTALLMENT LOANS.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. INSTALLMENT LOANS. Any person, partnership, corporation, bank or trust company heretofore or hereafter organized under any law of this state, and any national bank doing business in this state, shall have power to make installment loans in an amount not exceeding one thousand dollars if the total payment to be made by the borrower for interest or discount in connection with the transaction, is not in excess of eight dollars per one hundred dollars per year to be added to the principal amount of the loan, calculated from the date of the indebtedness payable in installments.

Sec. 2. ADDITIONAL CHARGES. The person, partnership, corporation, bank or trust company shall not charge or receive an additional sum for preparing a loan application, for investigating the credit of an applicant, or his guarantor, for appraising any property offered as security, for examining public records of liens or encumbrances, or otherwise for services, expenses, brokerage, or fines, whether a loan is granted or not, except the lawful fees actually and necessarily paid out by the bank or trust company to a pub-

lic officer, for filing or recording in a public office, or for acknowledging the instrument securing the loan. If greater aggregate charges be collected or received on a loan than the maximum charges authorized hereby, such loans shall be usurious.

Sec. 3. All acts and parts in conflict with the provisions of this act, are hereby repealed.

Approved March 14, 1939.

CHAPTER 70

(Senate Bill No. 214)

AN ACT

RELATING TO PUBLIC BUILDINGS AND AUTHORIZING ADDITIONS AND IMPROVEMENTS TO THE STATE INDUSTRIAL SCHOOL, AND MAKING A CONDITIONAL APPROPRIATION THEREFOR; AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. AUTHORIZATION. The board of directors of state institutions is authorized and directed, subject to the conditions imposed in this act, to construct new buildings, improve, repair and remodel existing buildings, equip and furnish such buildings, and improve institutional grounds, as follows:

1. For the state industrial school: 1a. con-

struct wood shop and concrete working equipment, sheet metal shop, bakery and kitchen, dormitory, shops buildings, infirmary, junior cottages, crafts building, and gymnasium and auditorium; 1b. equip and furnish buildings; 1c. repair old buildings and water, light and heating systems. The cost to the state of such construction, repairs, replacements, equipment and furnishings shall not exceed fifty-five thousand dollars.

Sec. 2. APPROPRIATION. For the purpose of defraying the state's share of the cost of carrying out and effecting the purposes set forth and authorized in section 1, the sum of fifty-five thousand dollars is appropriated, out of the general fund of the state, to the board of directors of state institutions.

Sec. 3. CONDITIONS. (a) The appropriation contained in section 2 is conditioned upon the receipt of a grant or grants, by or from the public works administration or other agency of the United States, whereby approximately forty-five per cent of the cost of the improvements authorized by section 1 shall be contributed by the United States, in money, material, or labor.

(b) In the event a grant or grants shall be made by any agency of the United States, of approximately forty-five per cent of the cost thereof, for the benefit of the construction and improvement program of the state industrial school, as set out in section 1, said appropriation shall become available as to such project in accordance with the limitations prescribed in section 1.

Sec. 4. EXEMPTION. The appropriation contained in this act shall not be subject to the

provisions of section 2616, Revised Code of 1928.

Sec. 5. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 14, 1939.

CHAPTER 71

(Senate Bill No. 233)

AN ACT

MAKING AN APPROPRIATION FOR THE REFURNISHING AND REPAIRING CERTAIN STATE OFFICES, AND DECLARING AN EMERGENCY.

Be it enacted by the Legislature of the State of Arizona:

Section 1. APPROPRIATION. The sum of eight thousand one hundred dollars is appropriated to the board of directors of state institutions.

Sec. 2. PURPOSE. The appropriation provided by the terms of section 1 is for the purpose of purchasing furniture, equipment and finishings for the quarters in the capitol building occupied by the governor, for the purchase of an automobile for the governor's use, and for the repairing and treating for termites in the state capitol

building, limited to the following maximum amounts, respectively:

1. Governor's quarters, two thousand five hundred dollars.

2. Automobile for governor, two thousand six hundred dollars.

3. For repairing and treating the state capitol building against termites, three thousand dollars.

Sec. 3. CONDITIONS. The board of directors of state institutions shall invite bids for the furnishing of all items, materials, and labor to be purchased under the provisions of this act, based upon specifications, and may, if deemed proper, consider bids based upon alternative specifications. All contracts shall be awarded to the lowest and best bidders, quality of merchandise considered.

Sec. 4. BOARD TO DISPOSE OF DISCARDED FURNITURE. (a) The board of directors shall have authority to dispose of any furniture or equipment which may be replaced under the provisions of this act, by transfer to other officers or departments of the state government needing the same, or, if not so needed, at public or private sale, or by sale to the contractor, under this act, in which event the turn-in value shall be applied on the purchase price of new equipment. In its invitation for bids, the board of directors of state institutions may require bidders to state the allowance which will be made for turned-in furniture or equipment.

(b) Any of said furniture which may be replaced under the terms of this act, having a value as a historical or museum piece, may be requisitioned by the director of the department of library and archives for exhibition in the division of Arizona history and archives of such department.

Sec. 5. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 14, 1939.

CHAPTER 72

(Senate Bill No. 242)

AN ACT

MAKING AN APPROPRIATION TO THE BOARD OF DIRECTORS OF STATE INSTITUTIONS, TO PAY OUTSTANDING INSURANCE PREMIUMS, AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. APPROPRIATION. The sum of six thousand five hundred thirteen dollars and thirty-three cents is appropriated, out of the general fund, to the board of directors of state institutions, for payment of the following claims for

outstanding insurance premiums upon property of state institutions, for which no money is available to the credit of said board or such institutions:

1. State hospital for the insane: 1a. Halbert W. Miller Agency, one hundred thirty-seven dollars and eighty cents; 1b. Guardian Insurance Agency, one hundred twenty-four dollars and two cents; 1c. Vic Wager Insurance Agency, one hundred thirty-seven dollars and eighty cents; 1d. Emmett Smith Insurance Company, one hundred thirty-seven dollars and eighty cents; 1e. Dave Johnson Company, one hundred thirty-seven dollars and eighty cents; 1f. Rice & Company, Insurance, one hundred thirty-seven dollars and eighty cents; 1g. Franklin D. Lane Agency, two hundred six dollars and seventy cents; 1h. J. H. Kinney Agency, seventy-five dollars and seventy-nine cents; 1i. Loucks Insurance Agency, one hundred thirty-seven dollars and eighty cents; 1j. National Insurance Agency, one hundred forty-four dollars and sixty-nine cents; 1k. Dwight B. Heard Investment Company, sixty-eight dollars and ninety cents; 1L. Gus Haigler, Insurance, one hundred thirty-seven dollars and eighty cents; 1m. First National Insurance Agency, one hundred thirty-seven dollars and eighty cents; 1n. J. J. Keegan, forty-one dollars and thirty-four cents; 1o. Taylor Roberts Insurance Company, one hundred thirty-seven dollars and eighty cents; 1p. Art Callahan Agency, one hundred thirty-seven dollars and eighty cents; 1q. Kimball-Greenhalgh Insurance Company, one hundred thirty-seven dollars and eighty cents; 1r. R. G. Lavers Insurance Agency, seventy-five dollars and seventy-nine cents; 1s. John R. Turner, agent, twenty dollars and sixty-seven cents; 1t. L. G. Blake, agent, sixty-two dollars and one cent; 1u. L. G. Blake, agent, twenty-seven dollars and fifty-six cents; 1v. Thomas E. McCullough, one

hundred thirty-seven dollars and eighty cents; 1w. R. T. Mahon, thirty-four dollars and forty-five cents; 1x. Carlisle Agency, one hundred thirty-seven dollars and eighty cents; 1y. Clemens Insurance Agency, seventy-five dollars and seventy-nine cents; 1z. Emmett Smith, agent, two hundred seventy-five dollars and sixty cents; 1z1. Charles W. Pearson, one hundred thirty-seven dollars and eighty cents, and 1z2. Lon Walters, two hundred seventy-five dollars and sixty cents, a total of three thousand four hundred thirty-eight dollars and eleven cents.

2. State industrial school: 2a. Insurance Service Agency, one hundred sixty-eight dollars and thirty cents; 2b. Consolidated Abstract Company, one hundred sixty-eight dollars and thirty cents; 2c. S. Z. Earle Agency, one hundred twelve dollars and fifty cents; 2d. Kimball-Greenhalgh Insurance Company, one hundred thirty-four dollars and sixty-four cents; 2e. Valley National Company, eighty-nine dollars and seventy-six cents; 2f. A. T. Pancrazi, one hundred thirty-four dollars and sixty-four cents, and, 2g. L. B. Christy, agent, one hundred fifty-seven dollars and eight cents, a total of nine hundred sixty-five dollars and twenty-two cents.

3. State school for girl juvenile offenders, at Randolph: 3a. J. H. Kinney, agent, sixty-five dollars; 3b. Lon Walters, two hundred fourteen dollars, and, 3c. Fanne Garr, two hundred fourteen dollars, a total of four hundred ninety-three dollars.

4. State prison: insurance under binder, one thousand six hundred seventeen dollars.

Sec. 2. EMERGENCY. To preserve the pub-

lic peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 14, 1939.

CHAPTER 73

(House Bill No. 90)

AN ACT

FOR THE RELIEF OF FRANK GOLDENETZ, AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. APPROPRIATION. The sum of four hundred five dollars and thirty cents is appropriated for the relief of Frank Goldenetz, doing business under the firm name and style of Goldenetz Printing Company.

Sec. 2. BASIS OF CLAIM. Said sum shall be in full satisfaction of the claim of Frank Goldenetz, doing business under the firm name and style of Goldenetz Printing Company, for services rendered (i. e., the furnishing of printed matter) to the state tax commission during January, 1938, as evidenced by the judgment of the supreme court, December 19, 1938, in favor of Frank Goldenetz, doing business under the firm name and style of Goldenetz Printing Company and against

D. C. O'Neil, Frank Luke and Thad M. Moore, as members of the state tax commission, and that certain certificate of indebtedness issued in favor of said Frank Goldenetz, on December 27, 1938, by the state auditor of Arizona.

Sec. 3. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 15, 1939.

CHAPTER 74

(House Bill No. 129)

AN ACT

RELATING TO MEDICINE AND SURGERY; PRESCRIBING A PENALTY FOR PRACTICING WITHOUT A LICENSE AND FOR ISSUING A FALSE LICENSE, AND AMENDING SECTION 2560, REVISED CODE OF 1928, AS AMENDED.

Be it enacted by the Legislature of the State of Arizona:

Section 1. Sec. 2560, Revised Code of 1928, as amended, is amended to read:

2560. PENAL PROVISIONS. Any person who practices, or attempts to practice medicine,

surgery or osteopathy, without having a valid recorded license to so practice issued by the state board of medical examiners, upon conviction, shall be guilty of a felony. Any person filing or attempting to file for record, a license issued to another, claiming himself to be the person entitled to the same, shall be guilty of a felony and punished as provided by law for the crime of forgery. Any person assuming to act as a member of the state board of medical examiners who is not a member thereof, who shall sign, issue or seal a license authorizing any person to practice medicine or surgery, osteopathy or any other system, or mode, of treating the sick or afflicted shall be guilty of a felony and upon conviction imprisoned in the state prison not to exceed five years.

Approved March 15, 1939.

CHAPTER 75

(Senate Bill No. 212)

AN ACT

MAKING AN APPROPRIATION TO THE BOARD OF DIRECTORS OF STATE INSTITUTIONS, FOR THE USE OF THE STATE HOSPITAL FOR THE INSANE, AND DECLARING AN EMERGENCY.

Be it enacted by the Legislature of the State of Arizona:

Section 1. APPROPRIATION. The sum of eighty-three thousand three hundred fifty-five dol-

lars is appropriated out of the general fund of the state, to the board of directors of state institutions, for the use of the state hospital for the insane.

Sec. 2. PURPOSE. The sum appropriated by section 1 is for the purpose of:

1. Meeting deficiency in operation and maintenance fund for the third and fourth quarters of the twenty-seventh fiscal year for: 1a. salaries and wages, three thousand six hundred ten dollars; 1b. medical supplies, five hundred seventy-two dollars.

2. Capital investment: 2a. centrifugal turbine deep well pump, nine hundred dollars; 2b. well, with casing, one thousand five hundred dollars; 2c. dining room, arcade and exercise court, including furnishings, for new hospital building, twelve thousand five hundred dollars; 2d. equipment for new buildings, fifteen thousand dollars; 2e. painting and plumbing for new buildings, three thousand dollars; 2f. air conditioning Ward C, six thousand eight hundred dollars; 2g. air conditioning hospital building, six thousand five hundred dollars; 2h. continuous flow tubs controls, one thousand six hundred fifty dollars; 2i. continuous flow tubs, one thousand three hundred sixty dollars; 2j. pack tables, one hundred dollars; 2k. shower temperature controls, twenty-seven dollars; 2l. fencing of grounds, seven thousand dollars; 2m. one 1½-ton garbage truck, one thousand one hundred dollars; one 1½-ton stake body heavy duty truck, one thousand one hundred dollars; one pick-up truck, seven hundred dollars; one kitchen truck, seven hundred thirty-five dollars; 2n. remodel store room and commissary, two thousand five hundred dollars; 2o. remodel mo-

tion picture equipment, four hundred dollars; 2p. partition ward for feeble-minded boys and girls, and reconstruct bath, seven hundred dollars; 2q. reconstruct and remodel equipment for sewerage lines and pumps, twelve thousand two hundred fifty dollars; 2r. construct water channels for irrigation, and garden seeds, grass, flowers and shrubbery, three hundred fifty dollars.

Sec. 3. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 15, 1939.

CHAPTER 76

(Senate Bill No. 184)

AN ACT

RELATING TO LUXURIES TAX; AMENDING SECTIONS 1, AS AMENDED, 4, AND 7, ARTICLE II, CHAPTER 78, SESSION LAWS OF 1935, REGULAR SESSION; AMENDING ARTICLE II, CHAPTER 78, SESSION LAWS OF 1935, REGULAR SESSION BY ADDING SECTIONS 3a AND 4a, AND REPEALING ARTICLE III, CHAPTER 78, SESSION LAWS OF 1935, REGULAR SESSION; AND DECLARING AN EMERGENCY.

Be it enacted by the Legislature of the State of Arizona:

Section 1. Sec. 1, article II, chapter 78, Session Laws of 1935, regular session, as amended, is amended to read:

Sec. 1. IMPOSITION AND RATE OF TAX ON CERTAIN LUXURIES. (a) In addition to all other taxes there is levied and imposed, and shall be collected and paid to the state treasurer in the manner provided in this act, upon: 1. all malt extracts, or derivatives or combinations thereof; 2. all spirituous, vinous, and malt liquors, and, 3. all cigarettes, cigars, smoking tobacco, plug tobacco, snuff, and other forms of tobacco, for the purpose of raising public money to provide unemployment and welfare relief, the following tax:

1. On each pound of sixteen ounces or fraction thereof, of all malt extracts, or derivatives or combinations thereof, except malt used in the manufacture of bread, and dextrines of malt used for the feeding of infants and invalids, ten cents. The license tax imposed in this paragraph shall be refunded when the amount thereof has been paid, and when proof is made to the state treasurer that such malt extract, or derivative or combination thereof, has been used for other than the preparation of a beverage.

2. On each sealed container of spirituous liquor containing eight ounces or less, five cents, and at the rate of five cents for each eight ounces for containers containing more than eight ounces.

3. On each container of vinous liquor, of which the alcoholic content is not greater than twenty-four per cent by volume, containing sixteen ounces or less, three cents, and at the rate of three cents for each sixteen ounces for containers containing more than sixteen ounces.

4. On each container of vinous liquor of which the alcoholic content is greater than twenty-four per cent by volume, containing eight ounces or less, five cents, and at the rate of five cents for each eight ounces for containers containing more than eight ounces.

5. On each gallon of malt liquor, five cents.

6. On each twenty cigarettes or fractional part thereof, two cents.

7. On smoking tobacco, snuff, fine cut chewing tobacco, all cut and granulated tobacco, all shorts and refuse of fine cut chewing tobacco, and all refuse, scraps, clippings, cuttings, and sweepings of tobacco, excluding tobacco powder or tobacco products used exclusively for agricultural or horticultural purposes and unfit for human consumption, at the rate of one cent per ounce, or major fraction thereof.

8. All cavendish, plug, or twist tobacco, one-fourth cent per ounce, or fractional part thereof.

9. On each twenty small cigars or fractional part thereof weighing not more than three pounds per thousand, two cents.

10. On cigars of all descriptions except those included in paragraph 9, made of tobacco or any substitute therefor, if manufactured to retail at not more than five cents each, one cent on each three cigars. If manufactured to retail at more than five cents each, one cent on each cigar.

(b) All malt extracts, or derivatives or combinations thereof, all cigarettes, cigars, smoking

tobacco, snuff, plug tobacco, fine cut chewing tobacco, and all other forms of tobacco, excluding tobacco powder or tobacco products used exclusively for agricultural and horticultural purposes and unfit for human consumption, shall be put up in packages or containers and on each of said packages or containers shall be affixed an official stamp denoting the classification of the luxury, as classified in subsection (a), and the tax thereon.

(c) All spirituous, vinous, and malt liquors shall be sold in sealed containers and there shall be securely affixed thereto an official stamp denoting the classification of the luxury, as classified in subsection (a), and the tax thereon. Spirituous, vinous, and malt liquors may be sold by the drink in unsealed containers when the sealed container from which each drink is removed bears a stamp showing the payment of the tax imposed in this act, and which container shall be preserved or disposed of according to regulations prescribed by the state tax commission.

(d) Every stamp required under the provisions of this act shall be securely affixed to some visible part of the package or container to which it will firmly adhere during the possession of the consumer, except as otherwise provided.

Sec. 2. Article II, chapter 78, Session Laws of 1935, regular session, is amended by adding section 3a:

Sec. 3a. LICENSE. No person shall sell or offer for sale in the state any tobacco, cigarettes, or cigars on which a tax is imposed by this act until he has obtained from the state tax commission a license to sell tobacco, cigarettes, and

cigars. Application therefor shall be in a form provided by the commission and shall be accompanied by a fee of five dollars if the application is for a wholesaler's license, and a fee of one dollar if for a retailer's license. The commission shall issue a license authorizing the applicant to sell tobacco, cigarettes, and cigars in the state upon condition that he comply with the provisions of this act and the regulations of the commission. Such license shall be nontransferable, valid until revoked by the commission, and displayed in the applicant's place of business. No wholesaler licensed pursuant to this act shall sell or offer for sale any tobacco, cigarettes or cigars, upon which a tax is imposed by this act, to any person within the state other than a wholesaler or retailer licensed pursuant to this act. No retailer licensed pursuant to this act shall sell or offer for sale, or transfer or return for credit to any wholesaler or other person, any unused luxury tax stamps, except as provided in this act for redemption of stamps by the state tax commission. Any licensee violating any provision of this section shall be guilty of a misdemeanor.

Sec. 3. Sec. 4, article II, chapter 78, Session Laws of 1935, regular session, is amended to read:

Sec. 4. STAMPS TO ACCOMPANY SALES OR DELIVERIES. All tobacco, cigars, and cigarettes on which a tax is imposed by the provisions of this act, sold or delivered by any licensed wholesaler, shall be accompanied by a sufficient number of luxury stamps in the amount of the tax imposed. Any wholesaler violating any provision of this section shall be guilty of a misdemeanor, and upon conviction punished by a fine of not less than two hundred nor more than three hundred

dollars, imprisonment not less than fifteen nor more than sixty days, or both. In the event any wholesaler is convicted of a second violation of this section, his license may be revoked by the commission for a period not to exceed one year.

Sec. 4. Article II, chapter 78, Session Laws of 1935, regular session, is amended by adding section 4a:

Sec. 4a. REPORTS AND AFFIXING OF STAMPS BY RETAILERS. Every retailer who purchases or acquires tobacco, cigarettes, or cigars on which a tax is imposed by the provisions of this act from any person not doing business in the state, and on which tobacco, cigarettes, or cigars stamps evidencing the payment of such tax have not been affixed, shall, within forty-eight hours after the receipt thereof, report the same to the state tax commission. Said report shall be made upon a form provided, and shall contain such information as may be required, by the commission. The retailer shall, within the time herein provided, cause to be affixed luxury stamps in the amount of the tax imposed by this act on all such tobacco, cigarettes, and cigars in his possession. Any retailer violating any provision of this section shall be guilty of a misdemeanor, and upon conviction punished by a fine of not less than one hundred nor more than three hundred dollars, imprisonment in the county jail not less than fifteen nor more than sixty days, or both. In the event any retailer is convicted of a second violation of this section, his license shall be revoked by the commission for a period not to exceed one year.

Sec. 5. Sec. 7. article II, chapter 78, Session Laws of 1935, regular session, is amended to read:

Sec. 7. PENALTIES. (a) Any retailer who has in his possession any package, bottle, or other container containing a luxury, not bearing the stamps by this act required to be affixed thereto, shall be guilty of a misdemeanor, and upon conviction punished by a fine of not less than twenty-five nor more than two hundred dollars for each offense.

(b) Any person engaged in the business of selling any luxury, either at wholesale or retail, who refuses or fails to produce, on demand by the commission, invoices of all luxuries purchased or received by him within two years prior to such demand, unless he shows by satisfactory proof that he is unable to do so for reasons beyond his control, shall be guilty of a misdemeanor, and upon conviction punished by a fine of not less than twenty-five nor more than two hundred dollars for each offense.

(c) Any person who makes a false entry upon any invoice, package, or container of luxuries, or who with intent to avoid the tax imposed by this act presents any such false entry for the inspection of the commission, shall be guilty of a misdemeanor, and upon conviction punished by a fine of not less than twenty-five nor more than two hundred dollars for each offense.

(d) Any person who prevents or hinders the commisson from making a full inspection of any place where any luxury is sold or stored, or prevents or hinders the inspection of invoices, books, records, or papers required to be kept, shall be guilty of a misdemeanor, and upon conviction punished by a fine of not less than twenty-five nor more than two hundred dollars for each offense.

(e) Any person who sells any luxury without the stamps required by this act being affixed thereto shall be guilty of a misdemeanor, and upon conviction punished by a fine of not less than one hundred nor more than five hundred dollars, imprisonment in the county jail not more than ninety days, or both, for each offense.

(f) Any person who falsely or fraudulently makes, forges, alters, or counterfeits, or causes or procures to be falsely or fraudulently made, forged, altered, or counterfeited, any stamp prepared or prescribed by the commission under the authority of this act, or who knowingly and willfully utters, publishes, passes, or tenders as true any such false, altered, forged, or counterfeited stamp, or uses any stamp provided for and required by this act which has already once been used, for the purpose of evading the tax hereby imposed, shall be guilty of a felony, and upon conviction punished by imprisonment in the state prison not less than one nor more than ten years.

(g) Any person who violates any provision of this act or lawful rule or regulation promulgated by the commission under the authority of this act, for which no other penalty is prescribed, shall be guilty of a misdemeanor, and upon conviction punished by a fine of not less than twenty-five nor more than two hundred dollars for each offense.

Sec. 6. SEVERABILITY. If any provision of this act be held invalid, such invalidity shall not affect other provisions which can be given effect without the invalid provision, and to this end the provisions of the act are declared to be severable.

Sec. 7. REPEAL. Article III, chapter 78, Session Laws of 1935, regular session, is repealed. This section does not negative an implied repeal of any statute which conflicts with this act.

Sec. 8. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 15, 1939.

CHAPTER 77

(House Bill No. 4)

AN ACT

MAKING APPROPRIATION FOR THE STATE FAIR AND THE STATE TEACHERS COLLEGE AT FLAGSTAFF.

Be it Enacted By the Legislature of the State of Arizona:

Section 1. APPROPRIATION. (a) The sum of one hundred thousand dollars is appropriated to the state fair commission, one-half thereof to be expended, as hereinafter provided, for the state fair to be held in 1939 and one-half for the state fair to be held in 1940, provided, however, that not less than twenty-five thousand dollars shall be set aside for premium awards each year.

(b) In addition to the appropriation pro-

vided in subsection (a) the sum of all receipts of the state fair, for general admissions, seating privileges, fees, concessions, or otherwise, are appropriated to the state fair commission.

(c) The sum of twenty thousand dollars is appropriated to the state teachers college at Flagstaff.

Sec. 2. PURPOSE. (a) Said appropriations appropriated in section 1, subdivision (a) are for the purpose of enabling the state fair commission to hold and conduct, on such days, not less than seven, as it shall determine, in the months of November or December, of the years 1939 and 1940 respectively, a state fair, which shall be devoted primarily to exhibiting the resources and products of the state, including products of the farm, garden and orchard, livestock and poultry, mineral and timber products, the products of manufacturing and processing plants, the handiwork of the artisan, the artist, the housewife and of all agencies contributing to the material, educational and cultural development and growth of the state.

(b) No part of said appropriations appropriated in section 1, subdivision (a) shall be used for any purpose other than the operation expense of the state fair.

(c) The appropriation set forth in section 1, subsection (c), is for the purpose of constructing and equipping cottage dormitories for the use of students of the state teachers college at Flagstaff and is conditioned upon the receipt of a grant or grants from an agency of the United States government in money, labor materials or supplies amounting to not less than forty-five per cent of

the total cost of said buildings and equipment; provided, however, that the revenues received from said cottages up to and including December 31, 1947, shall revert to the general fund.

Sec. 3. EXEMPTION. The appropriation contained in section 1, subsection (c) shall not be subject to the provisions of section 2616, Revised Code of 1928, as amended.

Approved March 20, 1939.

CHAPTER 78

(House Bill No. 72)

AN ACT

RELATING TO PUBLIC PARKS; PROVIDING FOR THE ACQUISITION AND SUPERVISION THEREOF BY COUNTIES, AND MUNICIPALITIES, AND AUTHORIZING COOPERATIVE AGREEMENTS WITH OTHER GOVERNMENTAL UNITS.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. DEFINITIONS. In this act, unless the context otherwise requires:

"public park" means a park, recreational area, or playground established and maintained by a county, city, or town;

"municipality" means an incorporated city or town;

"governing body" means the board of supervisors of a county, or the council or other governing body of a municipality, as the case may be.

Sec. 2. ACQUISITION AND USE OF PROPERTY FOR PARKS. Any county or municipality may purchase or lease, obtain by gift, or accept by grant from the United States or other governmental agency any real property, within or without its borders, and may hold, maintain, and improve the same, for the use and purpose of a public park. It may dedicate property already owned by it to a like purpose. This section shall not affect the right of a county or municipality to acquire property by proceedings in eminent domain, in the manner provided by law.

Sec. 3. COOPERATIVE AGREEMENTS. The governing body of a county or municipality may enter into a cooperative agreement with the governing body of another county or municipality, within or without the state, for the establishment, development, or maintenance of a public park. No such agreement with a governmental unit without the state, which contains any provision prohibited by the law of either state, shall be valid, nor shall the governing body expend, or undertake or agree to expend, under the terms of any such agreement or in connection with the establishment, development, or maintenance of any public park embraced therein, funds of the county or municipality outside of the boundaries thereof.

Sec. 4. TAX LEVY. The governing body of any county or municipality shall have power to levy a tax for the acquisition and maintenance of public parks, in the manner provided by law for the levy of taxes for other county or municipal

purposes, or may appropriate otherwise unappropriated funds for such purpose.

Sec. 5. PARK FEES. The governing body, upon the recommendation of the park committee, may fix fees to be paid for the use of the facilities of a public park, which fees shall not be in excess of the amount required to improve and maintain the park, and shall not be used for any other purpose. Such fees shall be uniform as to all persons, whether or not residents of the county or municipality maintaining the park.

Sec. 6. PARK COMMITTEE. A public park shall be under the supervision and control of a park committee, which shall make such rules and regulations as may be necessary for the government and control of the park. The park committee shall consist of three members appointed by the governing body for terms of six years, which terms shall be so arranged that the term of one member shall expire every two years. The members of the park committee shall receive no compensation for their services as such.

Sec. 7. PARK SUPERVISOR AND EMPLOYEES. The governing body, in its discretion, may direct the appointment of a full or part time supervisor of a public park, and such other park employees as may be necessary to the conduct of the park, at salaries to be fixed by the governing body. The supervisor and other employees shall be appointed by the park committee, and shall perform such duties as the committee may direct.

Approved March 20, 1939.

CHAPTER 79

(House Bill No. 94)

AN ACT

RELATING TO THEFT; DEFINING LARCENY, EMBEZZLEMENT, AND FRAUDULENT REPRESENTATION OR PRETENSE AS THEFT, AND REPEALING SECTIONS 4756, 4757, 4764, AND 4777, REVISED CODE OF 1928.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. THEFT DEFINED. Any person who: 1. feloniously steals, takes, carries, leads, or drives away the personal property of another; 2. finds lost property, under circumstances which give him knowledge of or means of inquiry as to the true owner, and appropriates such property to his own use or to the use of another person not entitled thereto, without first making reasonable and just efforts to find the true owner and restore the property to him; 3. fraudulently appropriates property entrusted to him, whether or not such appropriation constitutes a distinct act of taking; 4. knowingly and designingly, by any false or fraudulent representation or pretense, defrauds any other person of money, labor, or property, whether real or personal, or, 5. causes or procures another to report falsely of his wealth or mercantile character and thus obtains credit, thereby fraudulently obtaining possession of money or property or the labor or service of another, is guilty of theft. Any person who commits any

other offense constituting larceny or embezzlement, or specifically punishable as such, under the provisions of any law in force at the time this act takes effect, is guilty of theft. Any law which refers to or mentions larceny, embezzlement, or stealing, shall be interpreted as if the word "theft" was substituted therefor.

Sec. 2. CHARGING FRAUDULENT REPRESENTATION. For the purposes of this act, any false and fraudulent representation or pretense shall be treated as continuing, so as to cover any money, property, or service received as a result thereof, and the complaint, information, or indictment may charge that the crime was committed on any date during the period in question.

Sec. 3. DEGREES OF THEFT. (a) "Grand theft" includes: 1. theft of money, labor, or property of the value of more than fifty dollars; 2. theft of money or property from the person of another, and, 3. theft of a horse, mare, gelding, colt, cow, steer, bull, calf, mule, jack, jenny, goat, sheep, hog, or any neat or horned animal, or a bicycle or motor vehicle, or any part thereof. Grand theft constitutes a felony punishable by imprisonment in the state prison for not less than one nor more than ten years.

(b) "Petty theft" means theft of any money, labor, or property not included in grand theft, and constitutes a misdemeanor.

Sec. 4. REPEAL. Sections 4756, 4757, 4764, and 4777, Revised Code of 1928, are repealed. This section does not negative an implied repeal of any statute which conflicts with this act.

Approved March 20, 1939.

CHAPTER 80

(House Bill No. 122)

AN ACT

RELATING TO CORPORATIONS; PROVIDING FOR THE VOLUNTARY DISSOLUTION OF DOMESTIC CORPORATIONS, AND AMENDING SECTION 592, REVISED CODE OF 1928.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. Sec. 592, Revised Code of 1928, is amended to read:

Sec. 592. VOLUNTARY DISSOLUTION. (a) Any corporation having discharged its obligations may be dissolved at either an annual or special stockholders' meeting by a two-thirds vote of the outstanding shares of stock, or by the unanimous written consent of all stockholders.

(b) Notice of proposed dissolution shall be given by publication in a newspaper published in the county where the principal office of the corporation is located, once each week for four successive weeks immediately prior to the meeting at which the proposed action is to be taken, and by mail to the last known address of each stockholder as shown by the books of the corporation, at least thirty days before such meeting. The notice shall state: 1. the time and place of the meeting; 2. that the corporation has discharged its obligations; 3. a description of the general character of its assets, if any, and, 4. whether it is proposed to

divide the assets among the shareholders, sell them and divide the proceeds, or transfer them to another corporation in exchange for its shares, and said notice shall be accompanied by a sworn report of the financial condition of the corporation at the date of the notice.

(c) The resolution to dissolve shall be submitted to the stockholders, who may vote in person or by proxy for the adoption or rejection thereof. If all outstanding shares in the corporation are of one class and of equal par value each share shall entitle the holder to one vote; if the shares are of different classes or of different par values, relative voting rights shall be upon such basis as the charter or by-laws of the corporation may provide, or in the absence of any express provision, then in the ratios of respective par values, treating each no par share, if any, as of a par value equal to the par value of the outstanding shares of the corporation of highest par value. If two-thirds of the stock, valued as provided by this subsection, is voted in favor of dissolution, the resolution shall be declared adopted, and upon the filing of a copy of the same, certified by the president and secretary of the corporation, in the office of the corporation commission, the corporation shall cease to exist except as to any creditors, whose rights shall remain in them.

(d) If the resolution to dissolve shall provide that the assets of the dissolved corporation, or any of them, are to be exchanged for stock in another corporation, any stockholder voting to reject the resolution, who does not consent to the exchange of assets for stock, shall be paid in cash the fair value of his stock, based on its pro rata share of the fair value of the net assets of the corporation

as of the time of said dissolution meeting. In the event of disagreement, said value shall be fixed by the court, at the suit of either the dissenting stockholder or the corporation, the corporation's existence being continued for such purpose. Every stockholder shall be deemed to have consented to such exchange unless he shall give written notice of dissent to the president, secretary, or statutory agent of the corporation not later than two days after the dissolution meeting, and unless he shall commence suit in the superior court of the county where the principal place of business of the corporation is located, to fix the value of his shares, within thirty days after such meeting. Upon hearing the court shall determine the value of the dissenting stock, and the corporation shall pay the owner the sum so fixed within thirty days after final judgment, whereupon said stock shall be transferred to the corporation.

(e) If assets are exchanged for stock in another corporation, each assenting shareholder in the dissolved corporation shall be entitled to his pro rata share divided among the shareholders of the dissolved corporation. In the event the dissolved corporation has par and no par stock of different values, the amount of stock delivered shall be based upon the value of the stock held by him in the dissolved corporation.

Approved March 20, 1939.

CHAPTER 81

(House Bill No. 123)

AN ACT

RELATING TO CORPORATIONS, AND PROVIDING FOR THE CONSOLIDATION OF TWO OR MORE CORPORATIONS.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. CONSOLIDATION AUTHORIZED. Two or more corporations may be consolidated, and continued as one of the constituent corporations or by the formation of a new corporation.

Sec. 2. AGREEMENT OF DIRECTORS. When it is desired to provide for the consolidation of two or more corporations, a majority of the directors of each corporation affected may enter into an agreement setting forth the terms and conditions of the proposed consolidation, including: 1. capitalization and number of shares of the proposed consolidated corporation; 2. classes into which the shares shall be divided and the value placed on each share; 3. manner of converting the shares and assets of the old or retiring corporations; 4. whether one of the constituent corporations is to be continued or a new corporation formed; 5. number of directors and officers; 6. method of carrying into effect the terms of the agreement, and, 7. any other details necessary to

show all matters affecting the consolidation.

Sec. 3. NOTICE. Notice of proposed consolidation of corporations shall be given, by each corporation affected, by publication in a newspaper published in the county in which its principal office is located, once each week for four successive weeks immediately prior to the meeting at which the proposed action is to be voted upon, and by mail to the last known address of each stockholder as shown by the books of the corporation, not less than thirty days prior to such meeting. The notice shall state the time and place of the meeting, the value of the assets of the corporation, and the amount of its indebtedness, and shall contain a copy of the agreement of the boards of directors, as provided in section 2.

Sec. 4. SUBMISSION OF AGREEMENT. The agreement of the boards of directors to consolidate shall be submitted to the stockholders of each constituent corporation, who may vote in person or by proxy for the adoption or rejection thereof, at either an annual or special stockholders' meeting. If all outstanding shares in the corporation are of one class and of equal par value each share shall entitle the holder to one vote; if the shares are of different classes or of different par values, relative voting rights shall be upon such basis as the charter or by-laws of the corporation may provide, or in the absence of any express provision, then in the ratios of respective par values, treating each no par share, if any, as

of a par value equal to the par value of the outstanding shares of the corporation of highest par value. If two-thirds of the stock, valued as provided by this section, is voted in favor of consolidation, the agreement shall be declared adopted and the vote certified on the agreement by the secretary of the corporation so voting, and the agreement shall be signed and acknowledged by the president and secretary of the corporation, and its seal attached thereto.

Sec. 5. PROCEDURE UPON CONSOLIDATION. (a) If an agreement for consolidation, ratified and certified by each constituent corporation as provided in section 4, provides that one of the constituent corporations shall be continued as the consolidated corporation, the certified agreement shall be filed in the office of the corporation commission, and one copy thereof, certified by the corporation commission, shall be recorded in the office of the county recorder of each county in which one of the constituent corporations has its principal office. The consolidation shall thereupon be deemed to be consummated and the separate existence of the constituent corporations to have ceased, and the consolidated corporation shall become a single corporation, in accordance with the agreement, under its articles and name, possessing all powers, and subject to all restrictions and disabilities, of corporations organized for profit.

(b) If an agreement for consolidation, rati-

fied and certified by each constituent corporation as provided in section 4, provides for the formation of a new corporation, new articles of incorporation, reciting the consolidation and naming the constituent corporations, shall be prepared and filed in the manner required by law.

Sec. 6. TRANSFER OF ASSETS AND LIABILITIES. All debts due to, and all property and assets of, each corporation consolidated as provided in this act shall vest in the consolidated corporation, but all rights of creditors against and liens on the property of each corporation so consolidated shall be preserved unimpaired. The debts, liabilities, and duties of the respective former corporations shall also attach to the consolidated corporation, and may be enforced against it to the same extent as if incurred by, contracted by, or imposed upon it.

Sec. 7. DISSENTING STOCKHOLDERS. Any stockholder of any of the corporations consolidating who votes to reject the agreement, and who does not consent to the agreed manner of converting the shares of stock, shall be paid in cash the fair value of his stock, based on its pro rata share of the fair value of the net assets of the corporation of which he is a stockholder as of the time of the consolidation meeting. In the event of disagreement, said value shall be fixed by the court, at the suit of either the dissenting stockholder or the corporation, the corporation's existence being continued for that purpose. Every stockholder shall be deemed to have consented to such method of conversion unless he shall give written notice of dissent to the president, secretary, or statutory agent of the corporation not later than two days

after the consolidation meeting, and unless he shall commence suit in the superior court of the county in which the principal office of the corporation is located, to fix the value of his shares, not later than thirty days after such meeting. Upon hearing the court shall determine the value of the dissenting stock, and the corporation shall pay the owner the sum so fixed within thirty days after final judgment, whereupon said stock shall be transferred to the corporation.

Approved March 20, 1939.

CHAPTER 82

(House Bill No. 155)

AN ACT

RELATING TO MUNICIPAL HOUSING; DEFINING THE POWERS AND DUTIES OF CITIES AND TOWNS TO UNDERTAKE SLUM CLEARANCE PROJECTS AND TO PROVIDE DWELLING ACCOMMODATIONS FOR PERSONS OF LOW INCOME, AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. SHORT TITLE. This act is known and may be cited as the "municipal housing law."

Sec. 2. FINDING AND DECLARATION OF

NECESSITY. It is declared: 1. that insanitary or unsafe dwelling accommodations exist in the various cities and towns of the state, and that persons of low income are forced to reside in such unsanitary or unsafe accommodations; 2. that within such cities and towns there is a shortage of safe or sanitary dwelling accommodations available at rents which persons of low income can afford and that such persons are forced to occupy overcrowded and congested dwelling accommodations; 3. that the aforesaid conditions cause an increase in and spread of disease and crime and constitute a menace to the health, safety, morals and welfare of the residents of the state and impair economic values; 4. that these conditions necessitate excessive and disproportionate expenditures of public funds for crime prevention and punishment, public health and safety, fire and accident protection, and other public services and facilities; 5. that these areas in the state cannot be cleared, nor can the shortage of safe and sanitary dwellings for persons of low income be relieved through the operation of private enterprise, and that the construction of housing projects for persons of low income (as herein defined) would therefore not be competitive with private enterprise; 6. that the clearance, replanning and reconstruction of the areas in which insanitary or unsafe housing conditions exist and the providing of safe and sanitary dwelling accommodations for persons of low income are public uses and purposes for which public money may be spent and private property acquired and are governmental functions of state concern; 7. that it is in the public interest that work on projects for such purposes be commenced as soon as possible in order to relieve unemployment which now constitutes an emergency; and the necessity in the public interest for the provisions herein-

after enacted, is declared as a matter of legislative determination.

Sec. 3. DEFINITIONS. In this act, unless the context otherwise requires:

"governing body" means the common council, board of trustees or other legislative body of the city or town;

"mayor" means the mayor of the city or town or the officer thereof charged with the duties customarily imposed on the mayor or executive head of a city or town;

"clerk" means the city or town clerk or the officer charged with the duties customarily imposed on such clerk;

"area of operation" includes all of the city or town;

"authority" or "housing authority" means any agency of a city or town created pursuant to this act;

"state public body" means any county, municipal corporation, commission, district, authority, other subdivision or public body of the state;

"federal government" includes the United States of America, the United States housing authority, or any other agency or instrumentality, corporate or otherwise, of the United States of America;

"slum" means any area where dwellings predominate which, by reason of dilapidation, overcrowding, lack of ventilation, light or sanitary fa-

cilities, or any combination of these factors, are detrimental to safety, health or morals;

"housing project" means any work or undertaking; 1. to demolish, clear or remove buildings from any slum area, and such work or undertaking may embrace the adoption of the area to public purposes, including parks or other recreational or community purposes; 2. to provide decent, safe and sanitary urban or rural dwellings, apartments or other living accommodations for persons of low income, and such work or undertaking may include buildings, land, equipment, facilities and other real or personal property for necessary, convenient or desirable appurtenances, streets, sewers, water service, parks, site preparation, gardening, administrative, community, health, recreational, welfare or other purposes; 3. to accomplish a combination of the foregoing, or, 4. "housing project" also may be applied to the planning of the buildings and improvements, the acquisition of property, the demolition of existing structures, the construction, reconstruction, alteration and repair of the improvements and all other work in connection therewith;

"persons of low income" means persons or families who lack the amount of income which is necessary (as determined by the city or town undertaking the housing project) to enable them, without financial assistance, to live in decent, safe and sanitary dwellings, without overcrowding;

"bonds" means any bonds, notes, interim certificates, debentures, or other obligations issued by a city or town pursuant to this act;

"real property" includes all lands, including improvements and fixtures thereon, and property of

any nature appurtenant thereto, or used in connection therewith, and every estate, interest and right, legal or equitable, therein, including terms for years and liens by way of judgment, mortgage or otherwise and the indebtedness secured by such liens;

"obligee" includes any holder of bonds issued pursuant to this act, trustee or trustees for any such bondholders, or lessor demising to a city or town property used in connection with a housing project, or any assignee or assignees of such lessor's interest or any part thereof and the federal government when it is a party to any contract with a city or town in regard to a housing project.

Sec. 4. POWERS. Every city and town in addition to other powers conferred by this act, shall have power:

1. Within its area of operation: to prepare, carry out, acquire, purchase, lease, construct, reconstruct, improve, alter, extend or repair any housing project or projects or any part thereof, and to operate and maintain such project or projects; and for any of such purposes the governing body of the city or town may appropriate money and authorize the use of any property of such city or town.

2. To purchase its bonds issued pursuant to this act at a price not more than the principal amount thereof and accrued interest, all bonds so purchased to be cancelled.

3. To: 3a. lease or rent any dwellings, houses, accommodations, lands, buildings, structures or facilities embraced in any housing project and (subject to the limitations contained in this act) to establish and revise the rents or charges therefor;

3b. own, hold, and improve real or personal property; 3c. purchase, lease, obtain options upon, acquire by gift, grant, bequest, devise, or otherwise any real or personal property or any interest therein; 3d. acquire by the exercise of the power of eminent domain any real property; 3e. sell, lease, exchange, transfer, assign, pledge or dispose of any real or personal property or any interest therein; 3f. procure or agree to the procurement of insurance or guarantees from the federal government of the payment of any bonds or parts thereof issued pursuant to this act, including the power to pay premiums on any such insurance.

4. To enter on any lands, buildings or property for the purpose of making surveys, soundings and examinations in connection with the planning or construction, or both, of any housing project.

5. To insure or provide for the insurance of any housing project of the city or town against such risks as the city or town may deem advisable.

6. To arrange or contract for the furnishing by any person or agency, public or private, of services, privileges, works or facilities for, or in connection with, a housing project or the occupants thereof; and to include in any construction contract let in connection with a housing project, stipulations requiring that the contractor and any subcontractors comply with employment requirements (including those in the constitution and laws of this state) as to minimum wages and maximum hours of labor, and comply with any conditions which the federal government may have attached to its financial aid of the project.

7. Within its area of operation, to: 7a. in-

vestigate into living, dwelling and housing conditions and into the means and methods of improving such conditions; 7b. determine where slum areas exist or where there is a shortage of decent, safe and sanitary dwelling accommodations for persons of low income; 7c. make studies and recommendations relating to the problem of clearing, replanning and reconstructing of slum areas, and the problem of providing dwelling accommodations for persons of low income, and to cooperate with the state or any political subdivision thereof in actions taken in connection with such problems, and, 7d. engage in research, studies and experimentation on the subject of housing.

8. To exercise all or any part or combination of powers herein granted.

Sec. 5. CREATION OF AUTHORITY. (a) Every city and town, in addition to other powers conferred by this act, shall have power, by proper resolution of its governing body, to create as an agent of such city or town an authority to be known as the "housing authority" of the city or town. The city or town may delegate to such authority the power to construct, maintain, operate and manage any housing project or projects of such city or town and, notwithstanding the foregoing enumeration, may delegate to such authority any or all of the powers conferred on the city or town by this act, except the powers to borrow money, issue bonds and acquire real property.

(b) When the governing body of a city or town adopts a resolution as provided in subsection (a), it shall promptly notify the mayor of such adoption. Upon receiving such notice, the mayor shall appoint five persons as commissioners of the authority. The

commissioners first appointed shall be designated to serve for terms of one, two, three, four and five years, respectively, from the date of their appointment, but thereafter commissioners shall be appointed as aforesaid for a term of office of five years. Vacancies from causes other than expiration of term shall be filled for the unexpired term only. A commissioner of an authority shall not hold any other office or employment of the city or town for which the authority is created. A commissioner shall hold office until his successor has been appointed and has qualified. A certificate of the appointment or re-appointment of any commissioner shall be filed with the clerk and such certificate shall be conclusive evidence of the due and proper appointment of such commissioner. A commissioner shall receive no compensation for his services, but shall be entitled to reimbursement for necessary expenses, including travel, incurred in the discharge of his duties.

(c) Powers delegated by a city or town to an authority shall be vested in the commissioners thereof. Three commissioners shall constitute a quorum for the purpose of conducting the business of the authority and exercising its powers, and for all other purposes. Action may be taken by the authority upon a vote of a majority of the commissioners present. The mayor shall designate which of the commissioners shall be chairman and vice-chairman, respectively. Any city or town creating a housing authority may authorize such authority to employ a secretary (who shall be executive director), technical experts and such other officers, attorneys, agents and employees, permanent and temporary, as such authority may require, to determine their qualifications, duties and compensation, and to delegate to one or more of them such powers

or duties as the authority may deem proper.

Sec. 6. INTERESTED COMMISSIONERS OR EMPLOYEES. No officer of a city or town shall acquire any interest direct or indirect in any housing project or in any property included or planned to be included in any housing project of the city or town, as the case may be, nor shall he have any interest direct or indirect in any contract or proposed contract for materials or services to be furnished or used in connection with any housing project. If any officer of a city or town owns or controls an interest direct or indirect in any property included or planned to be included in any such housing project, he immediately shall disclose the same in writing to the governing body of the city or town, and such disclosure shall be entered upon the minutes of the governing body. Failure so to disclose such interest shall constitute misconduct in office. Upon such disclosure such officer shall not participate in any action by the city or town affecting such property.

Sec. 7. REMOVAL OF COMMISSIONERS. For inefficiency, neglect of duty, or misconduct in office, a commissioner of an authority may be removed by the mayor, but a commissioner shall be removed only after he shall have been given a copy of the charges at least ten days prior to the hearing thereon and had an opportunity to be heard in person or by counsel. In the event of the removal of a commissioner, a record of the proceedings, together with the charges and findings thereon, shall be filed in the office of the clerk.

Sec. 8. EMINENT DOMAIN. A city or town shall have the right to acquire by the exercise of the power of eminent domain any real property

which it may deem necessary for its purposes under this act, after the adoption by it of a resolution declaring that the acquisition of the real property described therein is necessary for such purposes. A city or town may exercise the power of eminent domain in the manner provided in the public works eminent domain law or in sections 1329 to 1349, both inclusive, Revised Code of 1928, and acts amendatory thereof or supplementary thereto; or it may exercise the power of eminent domain in the manner provided by any other applicable statutory provisions for the exercise of the power of eminent domain. Title to property so acquired shall be taken in the name of the city or town, as the case may be. Property already devoted to a public use may be acquired in like manner, provided that no property belonging to the state or any political subdivision thereof may be acquired without its consent.

Sec. 9. OPERATION NOT FOR PROFIT. It is declared to be the policy of this state that each city or town shall manage and operate its housing projects in an efficient manner, so as to enable it to fix the rentals for dwelling accomodations at the lowest possible rates consistent with its providing decent, safe and sanitary dwelling accomodations, and that no city or town shall construct or operate any such project for profit or as a source of revenue. To this end a city or town shall fix the rentals for dwellings in its housing projects at no higher rates than it shall find to be necessary in order to produce revenues which (together with any grants or subsidies from the federal government or other sources for housing projects) will be sufficient: 1. to pay, as the same become due, the principal and interest on the bonds of the city or town issued hereunder; 2. to meet the cost of, and to provide for, maintaining and operating the projects (in-

cluding the cost of any insurance) and the administrative expenses of the city or town incurred in connection therewith, and, 3. to create (during not less than the six years immediately succeeding its issuance of any bonds) a reserve sufficient to meet the largest principal and interest payments which will be due on such bonds in any one year thereafter and to maintain such reserve.

Sec. 10. RENTALS AND TENANTS SELECTION. (a) In the operation or management of housing projects a city or town shall at all times observe the following duties with respect to rentals and tenant selection:

1. It may rent or lease the dwelling accommodations therein only to persons of low income and at rentals within the financial reach of such persons of low income.

2. It may rent or lease to a tenant dwelling accommodations consisting of the number of rooms (but no greater number) which it deems necessary to provide safe and sanitary accommodations to the proposed occupants thereof, without overcrowding.

3. It shall not accept any person as a tenant in any housing project if the person or persons who would occupy the dwelling accommodations have an annual net income in excess of five times the annual rental of the quarters to be furnished such person or persons, except that in the case of families with three or more minor dependents, such ratio shall not exceed six to one. In computing the rental for this purpose of selecting tenants, there shall be included in the rental the average annual cost (as determined by the city or town) to occupants of heat, water, electricity, gas, cooking range and other

necessary services or facilities, whether or not the charge for such services and facilities is in fact included in the rental.

(b) Nothing contained in this or the preceding section shall be construed as limiting the power of a city or town to vest in an obligee the right, in the event of a default by the city or town to take possession and operate a housing project or cause the appointment of a receiver thereof, free from all the restrictions imposed by this section or the preceding section.

Sec. 11. BONDS. (a) A city or town shall have power to issue bonds from time to time in its discretion to finance in whole or in part the cost of the preparation, acquisition, purchase, lease, construction, reconstruction, improvement, alteration, extension or repair of any project or undertaking hereunder. A city or town shall also have power to issue refunding bonds for the purpose of paying or retiring bonds previously issued by it hereunder. In order to carry out the purposes of this act, a city or town may issue, upon proper resolution, bonds on which the principal and interest are payable: 1. exclusively from the income and revenues of the housing project financed with the proceeds of such bonds, or, 2. exclusively from such income and revenues together with grants and contributions from the federal government.

(b) Neither the governing body of a city or town nor any person executing the bonds shall be liable personally on any bonds by reason of the issuance thereof hereunder. The bonds and other obligations issued under the provisions of this act shall be payable solely from the sources provided in subsection (a). The bonds shall not constitute

an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

Sec. 12. FORM AND SALE OF BONDS. (a) Bonds of a city or town issued hereunder shall be authorized by its resolution and may be issued in any one or more series and shall bear such date or dates, mature at such time or times, bear interest at such rate or rates, not exceeding six per cent per annum, be in such denomination or denominations and in such form, either coupon or registered, carry such conversion or registration privileges, have such rank or priority, be executed in such manner, payable in such medium of payment, at such place or places, and subject to such terms of redemption (with or without premium) as such resolution, its trust indenture, or the bonds so issued may provide. The bonds may be sold at public or private sale at not less than par.

(b) In case any of the officers of the city or town whose signatures appear on any bonds or coupons shall cease to be such officers before the delivery of such bonds, such signatures shall, nevertheless, be valid and sufficient for all purposes, the same as if such officers had remained in office until such delivery. Any provision of any law to the contrary notwithstanding, any bonds issued pursuant to this act shall be fully negotiable.

(c) In any suit, action or proceedings involving the validity of enforceability of any bond of a city or town or the security therefor, any such bond reciting in substance that it has been issued by the city or town to aid in financing a housing project to provide dwelling accommodations for persons of low income shall be conclusively deemed to have been issued for a housing project of such character

and said project shall be conclusively deemed to have been planned, located and constructed in accordance with the purposes and provisions of this act.

Sec. 13. PROVISIONS OF BONDS AND TRUST INDENTURES. In connection with the issuance of bonds pursuant to this act or the incurring of obligations under leases made pursuant to this act and in order to secure the payment of such bonds or obligations, a city or town shall have power to:

1. Pledge all or any part of the gross or net rents, fees or revenues of a housing project, financed with the proceeds of such bonds, to which its rights then exist or may thereafter come into existence;

2. Covenant against pledging all or any part of the rents, fees and revenues, or against permitting or suffering any lien on such revenues or property; covenant with respect to limitations on its right to sell, lease or otherwise dispose of any housing project or any part thereof; and covenant as to what other, or additional debts or obligations may be incurred by it;

3. Covenant as to the bonds to be issued and as to the issuance of such bonds in escrow or otherwise, and as to the use and disposition of the proceeds thereof; provide for the replacement of lost, destroyed or mutilated bonds; covenant against extending the time for the payment of its bonds or interest thereon; and to redeem the bonds, and to covenant for their redemption, and to provide the terms and conditions thereof;

4. Covenant (subject to the limitations contained in this act) as to the rents and fees to be charged in the operation of a housing project or projects,

the amount to be raised each year or other period of time by rents, fees and other revenues, and as to the use and disposition to be made thereof; create or to authorize the creation of special funds for moneys held for construction or operating costs, debt service, reserves, or other purposes, and to covenant as to the use and disposition of the moneys held in such funds;

5. Prescribe the procedure, if any, by which the terms of any contract with bondholders may be amended or abrogated, the amount of bonds the holders of which must consent thereto and the manner in which such consent may be given;

6. Covenant as to the use of any or all of its real or personal property acquired pursuant to this act; and covenant as to the maintenance of such real and personal property, the replacement thereof, the insurance to be carried thereon and the use and disposition of insurance moneys;

7. Covenant as to the rights, liabilities, powers and duties arising upon the breach by it of any covenant, condition, or obligation; and covenant and prescribe as to events of default and terms and conditions upon which any or all of its bonds or obligations shall become or may be declared due before maturity, and as to the terms and conditions upon which such declaration and its consequences may be waived;

8. Vest in a trustee or trustees or the holders of bonds issued pursuant to this act, or any specified proportion of them, the right to enforce the payment of such bonds or any covenants securing or relating to such bonds; vest in a trustee or trustees the right, in the event of a default by said city or

town, to take possession of any housing project or part thereof, and (so long as the city or town shall continue in default) to retain such possession and use, operate and manage said project, and to collect the rents and revenues arising therefrom and to dispose of such moneys in accordance with the agreement of the city or town with said trustee; provide for the powers and duties of a trustee or trustees and to limit the liabilities thereof; and provide the terms and conditions upon which the trustee or trustees or the holders of bonds, or any proportion of them, may enforce any covenant or rights securing or relating to such bonds;

9. Exercise all or any part or combination of the powers herein granted; make covenants other than and in addition to the covenants herein expressly authorized, of like or different character; make such covenants as will tend to make the bonds more marketable notwithstanding that such covenants, acts or things may not be enumerated herein.

Sec. 14. CONSTRUCTION OF BOND PROVISIONS. This act, without reference to other statutes of the state, shall constitute full authority for the authorization and issuance of bonds hereunder. No other act or law with regard to the authorization or issuance of obligations that requires a bond election or in any way impedes or restricts the carrying out of the acts herein authorized to be done shall be construed as applying to any proceedings taken hereunder or acts done pursuant hereto.

Sec. 15. CERTIFICATION OF ATTORNEY-GENERAL. A city or town may submit to the attorney-general of the state any bonds to be issued hereunder after all proceedings for the issuance of

such bonds have been taken. Upon the submission of such proceedings to the attorney-general, it shall be the duty of the attorney-general to examine into and pass upon the validity of such bonds and the regularity of all proceedings in connection therewith. If such proceedings conform to the provisions of this act and are otherwise regular in form and if such bonds when delivered and paid for will constitute binding and legal obligations of the city or town enforceable according to the terms thereof, the attorney-general shall certify in substance upon the back of each of said bonds that it is issued in accordance with the constitution and laws of the state of Arizona.

Sec. 16. REMEDIES OF AN OBLIGEE. An obligee of a city or town shall have the right in addition to all other rights which may be conferred on such obligee, subject only to any contractual restrictions binding upon such obligee:

1. By mandamus, suit, action or proceeding at law or in equity to compel said city or town and the officers, agents or employees thereof to perform each and every term, provision and covenant contained in any contract of said city or town with or for the benefit of such obligee and to require the carrying out of any or all such covenants and agreements of said city or town and the fulfillment of all duties imposed upon said city or town by this act.

2. By suit, action or proceeding in equity, to enjoin any acts or things which may be unlawful, or in violation of any of the rights of such obligee of said city or town.

Sec. 17. ADDITIONAL REMEDIES CONFERABLE TO AN OBLIGEE. A city or town shall have

the power by its resolution, trust indenture, lease or other contract to confer upon any obligee holding or representing a specified amount in bonds, or holding a lease, the right (in addition to all rights that may otherwise be conferred), upon the happening of an event of default as defined in such resolution or instrument, by suit, action or proceeding in any court of competent jurisdiction:

1. To cause possession of any housing project or any part thereof to be surrendered to any subh obligee, which possession may be retained by such bondholder or trustee so long as the city or town shall continue in default.

2. To obtain the appointment of a receiver of any housing project of said city or town, or any part thereof and of the rents and profits therefrom. If such receiver be appointed, he may enter and take possession of such housing project or any part thereof and (so long as the city or town shall continue to default) operate and maintain the same, and collect and receive all fees, rents, revenues, or other charges thereafter arising therefrom, and shall keep such moneys in a separate account or accounts and apply the same in accordance with the obligations of said city or town as the court shall direct.

3. To require said city or town and the officers and agents thereof to account as if it and they were the trustees of an express trust.

Sec. 18. EXEMPTION OF PROPERTY FROM EXECUTION SALE. All real property owned or held by a city or town for the purposes of this act shall be exempt from levy and sale by virtue of an execution, and no execution or other judicial process shall issue against the same nor shall any

judgment against a city or town be a charge or lien on such real property, but the provisions of this section shall not apply to or limit the right of obligees to pursue any remedies for the enforcement of any pledge or lien given to them on rents, fees or revenues.

Sec. 19. AID FROM FEDERAL GOVERNMENT. In addition to the powers conferred upon a city or town by other provisions of this act, a city or town is empowered to borrow money or accept contributions, grants or other financial assistance from the federal government for or in aid of any housing project within its area of operation, and, to these ends, to comply with such conditions, trust indentures, leases or agreements as may be necessary, convenient or desirable. It is the purpose and intent of this act to authorize every city or town to do any and all things necessary, convenient or desirable to secure the financial aid or cooperation of the federal government in the undertaking, acquisition, construction, maintenance or operation of any housing project of such city or town.

Sec. 20. CONTRACTS FOR CONSTRUCTION AND PURCHASES. All items of construction and all purchases of furnishing and equipment shall be by contract after call for bids.

Sec. 21 COOPERATION IN UNDERTAKING HOUSING PROJECTS. (a) For the purpose of aiding and cooperating in the planning, undertaking, construction or operation of housing projects located within the area in which it is authorized to act, any state public body may upon such terms, with or without consideration, as it may determine:

1. Dedicate, sell, convey or lease any of its interest in any property, or grant easements, licenses

or any other rights or privileges therein to any city or town, or to the federal governement;

2. Cause parks, playgrounds, recreational, community, educational, water, sewer or drainage facilities, or any other works which it is otherwise empowered to undertake, to be furnished adjacent to or in connection with housing projects;

3. Furnish, dedicate, close, pave, install, grade, regrade, plan or replan streets, roads, roadways, alleys, sidewalks or other places which it is otherwise empowered to undertake;

4. Cause services to be furnished for housing projects of the character which such state public body is otherwise empowered to furnish;

5. Enter into agreements with respect to the exercise by such state public body of its powers relating to the repair, elimination or closing of unsafe, insanitary or unfit dwellings;

6. Do any and all things, necessary or convenient to aid and cooperate in the planning, undertaking, construction or operation of such housing projects;

7. Incur the entire expense of any public improvements made by such state public body in exercising the powers granted in this act;

8. Enter into agreements (which may extend over any period, notwithstanding any provision or rule of law to the contrary) with any city or town, or authority as agent therefor, respecting action to be taken by such state public body pursuant to any of the powers granted by this act.

(b) Any law or statute to the contrary not-

withstanding, any sale, conveyance, lease or agreement provided for in this section may be made by a state public body without appraisal, public notice, advertisement or public bidding.

Sec. 22. SUPPLEMENTAL NATURE OF ACT. The powers conferred by this act shall be in addition and supplemental to the powers conferred by any other law.

Sec. 23. ACT CONTROLLING. In so far as the provisions of this act are inconsistent with the provisions of any other law, the provisions of this act shall be controlling.

Sec. 24 SEVERABILITY. If any provision of this act be held invalid, such invalidity shall not affect other provisions which can be given effect without the invalid provision, and to this end the provisions of the act are declared to be severable.

Sec. 25. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 20, 1939.

CHAPTER 83

(Senate Bill No. 2)

AN ACT

RELATING TO THE OFFICE OF ARIZONA HISTORIAN; TRANSFERRING THE DUTIES AND EFFECTS OF THE OFFICE, AND REPEALING SECTION 2913, REVISED CODE OF 1928; AND DECLARING AN EMERGENCY.

Be it enacted by the Legislature of the State of Arizona:

Section 1. REPEAL. Section 2913, Revised Code of 1928, is repealed.

Sec. 2. TRANSFER OF DUTIES AND EFFECTS. (a) The duties and powers imposed upon and vested in the Arizona historian by law shall devolve and be imposed upon, vested in, and merged with the duties and powers of the division of Arizona history and archives of the department of library and archives.

(b) All papers, manuscripts, maps, books, pictures and effects belonging or pertaining to the office of Arizona historian shall be transferred to and become the property of the division of Arizona history and archives of the department of library and archives.

Sec. 3. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 20, 1939.

CHAPTER 84

(Senate Bill No. 51)

AN ACT

RELATING TO WORKMEN'S COMPENSATION, AND AMENDING SECTION 1413, REVISED CODE OF 1928, AND SECTION 1414, REVISED CODE OF 1928, AS AMENDED; AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. Sec. 1413, Revised Code of 1928, is amended to read:

Sec. 1413. MANNER OF FIXING RATES. The state compensation fund and accident benefit fund, hereinafter provided for, shall be neither more nor less than self-supporting. Employments affected by the provisions hereof shall be divided by the commission for the purpose of the state compensation fund into classes whose rates may be readjusted at such times as the commission may determine. The commission may rearrange the classes by withdrawing any employment embraced in one class and transferring it wholly or in part to another class. Separate accounts shall be kept of the amounts collected and expended in each class for determining rates, but for paying compensation and dividends the fund shall be one and indivisible. The commission shall determine the hazards of the different classes of occupations or industries, and fix the rates of premium therefor at the lowest rate consistent with the maintenance of a solvent state compensation fund, and the creation of a surplus and reserves,

and for such purpose may adopt a system of schedule rating in such a manner as to take account of the peculiar hazard of each individual risk. The commission, in fixing rates, shall provide for the expenses of administering the fund, the disbursements on accounts of injuries and deaths of employees in each class, an adequate catastrophe reserve, reserves adequate to meet anticipated and unexpected losses, reserves adequate to carry the class to maturity, and such other necessary reserves and surplus as may be determined by the commission. The amount of such surplus and reserves shall be determined by the commission, but the catastrophe reserve shall in no event be less than the sum of one hundred thousand dollars. However, the commission is authorized in its discretion to endorse on any of its regularly issued policies a self-rating plan, and may apply tentative rates, subject to modification in accordance with the loss experience of such risks, and shall provide for a carrying charge, premium tax and a rate for the creation of a catastrophe reserve and reserves to meet anticipated and unexpected losses to be fixed by the commission.

Sec. 2. Sec. 1414, Revised Code of 1928, as amended, is amended to read:

Sec. 1414. DIVIDENDS. Annually, within six months after the close of each fiscal year, if there exists in the state compensation fund an excess of assets over liabilities and a reasonable surplus, such liabilities to include the necessary reserves, including the catastrophe reserve, which excess may be divided safely, then the commission shall declare a dividend, in such method or manner as the rules and regulations of the commission may provide, to those employers who are shown to have paid premiums into the state compensation fund and

accident benefit fund in excess of liabilities chargeable to them in those funds for that year. In determining the amount or proportion of such balance to which employers are entitled as dividends the commission shall give consideration to the prior paid premiums and accident experience of each individual employer during the dividend year.

Sec. 3. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 20, 1939.

CHAPTER 85

(Senate Bill No. 80)

AN ACT

RELATING TO CHATTEL MORTGAGES, AND AMENDING SECTION 2330, REVISED CODE OF 1928.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. Sec. 2330, Revised Code of 1928, is amended to read:

Sec. 2330. WITHOUT CHANGE OF POSSESSION MORTGAGE VOID AS AGAINST THIRD PERSONS UNLESS RECORDED. A chattel mort-

gage or other instrument of writing intended to operate as a mortgage or lien upon personal property, which is not accompanied by an immediate delivery and followed by an actual and continued change of possession of the property mortgaged or pledged by such instrument, is void as against the creditors of the mortgagor or person making the same, and as against subsequent purchasers and mortgagees or lien holders in good faith, unless such instrument or a true copy thereof was forthwith filed in the office of the county recorder of the county where the property was then situate, and if the mortgagor or person making the same be a resident of this state, then also recorded in the county which he is a resident at the time. If the mortagor shall state his place of residence under oath in the mortgage, or in an affidavit attached thereto, or endorsed thereon, the place of residence so stated shall be conclusively presumed to be the mortgagor's residence for the purpose of determining the proper county or counties in which the mortgage must be filed.

Approved March 20, 1939.

CHAPTER 86

(Substitute House Bill No. 26)

AN ACT

RELATING TO PERMANENT FUND, PROVIDING FOR THE ADMINISTRATION OF INVESTMENTS THEREOF IN MORTGAGES ON FARM LAND, AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. EXTENSION OF TIME. Until July 1, 1939, the State Treasurer with consent of Governor and Secretary of State shall have power to grant an extension of any loan of the permanent fund of the state, secured by a mortgage on farm lands, for a period not to exceed five years from the date of granting the same. Every such extension shall be conditioned upon immediate payment of all arreages of interest and upon payment annually, in addition to accrued interest, of a sum which at the expiration of the period of the loan will fully satisfy and discharge the debt.

Sec. 2. ASSIGNMENT. The State Treasurer with consent of Governor and Secretary of State shall have the power to assign any note secured by a mortgage to the state on farm lands for a consideration not less than the full amount of principal and interest owing thereon. An assignment so made shall be executed by the State Treasurer. The statute of limitation of action on a security so assigned shall run from the date of assignment.

Sec. 3. FORECLOSURE. The State Treasurer shall cause foreclosure or other appropriate action to be taken on any mortgage on farm lands on which any payment of interest or principal is in default and for which no extension has been granted.

Sec. 4. LANDS TO WHICH TITLE VESTS IN STATE. In the event that title to any farm lands serving as a security for an investment or loan of moneys in the permanent funds vests in the state, such lands shall be administered for the benefit of the fund from which the money loaned was derived, in the manner provided by law for administration of lands of similar character.

Sec. 5. AUDIT TO DETERMINE LOSSES. The

State Auditor shall make an audit of all investments of moneys in the permanent funds of the state in mortgages on farm lands, with a view to determining the losses, if any, sustained by such funds by reason of such investments, and shall report the result thereof to the legislature. Thereafter, not later than January 1 next preceding each regular session of the legislature, said State Treasurer shall submit a report showing any further losses said funds may have sustained by reason of such investments.

Sec. 6. INVESTIGATION AND LIQUIDATION. The State Treasurer shall: (1) investigate all unliquidated investments or loans of permanent funds secured by mortgages on farm lands; (2) cause a detailed examination to be made in the field of all property securing said loans, and (3) proceed, promptly and diligently, to liquidate said loans and (4) report in writing all material facts with respect to the duties imposed by this act, transmitting one copy each to the speaker of the House of Representatives and the president of the Senate.

Sec. 7. EMERGENCY. To preserve the public peace, health and safety, it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 21, 1939.

CHAPTER 87

(House Bill No. 80)

AN ACT

RELATING TO STATE LANDS; PROVIDING FOR THE ISSUANCE OF PERMITS AND LEASES FOR THE PROSPECTING, DEVELOPMENT AND OPERATION OF STATE LANDS FOR OIL AND GAS, REPEALING SECTION 2974, REVISED CODE OF 1928, AND DECLARING AN EMERGENCY.

Be it enacted by the Legislature of the State of Arizona:

Section 1. SHORT TITLE. This act may be cited as the state land oil and gas act of 1939.

Sec. 2. DEFINITIONS. In this act, unless the context otherwise requires:

"department" means the state land department;

"permittee" means the holder of a prospecting permit;

"lessee" means the holder of an operating lease;

"permittee" or "lessee" includes assignee and agent;

"permit" means a prospecting permit;

"initial permit" means a permit issued for an initial term not exceeding five years;

"renewal permit" means a permit issued in re-

newal of an initial permit, whether on all or a portion of the lands described therein;

"surface lessee" means the holder of a lease on the surface of any state land, for agricultural or grazing purposes.

Sec. 3. OIL AND GAS PROSPECTING PERMITS AND LEASES. The department, subject to the provisions of this act, shall have power to issue permits to prospect or explore state lands for oil and gas, and leases for the operation of such lands on which oil, gas, or other hydrocarbon shall have been discovered in paying quantities.

Sec. 4. TERM OF PERMIT. (a) The term of a permit shall be five years.

(b) In the event that not more than ninety nor less than thirty days prior to the expiration date of a permit the permittee shall make application, in form prescribed by the department, for a new permit, and upon hearing the evidence, in the opinion of the department, shall show that the permittee has diligently pursued the prospecting, exploration and drilling for oil and gas on the lands described in said permit, and equities in such permittee (other than the mere holding of said permit) superior to the equities of any other applicant, the department shall issue a renewal permit to said permittee; otherwise, he may issue a permit to such other applicant, if any, as he deems to have superior equities, or if no superior equities exist, to such applicant as he deems best qualified to prospect or explore the said land for oil and gas.

Sec. 5. FEE FOR PERMIT. The fee for an initial permit shall be ten cents per acre per year and

for a renewal permit twenty cents per acre per year. No permit shall be issued for less than sixteen dollars per year, provided, however, that when oil or gas are discovered in commercial quanties within the state, the fee for an initial permit shall be not less than ten cents per acre per year and for a renewal permit not less than twenty cents per acre per year. The fee for the permit shall be paid each year in advance.

Sec. 6. ACREAGE COVERED BY PERMIT. Not more than five thousand one hundred and twenty acres, confined to an area ten miles square, shall be included in one permit. The land shall be in as compact a body as possible, but may include non-contiguous land if the maximum acreage of contiguous land is not available. The department may require the inclusion of all available state land in any section of which the applicant desires a part.

Sec. 7. DRILLING REQUIREMENT. The department shall cancel any permit upon the expiration of two years after the issuance thereof, in the event the permittee has not commenced the drilling of a well, and thereafter, if said permittee shall not diligently pursue said drilling operations until said well is completed or abandoned; provided that in drilling a well on any recognized geological structure where oil has not been discovered, no other well need be drilled until said discovery well is completed or abandoned. In the event a permittee has control, by lease, title, or otherwise, of adjacent property other than state land upon which he is in good faith drilling a well, and the department finds that such well will in all probability disclose the presence or absence of oil or gas within the state land on which the permittee has a permit, the department may exempt the

permittee from the drilling requirement if he deems such exemption to be for the best interest of the state.

Sec. 8. OPERATING LEASE. (a) In case oil, gas, or other hydrocarbon is discovered in paying quanitities on lands covered by a permit, the department shall cancel said permit and issue an operating lease on the same lands.

(b) Until the constitution is amended to permit a lease for a longer period, the term of an operating lease shall not exceed five years.

(c) If and when section 2, article 10, of the constitution is amended to make valid the provisions of this subsection, the term of an operating lease may be five years and as long thereafter, not exceeding twenty years in all, as oil, gas, or other hydrocarbon is produced in paying quantities, and the term of any valid and subsisting operating lease then in existence shall be amended to read twenty years.

(d) In the event a lessee desires to renew an operating lease, the procedure shall be as provided by section 4 for renewal of prospecting permits.

Sec. 9. LEASE PROVISIONS; DRILLING. Said lease shall provide that within one year from the date thereof, a well shall be commenced on the premises covered by said lease and drilled diligently until the completion or abandonment thereof. Thereafter, successive wells shall be drilled at the rate of at least one well drilled for every one hundred sixty acres covered by the lease. In the event a permittee has control by lease, title, or

otherwise of adjacent property other than state land upon which he is in good faith drilling a well, the department may extend the time within which such additional wells shall be drilled. The lessee shall, with reasonable diligence off-set all paying oil or gas wells drilled within three hundred thirty feet of the exterior boundary of any of the land covered by said lease.

Sec. 10. WATER WELLS. Should any well fail to develop oil or gas in paying quantities, but shall develop water, the department shall have an option of taking over any such well, if the lessee shall have decided to abandon it as an oil or gas well, upon payment by the department to lessee of the reasonable value of well casing and other material necessary to be left in such well.

Sec. 11. RENTAL AND ROYALTY. The lessee shall pay an annual rental, in advance, of not less than fifty cents per acre. The rental payments for any one year shall be credited on the royalty payments for that year. The lessee shall also pay, at such periods as the department may require, a royalty of not less than twelve and one-half per cent of all oil, gas, or other hydrocarbon produced and saved, less oil and gas used in development and production, or the equivalent of the market value thereof at the time of production, as the department may elect.

Sec. 12. DELINQUENCY. (a) The department may extend the time for the payment of rent not to exceed ninety days. In such case there shall be added to the delinquent payment a penalty of five per cent, with interest on the delinquent payment and penalty at the rate of eight per cent per annum until paid.

(b) Any delinquent payment, with penalties and interest thereon, shall constitute a prior lien on all improvements and property on the land belonging to the lessee, and on all oil, gas, or other hydrocarbon produced from the land.

Sec. 13. UNIT PLANS. The lease or permit shall provide that the lessee, or permittee, upon demand of the department, shall join in a cooperative or unit plan of development and operation of oil and gas pools with the United States and its lessees and permittees, and with private owners. The department may join in and consent to any such plan on behalf of the state.

Sec. 14. SURFACE DAMAGE. The permittee or lessee shall be liable for damage to the surface caused by him to the state's interest in the surface or to the surface lessee, if any, and may be required by the department to execute a bond conditioned upon payment for all such damage. If the permittee or lessee and the surface lessee cannot agree on the amount of damage, the same shall be appraised by the department or its agent. Appeal from the judgment of the department may be taken as provided by sections 2962 and 2963, Revised Code of 1928.

Sec. 15. IMPROVEMENTS. Upon the expiration of any permit or lease the permittee or lessee, if he be not delinquent in the payment of any fee, rental or royalty, may remove all improvements owned by him upon the land, the removal of which will not injure the land, or he may sell such improvements to the succeeding lessee, subject to the provisions of sections 2975 and 2976, Revised Code of 1928.

Sec. 16. LEASES DECLARED AGAINST PUBLIC INTEREST. That oil and gas leases and contracts entered into subsequent to January 1, 1937, are against the public interest and the lands embraced therein shall be recovered and held for the purpose to which they shall be dedicated.

Any valid and subsisting oil leases in existence prior to January 1, 1937, and any leases on oil or gas property leased subsequent to January 1, 1937, on which oil or gas development or exploration work was actually performed prior to January 1, 1939, are confirmed, and upon the expiration of the term for which issued shall be subject to renewal as provided in this act; or, upon application of the lessee any such lease may be cancelled and a permit to prospect for oil or gas issued as provided in this act.

Sec. 17. ASSIGNMENT. A permittee or lessee not in default of any fee, rent or royalty, and who has complied with all conditions of the permit or lease, may, subject to the approval of the department, assign the same, in whole or in part.

Sec. 18. CANCELLATION. (a) The department shall have power to cancel a permit or lease for any of the following causes:

1. Failure to comply with the terms of this act.

2. Failure to make any payment when due, if no extension be granted by the department.

3. Failure to abide by any provision of law relating to prospecting or operating state lands for oil or gas.

4. Fraud, deceit, or willful misrepresentation in procuring a permit or lease.

5. Violation of any condition of a permit or lease.

Sec. 19. NOTICE OF CANCELLATION. Notice of cancellation shall be sent by registered mail to the last known address of the permittee or lessee, allowing thirty days in which to make good any default in rental payments or to answer any other cause for cancellation, and if, such payment is not made or such condition, covenant, or requirement complied with, within that time, the said permit or lease and all the rights of the permittee or lessee of said lands shall be declared forfeited.

Sec. 20. SURRENDER. A permittee or lessee may surrender any or all of his permit or lease upon payment to the department of all amounts then due. No repayment of any part of his fee or rental shall be made to a permittee or lessee upon surrender of his permit or lease.

Sec. 21. APPEAL. Except as otherwise provided in this act, appeal from any order or decision of the department made pursuant to the provisions of this act shall be to the superior court of the county in which the land is situate.

Sec. 22. RECORDS AND REPORTS. (a) Before drilling a well for oil or gas on state land the permittee or lessee shall file with the department written notice of intention, showing the location of the proposed well. He shall keep a complete log of all wells, and when requested by the department shall furnish complete specimens of

drill cuttings. Upon abandoning a well he shall immediately notify the department, in writing, and turn over a true copy of the log of the well to the department.

(b) The department shall require the lessee to submit monthly production statements, under oath, showing the amount of oil, gas, and other hydrocarbons produced and saved since the last statement, and the market value thereof, less oil and gas used in development and production. Records and accounts pertaining to drilling, production, transportation, storage and marketing shall be open to examination by the department or its agent.

Sec. 23. REGULATIONS. The department shall issue reasonable rules and regulations governing applications for and form of lease, payment of royalties, drilling and development, casing and plugging wells, and production, transportation, and storage of oil and gas, and other rules necessary to carry out the provisions of this act. Such rules and regulations shall specify the effective date thereof, which shall be not less than fifteen days after the date of issue.

Sec. 24. REPEAL. Section 2974, Revised Code of 1928, is repealed. This section does not negative an implied repeal of any statute which conflicts with this act.

Sec. 25. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 20, 1939.

CHAPTER 88

(House Bill No. 272)

AN ACT

MAKING APPROPRIATIONS FOR THE VARIOUS DEPARTMENTS OF STATE, FOR THE STATE INSTITUTIONS, FOR PUBLIC SCHOOLS, FOR STATE DEPARTMENTS, ACTIVITIES, AGENCIES, AND PURPOSES APPURTENANT THERETO; PROVIDING FOR THE MANNER IN WHICH APPROPRIATIONS FOR LABOR SHALL BE EXPENDED AND THE MANNER IN WHICH AND CONDITIONS UNDER WHICH ALL APPROPRIATIONS HEREIN SHALL BE PAID, ALL FOR THE FISCAL YEAR BEGINNING JULY 1, 1939, AND ENDING JUNE 30, 1940, HEREINAFTER DESIGNATED AS THE 28TH FISCAL YEAR, AND BEGINNING JULY 1, 1940, AND ENDING JUNE 30, 1941, HEREINAFTER DESIGNATED AS THE 29TH FISCAL YEAR, ALL OF WHICH CONSTITUTE A GENERAL APPROPRIATION BILL FOR SAID FISCAL YEARS.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. The following sums herein set forth are hereby appropriated for the fiscal years beginning July 1, 1939, and ending June 30, 1940, hereinafter designated as the 28th fiscal year, and beginning July 1, 1940, and ending June 30, 1941, hereinafter designated as the 29th fiscal year, for the several purposes and objects as hereinafter

specified, and the state auditor is hereby authorized and directed to draw warrants on the state treasurer to and not to exceed the amounts herein set forth and for the purpose herein specified; and the state treasurer is hereby authorized and directed to pay said warrants out of the general fund of the state and the appropriation for the respective state agencies herein made.

Subdivision 1. UNIVERSITY OF ARIZONA.

	For the 28th Fiscal Year	For the 29th Fiscal Year
For salaries and wages; for operation; for travel; for capital investment; for repairs and replacements:		
Lump sum appropriation	$835,178.70	$835,178.70
	$1,670,357.40	

In addition to the above appropriation, the amount of all federal aid funds, county extension funds, farm sales funds, matriculation funds, student breakage funds, timber rental funds, income from land rentals and interest on the permanent investment fund, in compliance with the enabling act and the constitution, and all other receipts received by and for the university is hereby appropriated for the improvement, support and maintenance of the university of Arizona; and the university of Arizona is authorized to designate the fund to which any of the above receipts shall be credited and the auditor and treasurer are directed to so credit receipts.

Subdivision 2. ARIZONA STATE TEACHERS COLLEGE AT FLAGSTAFF.

	For the 28th Fiscal Year	For the 29th Fiscal Year
For salaries and wages; for operation; for travel; for capital investment; for repairs and replacements:		
Lump sum appropriation	$210,137.32	$210,137.32
	$420,274.64	

In addition to the above appropriation, the amount of all federal aid funds, county extension funds, farm sales funds, matriculation funds, student breakage funds, timber rental funds, income from land rentals and interest on the permanent investment fund, in compliance with the enabling act and the constitution, and all other receipts received by and for the Arizona state teachers college at Flagstaff is hereby appropriated for the improvement, support and maintenance of the Arizona state teachers college at Flagstaff; and the Arizona state teachers college at Flagstaff is authorized to designate the fund to which any of the above receipts shall be credited and the auditor and treasurer are directed to so credit receipts.

Subdivision 3. ARIZONA STATE TEACHERS COLLEGE AT TEMPE.

	For the 28th Fiscal Year	For the 29th Fiscal Year
For salaries and wages; for operation; for		

travel; for capital investment; for repairs and replacements:

Lump sum appropriation	$290,237.97	$290,237.97
		$580,475.94

In addition to the above appropriation, the amount of all federal aid funds, county extension funds, farm sales funds, matriculation funds, student breakage funds, timber rental funds, income from land rentals and interest on the permanent investment fund, in compliance with the enabling act and the constitution, and all other receipts received by and for the Arizona state teachers college at Tempe is hereby appropriated for the improvement, support and maintenance of the Arizona state teachers college at Tempe; and the Arizona state teachers college at Tempe is authorized to designate the fund to which any of the above receipts shall be credited and the auditor and treasurer are directed to so credit receipts.

Subdivision 4. SUPERINTENDENT OF PUBLIC INSTRUCTION AND COMMON SCHOOLS. For the board of education; for the support of the kindergarten, primary, elementary, grammar, four-year high school grades of the public schools and vocational education, that the sum of money which shall be equal to twenty-five dollars per capita on all pupils in average attendance in the common and high schools of the state, as shown by the records of the state superintendent of public instruction for the preceding year. This amount shall include the following items:

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salaries and wages:		
Salary—Superintendent	$ 4,500.00	$ 4,500.00
Director of elementary education	2,400.00	2,400.00
Statistician	2,400.00	2,400.00
Director of research	2,400.00	2,400.00
Director of tests and measurements	2,400.00	2,400.00
Certification clerk	2,400.00	2,400.00
Stenographers (4 @ $1,500.00 each)	6,000.00	6,000.00
Total salaries and wages	$ 22,500.00	$ 22,500.00
Operation	9,000.00	9,000.00
Travel	3,500.00	3,500.00
Capital Investment	500.00	500.00
Repairs and replacements	250.00	250.00
Miscellaneous requirements:		
Teachers' pensions	63,000.00	66,000.00
Textbooks	75,000.00	75,000.00
Total miscellaneous requirements	$138,000.00	$141,000.00

Vocational education:		
For operation; for travel; for capital investment:	750.00	750.00
Sub-total	$174,500.00	$177,500.00
For vocational education and to match federal funds; provided, however, that no salaries in excess of $3,600.00 per annum shall be allowed from the combined state and federal funds.		
Reimbursement to schools	$ 7,700.00	$ 7,700.00
Vocational agriculture: For salaries and wages; for reimbursement to schools; for operation; for travel; for capital investment:		
Lump sum appropriation	6,000.00	6,000.00
Trade, industrial and home economics education:		
For salaries and wages; for reimbursement to schools; for operation; for travel; for capital investment:		

Lump sum appropriation	15,000.00	15,000.00
Teacher training: For salaries and wages; for operation; for travel; for capital investment:		
Lump sum appropriation	10,000.00	10,000.00
Civilian rehabilitation: For salaries and wages; for operation; for travel; for capital investment:		
Lump sum appropriation	10,000.00	10,000.00
Total Vocational Education	$ 48,700.00	$ 48,700.00

The above appropriations are made subject to the condition that, at least, like amounts shall be allotted to this state by the federal government and expended concurrently with these appropriations. The appropriation for reimbursement to schools is made subject to the condition that it be used only for reimbursing schools for salaries of such regularly approved, certified vocational teachers as are reimbursable from federal funds.

Grand total appropriation	$223,200.00	$226,200.00
	$449,400.00	

The balance of the per capita tax, together with

the amount of all moneys received from national forest, interest collected on deferred payments on the purchase of state lands, the income from the investment of permanent funds as prescribed by the enabling act and the state constitution, the income from toll roads, bridges, ferries, etc., and all moneys received by the superintendent of public instruction from whatever source, during each of the fiscal years, when paid into the state treasury, are hereby appropriated for the apportionment to the various counties in accordance with law. No expenditure shall be made except as specifically authorized above.

Subdivision 5. ARIZONA STATE SCHOOL FOR THE DEAF AND BLIND.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salary—Superintendent	$ 3,000.00	$ 3,000.00
Other salaries and wages	44,970.00	44,970.00
Total salaries and wages	$ 47,970.00	$ 47,970.00
Operation	31,200.00	30,000.00
Travel	650.00	650.00
Capital investment	5,000.00	2,000.00
Motor vehicles:		
One truck	750.00	
One school bus	2,700.00	
One sedan	750.00	

Miscellaneous requirements:		
Sewer line connection	2,500.00	
Water line connection	2,500.00	
Fire alarm system.....	950.00	
Total miscellaneous requirements	$ 5,950.00	
Repairs and replacements	$ 2,550.00	$ 1,550.00
Total appropriation	$ 97,520.00	$ 82,170.00
	$179,690.00	

In addition to the above appropriation, there is hereby appropriated the annual income from the land rentals and the interest on the investment of the permanent funds, in compliance with the enabling act and the state constitution.

Subdivision 6. INDUSTRIAL SCHOOL.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salaries and wages:		
Superintendent	$ 3,000.00	$ 3,000.00
Assistant superintendent	1,800.00	1,800.00
Detail officer	1,740.00	1,740.00
Secretary	1,500.00	1,500.00
Teacher	1,380.00	1,380.00
Teacher	1,380.00	1,380.00
Teacher	1,380.00	1,380.00

Nurse	1,380.00	1,380.00
Farmer	1,200.00	1,200.00
Dairy man	1,200.00	1,200.00
Plumber	1,350.00	1,350.00
Engineer and electrician	1,350.00	1,350.00
Cook	1,200.00	1,200.00
Supervisor	1,200.00	1,200.00
Supervisor of music	1,200.00	1,200.00
Supervisor	1,200.00	1,200.00
Supervisor	1,200.00	1,200.00
Truck driver	1,200.00	1,200.00
Doctor	600.00	600.00
Dental work	480.00	480.00
Chaplain	180.00	180.00
Total salaries and wages	$ 27,120.00	$ 27,120.00
Operation	23,500.00	23,500.00
Travel	400.00	400.00
Capital investment:		
1200 chickens	200.00	
Clubhouse	400.00	
Farming equipment	300.00	300.00
Tools and pipe		450.00
Total capital investment	$ 900.00	$ 750.00

Motor Vehicles:		
One truck	1,100.00	
One sedan	700.00	
Repairs and replacements	1,500.00	1,500.00
Total appropriation	$ 55,220.00	$ 53,270.00
	$108,490.00	

Subdivision 7. PIONEERS' HOME.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salaries and wages:		
Superintendent	$ 3,000.00	$ 3,000.00
Bookkeeper	1,500.00	1,500.00
Engineer	1,200.00	1,200.00
Physician	1,200.00	1,200.00
Nurse, Head (R.N.)	1,200.00	1,200.00
Nurse, Night (R.N.)	1,000.00	1,000.00
Nurse, (R. N.)	1,000.00	1,000.00
Nurses, (3)	2,250.00	2,250.00
Orderlies (2)	1,300.00	1,300.00
Cook	1,200.00	1,200.00
Assistant cook	750.00	750.00
Baker	1,000.00	1,000.00
Kitchen helper	650.00	650.00
Waiters (3)	1,800.00	1,800.00
Housekeeper	750.00	750.00

Janitors (2)	1,300.00	1,300.00
Barber	660.00	660.00
Dentist and Oculist (Periodic)	550.00	550.00
Dishwasher	650.00	650.00
Laundry and bugman	720.00	720.00
Total salaries and wages	$ 23,680.00	$ 23,680.00
Operation	55,000.00	55,000.00
Travel	200.00	200.00
Capital investment:		
Miscellaneous equipment	150.00	300.00
Floor machine	295.00	
Inhalator	33.00	
Potato peeler	275.00	
Total capital investment	$ 753.00	$ 300.00
Repairs and replacements	1,000.00	1,000.00
Total appropriation	$ 80,633.00	$ 80,180.00
	$160,813.00	

In addition to the above appropriation, there is hereby appropriated to the Miners' Home at Prescott, Arizona, the income from land rentals and the interest on the investment of the permanent

funds, in compliance with the enabling act and the state constitution.

Subdivision 8. PRISON.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salaries and wages:		
Superintendent	$ 3,600.00	$ 3,600.00
Assistant superintendent	2,400.00	2,400.00
Secretary	2,000.00	2,000.00
Physician	2,000.00	2,000.00
Steward	1,800.00	1,800.00
Engineer	1,800.00	1,800.00
Farm superintendent	1,800.00	1,800.00
Matron	1,200.00	1,200.00
Chaplains (2 @ $200.00 each)	400.00	400.00
Dentist (Periodic)	600.00	600.00
Yard captain	2,000.00	2,000.00
Guards (46 @ $1,440.00 each)	66,240.00	66,240.00
Relief guards (Periodic)	1,800.00	1,800.00
Parole clerk	1,500.00	1,500.00
Assistant physician and nurse, (Periodic)	400.00	400.00
Total salaries and wages	$ 89,540.00	$ 89,540.00

Operation	100,000.00	100,000.00
Travel	1,500.00	1,500.00
Capital investment	2,000.00	2,000.00
Repairs and replacements	3,000.00	3,000.00
Total appropriation	$196,040.00	$196,040.00
	$392,080.00	

In addition to the above appropriation, there is hereby appropriated the annual income from the land rentals and the interest on the investment of the permanent funds, in compliance with the enabling act and the state constitution.

Subdivision 9. STATE HOSPITAL FOR THE INSANE.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salaries and wages:		
Salary—Superintendent	$ 3,600.00	$ 3,600.00
Physician-Psychiatrist (2 @ $2,520.00 each)	5,040.00	5,040.00
Physician-Psychiatrist (2 at $1,890.00 each)	3,780.00	3,780 00
Technician	1,260.00	1,260.00
Steward	1,800.00	1,800.00
Bookkeeper	1,800.00	1,800.00

Stenographers (2 @ $1,200.00 each)	2,400.00	2,400.00
Stenographer (Clinic)	1,200.00	1,200.00
Storekeeper	1,500.00	1,500.00
Information clerk	960.00	960.00
PBX operator	900.00	900.00
Carpenter	1,200.00	1,200.00
Assistant carpenter	900.00	900.00
Plumber	1,500.00	1,500.00
Night watchman	1,080.00	1,080.00
Cook and dietician	1,500.00	1,500.00
Assistant cook	960.00	960.00
Mechanic	1,200.00	1,200.00
Truck driver	900.00	900.00
Farmer	1,500.00	1,500.00
Assistant farmer	945.00	945.00
Farm detail (2 @ $720.00 each)	1,440.00	1,440.00
Gardener	900.00	900.00
Dairyman	960.00	960.00
Baker	1,200.00	1,200.00
Meat cutter	720.00	720.00
Waiter	780.00	780.00
Waitress	780.00	780.00
Supervisor	1,800.00	1,800.00
Social worker	1,500.00	1,500.00

Assistant social worker	1,200.00	1,200.00
Matron—Day	1,500.00	1,500.00
Matron—Night	1,200.00	1,200.00
Nurses (R.N.)—6 @ $1,200.00 each	7,200.00	7,200.00
Seamstress	960.00	960.00
Laundryman	1,200.00	1,200.00
Laundress	780.00	780.00
Assistant laundress	720.00	720.00
Engineer	1,800.00	1,800.00
Assistant engineers (3 @ $960.00 each)	2,880.00	2,880.00
Shoemaker	720.00	720.00
Dentist (Periodic)	1,200.00	1,200.00
Misc'l day labor	500.00	500.00
Attendants	84,960.00	84,960.00
Teacher (Feeble minded group)	1,080.00	1,080.00
Physiotherapists (2 @ $900.00 each)	1,800.00	1,800.00
Occupational therapists (2 @ $900.00 each)	1,800.00	1,800.00
Total salaries and wages	$157,505.00	$157,505.00
Operation	111,500.00	111,500.00

Transportation and subsistence	2,000.00	2,000.00
Capital investment:		
(Pasteurizer first year)	1,400.00	200.00
Repairs and replacements	5,700.00	5,800.00
Total appropriation	$278,105.00	$277,005.00
	$555,110.00	

In addition to the above appropriation, there is hereby appropriated the annual income from the land rentals and the interest on the investment of the permanent funds, in compliance with the enabling act and the state constitution.

Subdivision 10. ANIMAL HUSBANDRY.

For the Livestock Sanitary Board for cooperation with the United States Bureau of Animal Industry for the eradication of tuberculosis in cattle.

	For the 28th Fiscal Year	For the 29th Fiscal Year
For salaries; for operation; for travel:		
Lump sum appropriation	$ 10,000.00	$ 10,000.00
	$ 20,000.00	

The said appropriation is made subject to the condition that, at least, a like amount shall be allotted to this state by the federal government and expended concurrently with this appropriation.

Subdivision 11. ARIZONA COPPER TARIFF BOARD.

	For the 28th Fiscal Year	For the 29th Fiscal Year
For salaries and wages; for operation; for travel:		
Lump sum appropriation	$ 1,250.00	$ 1,250.00
	$ 2,500.00	

Subdivision 12. ATTORNEY GENERAL.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salaries and wages:		
Salary—Attorney General	$ 5,500.00	$ 5,500.00
Chief assistant attorney general	4,200.00	4,200.00
Assistant attorney	3,000.00	3,000.00
Assistant attorney	3,000.00	3,000.00
Assistant attorney	3,000.00	3,000.00
Stenographers (4 @ $1,800.00 each)	7,200.00	7,200.00
Total salaries and wages	$ 25,900.00	$ 25,900.00
Operation	4,000.00	4,000.00
Travel	1,000.00	1,000.00
Capital investment	1,000.00	1,000.00
Total appropriation	$ 31,900.00	$ 31,900.00
	$63,800.00	

Subdivision 13. BANKING DEPARTMENT.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salaries and wages:		
Superintendent	$ 5,000.00	$ 5,000.00
Examiner	3,000.00	3,000.00
Secretary	2,000.00	2,000.00
Total salaries and wages	$ 10,000.00	$ 10,000.00
Operation	750.00	750.00
Travel	1,500.00	1,500.00
Capital investment	250.00	250.00
Total appropriation	$ 12,500.00	$ 12,500.00
	$ 25,000.00	

Subdivision 14. BOARD OF DIRECTORS, STATE INSTITUTIONS.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salaries and wages:		
Secretary	$ 4,800.00	$ 4,800.00
Stenographer-secretary	1,800.00	1,800.00
Order clerk	1,800.00	1,800.00
Voucher clerk	1,800.00	1,800.00
Bookkeeper	2,400.00	2,400.00
Typist	1,200.00	1,200.00
Total salaries and wages	$ 13,800.00	$ 13,800.00

Operation	2,300.00	2,300.00
Travel	600.00	600.00
Capital investment	500.00	100.00
Motor vehicle	750.00	
Total appropriation	$ 17,950.00	$16,800.00
	$ 34,750.00	

Subdivision 15. BOARD OF HEALTH AND CHILD HYGIENE.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Board of Health and Vital Statistics:		
Salary—Superintendent and registrar	$ 3,600.00	$ 3,600.00
Other salaries and wages	9,900.00	9,900.00
Total salaries and wages	$ 13,500.00	$ 13,500.00
Operation	3,500.00	3,500.00
Travel	300.00	300.00
Capital investment	250.00	50.00
Tuberculosis control program	8,000.00	8,000.00
Total appropriation	$ 25,550.00	$ 25,350.00
Child Hygiene:		
Salaries and wages	11,550.00	11,550.00
Operation	700.00	700.00

Travel	1,500.00	1,500.00
Transportation for respirator	150.00	150.00
Capital investment	250.00	50.00
Insurance—Iron Lung and Health Mobile	100.00	100.00
Cooperating health units	6,000.00	6,000.00
Total appropriation	$ 20,250.00	$ 20,050.00
Grand total appropriation	$ 45,800.00	$ 45,400.00
	$91,200.00	

Subdivision 16. BOARD OF PARDONS AND PAROLES.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salary — Chairman (Per Diem)		
Salary 150 days @ $7.00 per diem	$ 1,050.00	$ 1,050.00
Supervisor of paroles 150 days @ $7.00 per diem	1,050.00	1,050.00
Salary—secretary	1,620.00	1,620.00
Total salaries	$ 3,720.00	$ 3,720.00
Operation	500.00	500.00
Travel	500.00	500.00

Capital investment	100.00	100.00
Total appropriation..	$ 4,820.00	$ 4,820.00
	$ 9,640.00	

Subdivision 17. BUREAU OF CRIMINAL IDENTIFICATION.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salaries and wages:		
Salary—Superintendent	$ 3,600.00	$ 3,600.00
Assistant superintendent	2,400.00	2,400.00
Total salaries and wages	$ 6,000.00	$ 6,000.00
Operation	500.00	500.00
Capital investment	100.00	100.00
Total appropriation..	$ 6,600.00	$ 6,600.00
	$13,200.00	

Subdivision 18. CAPITOL BUILDINGS AND GROUNDS.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salaries and wages:		
Salary—Custodian ..	$ 2,400.00	$ 2,400.00
Watchmen (3 @ $1,350.00 each)	4,050.00	4,050.00

Watchman — emergency	168.75	168.75
Plant engineer	1,920.00	1,920.00
Porter and elevator pilot	1,080.00	1,080.00
Elevator operator	1,080.00	1,080.00
Maid	972.00	972.00
Head gardener	1,620.00	1,620.00
Janitors (9 @ $972.00 each)	8,748.00	8,748.00
Labor—Periodic	4,000.00	4,000.00
Total salaries and wages	$ 26,038.75	$ 26,038.75
Operation	5,000.00	5,000.00
Light, fuel, water and power	11,500.00	11,000.00
Capital investment	500.00	
Repairs and replacements	2,000.00	1,200.00
Total appropriation	$ 45,038.75	$ 43,238.75
	$ 88,277.50	

Subdivision 19. CARE OF GIRL JUVENILE OFFENDERS.

	For the 28th Fiscal Year	For the 29th Fiscal Year
For the use of the Board of Directors of state institutions for the		

payment of such contracts as are entered into by the board for the detention, confinement, education, employment, reformation, and medical, surgical and dental treatment and disciplining of the state's girl juvenile offenders	$ 50,000.00	$ 50,000.00
	$100,000.00	

Subdivision 20. COMMISSION OF AGRICULTURE AND HORTICULTURE.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salaries:		
Commission members (3)	$ 900.00	$ 900.00
State entomologist	3,000.00	3,000.00
Secretary and chief clerk	2,100.00	2,100.00
District entomologist	2,400.00	2,400.00
Assistant entomologist	2,000.00	2,000.00
District inspector — Safford	1,800.00	1,800.00
District inspector — Tucson	1,800.00	1,800.00
District inspector — Phoenix	1,800.00	1,800.00

Crop pest inspector (Phoenix, south side)	1,500.00	1,500.00
Market inspector — Phoenix	1,500.00	1,500.00
Nursery inspector	1,500.00	1,500.00
Stenographer	1,500.00	1,500.00
Record clerk	1,500.00	1,500.00
Miscellaneous crop pest inspectors, (Periodic)	1,600.00	1,600.00
Field apiary inspectors (Periodic)	3,000.00	3,000.00
Road inspectors (8) (In charge)	14,400.00	14,400.00
Road inspectors (26 @ $1,500.00)	39,000.00	39,000.00
Total salaries	$ 81,300.00	$ 81,300.00
Operation	6,000.00	6,000.00
Travel	6,000.00	6,000.00
Capital investment: New equipment	500.00	250.00
Motor vehicle	1,500.00	
Repairs and replacements	500.00	500.00
Total appropriation	$ 95,800.00	$ 94,050.00
	$189,850.00	

Subdivision 21. CORPORATION COMMISSION.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Administrative Division:		
Salaries:		
Commissioners (3)	$ 13,500.00	$ 13,500.00
Secretary	2,700.00	2,700.00
Total salaries	$ 16,200.00	$ 16,200.00
Operation	200.00	200.00
Travel	2,000.00	2,000.00
Total administrative division	$ 18,400.00	$ 18,400.00
Incorporating and Investment Division:		
Salaries:		
Chief Clerk	$ 2,040.00	$ 2,040.00
Investment clerk	1,680.00	1,680.00
Stenographer	1,500.00	1,500.00
Total salaries	$ 5,220.00	$ 5,220,00
Operation	1,500.00	1,500.00
Capital investment	200.00	200.00
Total incorporating and investment division	$ 6,920.00	$ 6,920.00
Insurance Division:		
For salaries; for op-		

eration; for travel; for capital investment:		
Lump sum appropriation	$ 2,000.00	$ 2,000.00
Rate Division:		
Salaries:		
Rate expert	2,520.00	2,520.00
Total salaries	$ 2,520.00	$ 2,520.00
Operation	$ 100.00	$ 100.00
Capital investment	100.00	
Total rate division	$ 2,720.00	$ 2,620.00
Public Utility Division:		
Salaries:		
Engineer	3,000.00	3,000.00
Stenographer	1,500.00	1,500.00
Total salaries	$ 4,500.00	$ 4,500.00
Operation	200.00	200.00
Travel and subsistence for engineer	800.00	800.00
Capital investment:		
Valuation, meter testing and recording equipment	1,000.00	
Total public utility division	$ 6,500.00	$ 5,500.00

Motor Vehicle Division:		
Salaries:		
Chief clerk	2,220.00	2,220.00
Stenographers and clerks (4 @ $1,500.00 each)	6,000.00	6,000.00
Total salaries	$ 8,220.00	$ 8,220.00
Operation	1,500.00	1,500.00
Capital investment	100.00	100.00
Total motor vehicle division	$ 9,820.00	$ 9,820.00
Miscellaneous:		
Reception clerk	1,680.00	1,680.00
Work supervisor and information clerk	2,280.00	2,280.00
Reporter	2,400.00	2,400.00
Total miscellaneous	$ 6,360.00	$ 6,360.00
Total appropriation	52,720.00	51,620.00
	$104,340.00	

Subdivision 22. DAIRY COMMISSION.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salary—Commissioner	$ 3,000.00	$ 3,000.00
Deputy	2,400.00	2,400.00
Stenographer	1,500.00	1,500.00

Stenographer—Periodic	50.00	50.00
Special Deputies	1,200.00	1,200.00
Total salaries .....$	8,150.00	$ 8,150.00
Operation	450.00	450.00
Travel	2,600.00	2,600.00
Total appropriation $	11,200.00	$ 11,200.00
	$ 22,400.00	

Subdivision 23. FRUIT AND VEGETABLE STANDARDIZATION ACT.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salary—Supervisor ------$	3,000.00	$ 3,000.00
Other salaries-office clerk	1,500.00	1,500.00
Operation ----------	200.00	200.00
Total appropriation ----$	4,700.00	$ 4,700.00
	$ 9,400.00	

Subdivision 24. GOVERNOR.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salary - Governor---------$	7,500.00	$ 7,500.00
Other Salaries:		
Executive secretary ----	4,800.00	4,800.00
Assistant secretary ----	3,600.00	3,600.00
Stenographers (4 @ $1,-800.00 each) ---------	7,200.00	7,200.00
Total salaries----------$	23,100.00	$ 23,100.00

Operation	5,000.00	5,000.00
Travel	2,500.00	2,500.00
Capital investment	500.00	500.00
Periodic employment	1,250.00	1,250.00
Contingent fund	4,000.00	4,000.00
Official entertainment	1,000.00	1,000.00
Rewards	1,000.00	1,000.00
Miscellaneous:		
Periodic salaries and traveling expenses to take care of representatives attending state business outside the state of Arizona	1,250.00	1,250.00
Total appropriation	$ 39,600.00	$ 39,600.00
	$ 79,200.00	

Subdivision 25. INDUSTRIAL COMMISSION.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salaries-Commissioners (3)	$ 15,000.00	$ 15,000.00
Enforcement of Labor Laws and Minimum Wage Laws:		
Manager	3,000.00	3,000.00
Inspector	2,400.00	2,400.00
Inspector	2,400.00	2,400.00
Director of minimum wage division	1,920.00	1,920.00

Stenographer	1,500.00	1,500.00
Total salaries	$ 26,220.00	$ 26,220.00
Operation	500.00	500.00
Travel	2,000.00	2,000.00
District Board Expense:		
Lump sum appropriation	1,440.00	1,440.00
Total appropriation	$ 30,160.00	$ 30,160.00
	$ 60,320.00	

Subdivision 26. INSPECTOR OF WEIGHTS AND MEASURES.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salary - Inspector	$ 2,000.00	$ 2,000.00
Operation	500.00	500.00
Travel	1,100.00	1,100.00
Capital investment:		
Motor vehicle	600.00	
Total appropriation	$ 4,200.00	$ 3,600.00
	$ 7,800.00	

Subdivision 27. INSURANCE PREMIUMS.

	For the 28th Fiscal Year	For the 29th Fiscal Year
For Premiums: Exclusive of the state highway department	$ 27,000.00	$ 27,000.00

To cover certificates of indebtedness	6,304.65	
Total appropriation	$ 33,304.65	$ 27,000.00
	$ 60,304.65	

Subdivision 28. JUNIOR COLLEGES.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Junior College - Thatcher	$ 15,000.00	$ 15,000.00
Junior College - Phoenix	15,000.00	15,000.00
Total appropriation	$ 30,000.00	$ 30,000.00
	$ 60,000.00	

No part of the said state aid shall be expended for the construction or repair of buildings, or the purchase of grounds or equipment.

Subdivision 29. DEPARTMENT OF LIBRARY AND ARCHIVES.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salaries:		
Director	$ 5,000.00	$ 5,000.00
Law Library Assistant	2,220.00	2,220.00
History and Archive Assistant	2,100.00	2,100.00
Legislative Bureau Assistant	2,100.00	2,100.00
Secretary	1,800.00	1,800.00
Total salaries	$ 13,220.00	$ 13,220.00

Operation	3,000.00	3,000.00
Travel	150.00	150.00
Capital investment	6,500.00	6,500.00
Repairs and replacements	100.00	100.00
Miscellaneous:		
American Legislators Association	250.00	250.00
Total appropriation	$ 23,220.00	$ 23,220.00
	$ 46,440.00	

Subdivision 30. LIVESTOCK SANITARY BOARD.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salaries:		
Secretary	$ 2,880.00	$ 2,880.00
Brand clerk	2,280.00	2,280.00
Bookkeeper	1,860.00	1,860.00
Stenographer	1,500.00	1,500.00
Board members - per diem	1,200.00	1,200.00
Field man and periodic clerk	300.00	300.00
Inspectors	100,000.00	100,000.00
Total salaries	$110,020.00	$110,020.00
Operation	3,100.00	3,100.00
Travel	1,200.00	1,200.00

Miscellaneous:		
Re-recording of brands 1941 salaries and operation		7,500.00
Total appropriation	$114,320.00	$121,820.00
	$236,140.00	

Subdivision 31. NATIONAL GUARD.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salary - Adjutant General	$ 3,600.00	$ 3,600.00
Other salaries:		
State Quartermaster	2,100.00	2,100.00
Executive officer	2,100.00	2,100.00
Personnel officer	2,100.00	2,100.00
Assistant quartermaster	2,100.00	2,100.00
Stenographer	1,200.00	1,200.00
Caretaker - Arsenal	1,200.00	1,200.00
Caretaker - Ft. Tuthill	1,200.00	1,200.00
Rangekeeper - Phoenix	300.00	300.00
Periodic day labor	400.00	400.00
Janitor and gardener	900.00	900.00
Total salaries	$ 17,200.00	$ 17,200.00
Operation	9,000.00	9,000.00
Travel	2,000.00	2,000.00
Capital investment	750.00	500.00

Repairs and replacements:		
Building and grounds (Casa Grande)	500.00	500.00
Other buildings and grounds	4,500.00	4,500.00
Contingent property allowance	1,000.00	1,000.00
Pay of enlisted men, field training	19,695.00	19,695.00
Rental of armories and target ranges	3,500.00	3,500.00
Officers' clothing allowance	5,280.00	5,280.00
Unit allowances	15,300.00	15,300.00
158th Infantry allowance for commanding officer	1,200.00	1,200.00
Total appropriation	$ 79,925.00	$ 79,675.00
	$159,600.00	

For emergencies not provided for, viz: courts martial, investigations, funerals, medical attention, etc., and to equalize errors in estimates, the auditor and treasurer are authorized upon the request of the adjutant general approved by the governor, to transfer not to exceed ten per cent of monies appropriated under any item, to any other item, excepting salaries, in order that no deficiency may be necessary at the close of the fiscal years ending June 30, 1940 and June 30, 1941.

Subdivision 32. PIONEERS' HISTORICAL SOCIETY.

	For the 28th Fiscal Year	For the 29th Fiscal Year
For salaries; for operation;		

for capital investment:

Lump sum appropriation	$ 2,000.00	$ 2,000.00
		$ 4,000.00

Subdivision 33. PRESCOTT HISTORICAL SOCIETY.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Preservation and repair of gubernatorial mansion at Prescott; for salaries; for operation; for capital investment:		
Lump sum appropriation	$ 2,000.00	$ 2,000.00
		$ 4,000.00

Subdivision 34. PREDATORY ANIMAL CONTROL.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salaries	$ 10,500.00	$ 10,500.00
		$ 21,000.00

This appropriation is made subject to the condition, that at least, a like amount be allotted to this state by the federal government and expended concurrently with this appropriation.

Subdivision 35. RODENT CONTROL.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salaries	$ 10,500.00	$ 10,500.00
		$ 21,000.00

This appropriation is made subject to the condition, that at least, a like amount be allotted to this state by the federal government and expended concurrently with this appropriation.

Subdivision 36. SECRETARY OF STATE.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salary - Secretary	$ 5,000.00	$ 5,000.00
Other Salaries:		
Assistant secretary of state	3,300.00	3,300.00
Chief clerk and bookkeeper	1,800.00	1,800.00
Stenographers (5 @ $1,500.00 each)	7,500.00	7,500.00
Total salaries	$ 17,600.00	$ 17,600.00
Operation	2,500.00	2,500.00
Capital investment	500.00	
Expense of preparing and printing fourth special session laws of 1938 and regular session laws of 1939	4,000.00	
Expense of preparing and printing and distributing initiative and referendum publicity		6,000.00
Total appropriation	$ 24,600.00	$26,100.00
	$ 50,700.00	

Subdivision 37. SHEEP SANITARY COMMISSION.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salaries:		
Inspectors (4 @ $1,500.00 each)	$ 6,000.00	$ 6,000.00
Stenographer	1,500.00	1,500.00
Total salaries	$ 7,500.00	$ 7,500.00
Operation	300.00	300.00
Travel	3,000.00	3,000.00
Total appropriation	$ 10,800.00	$ 10,800.00
	$ 21,600.00	

Subdivision 38. STATE AUDITOR.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salary - Auditor	$ 4,500.00	$ 4,500.00
Other salaries:		
Deputy auditor or chief clerk	3,300.00	3,300.00
Office accountant	2,400.00	2,400.00
Desk clerk	1,500.00	1,500.00
Secretary-stenographer	1,800.00	1,800.00
Accountants, senior, (2 @ $3,000.00 each)	6,000.00	6,000.00
Accountants, junior, (3 @ $2,100.00 each)	6,300.00	6,300.00

Accountants, claim (3 @ $1,800.00 each)	5,400.00	5,400.00
Warrant clerk, supervisor	1,800.00	1,800.00
Warrant clerk, intermediate	1,500.00	1,500.00
Warrant clerk, junior	1,500.00	1,500.00
Bookkeeping machine operator	1,500.00	1,500.00
Stenographer, intermediate (auditing division)	1,500.00	1,500.00
Stenographer, junior (auditing division)	1,500.00	1,500.00
File clerk	1,500.00	1,500.00
State property clerk	2,700.00	2,700.00
State property stenographer	1,500.00	1,500.00
Total salaries	$ 46,200.00	$ 46,200.00
Operation	4,000.00	4,500.00
Travel	2,450.00	2,450.00
Capital investment:		
Posting machines and bookkeeping machines	8,515.80	
Miscellaneous	1,900.00	
Total capital investment	$ 10,415.80	
Repairs and replacements	250.00	250.00
Printing reports	1,000.00	1,000.00
Total appropriation	$ 64,315.80	$ 54,400.00
	$118,715.80	

Subdivision 39. STATE EXAMINER.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salaries:		
Salary - Examiner	$ 2,500.00	$ 2,500.00
Chief deputy examiner	3,000.00	3,000.00
Deputy examiners (2 @ $2,300.00 each)	4,600.00	4,600.00
Stenographer	1,500.00	1,500.00
Extra help	1,000.00	1,000.00
Total salaries	$ 12,600.00	$ 12,600.00
Operation	750.00	750.00
Travel	6,000.00	6,000.00
Capital investment	225.00	225.00
Total appropriation	$ 19,575.00	$ 19,575.00
	$ 39,150.00	

Subdivision 40. STATE FAIR COMMISSION.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salaries:		
Secretary	$ 2,400.00	$ 2,400.00
Custodian	1,200.00	1,200.00
Total salaries	$ 3,600.00	$ 3,600.00
Operation	1,500.00	1,500.00
Capital investment:		
Power mower	360.00	

Tractor	1,400.00	
Sprinkler	1,500.00	
Harrow	250.00	
Miscellaneous	250.00	500.00
Total capital investment	$ 3,760.00	$ 500.00
Insurance	2,000.00	2,000.00
Repairs and replacements	1,000.00	1,000.00
Total appropriation	$ 11,860.00	$ 8,600.00
	$ 20,460.00	

Subdivision 41. STATE LABORATORY.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salaries:		
Salary - Director	$ 2,520.00	$ 2,520.00
Bacteriologist (Phoenix)	1,800.00	1,800.00
Assistant Bacteriologist (Tucson)	1,800.00	1,800.00
Stenographer (Phoenix)	1,200.00	1,200.00
Stenographer (Tucson)	1,200.00	1,200.00
Periodic help	500.00	500.00
Total salaries	$ 9,020.00	$ 9,020.00
Operation	1,750.00	1,750.00
Travel	200.00	200.00
Capital investment	500.00	500.00
Repairs and replacements	350.00	200.00

Binding journals and replacing missing volumes	100.00	
Total appropriation	$ 11,920.00	$ 11,670.00
	$ 23,590.00	

Subdivision 42. STATE LAND COMMISSION.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salaries:		
Salary - Commissioner	$ 3,600.00	$ 3,600.00
Deputy commissioner	3,000.00	3,000.00
Secretary to commissioner	1,800.00	1,800.00
Stenographer	1,500.00	1,500.00
Engineer	2,600.00	2,600.00
Appraiser and fieldman	2,400.00	2,400.00
Selection clerk	1,920.00	1,920.00
Cashier, chief accountant and bookkeeper	2,100.00	2,100.00
Clerks and typists (6 @ $1,500.00 each)	9,000.00	9,000.00
Chief clerk, Leasing Department	1,920.00	1,920.00
Lumbermen and fire guards	2,000.00	2,000.00
Total salaries	$ 31,840.00	$ 31,840.00
Operation	7,500.00	7,500.00
Travel	2,000.00	2,000.00

Capital investment:		
Cash register	1,800.00	
Posting machine	1,500.00	
Typewriters	300.00	300.00
Rental index files	200.00	200.00
Motor vehicles (2)	1,200.00	
Total capital investment	$ 5,000.00	$ 500.00
Repairs and replacements	300.00	300.00
General expense in cooperating with the federal government working out the provisions of the Taylor Grazing Act	3,000.00	3,000.00
Total appropriation	$ 49,640.00	$ 45,140.00
	$ 94,780.00	

Subdivision 43. STATE MINE INSPECTOR.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salary - Mine Inspector	$ 4,500.00	$ 4,500.00
Other salaries:		
Deputies (3 @ $2,400.00 each)	7,200.00	7,200.00
Stenographer-secretary	1,800.00	1,800.00
Total salaries	$ 13,500.00	$ 13,500.00
Operation	1,000.00	1,000.00
Travel	4,500.00	4,500.00

Capital investment	69.36	
Total appropriation	$ 19,069.36	$ 19,000.00
	$ 38,069.36	

Subdivision 44. STATE TAX COMMISSION.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salaries:		
Salaries - Commissioners (3)	$ 13,500.00	$ 13,500.00
Secretary and auditor	2,700.00	2,700.00
Stenographers (2 @ $1,-500.00 each)	3,000.00	3,000.00
Comptroller	2,400.00	2,400.00
Statistician	1,800.00	1,800.00
Total salaries	$ 23,400.00	$ 23,400.00
Operation	500.00	1,000.00
Printing 15th biennial report		800.00
Travel	1,500.00	1,500.00
Capital investment	750.00	250.00
Repairs and replacements	200.00	200.00
Valuation Expenses:		
Per diem, travel and subsistence	3,500.00	3,500.00
Total state tax commission	$ 29,850.00	$ 30,650.00
	$ 60,500.00	

Income Tax Division:

For salaries; for operation; for travel; for capital investment; for repairs and replacements:	$ 10,000.00	$ 10,000.00
		$ 20,000.00

Chapter 8, Laws first special session, 1933, as amended, appropriates an amount equal to 4% of the total revenues collected during each calendar year, or fraction thereof, as determined from the receipts therefrom by the state treasurer, which appropriation is exclusive of and in addition to the appropriation herein contained.

SALES TAX DIVISION

Chapter 77, Laws of the regular session, twelfth legislature, 1935. For the purpose of carrying out the provisions of this act, there is hereby appropriated to the tax commission, out of the taxes collected hereunder, an amount not to exceed 4% of the taxes collected each month hereunder, which appropriation shall be credited by the state treasurer to a fund to be known as the license fee and privilege tax administration fund.

LUXURY TAX DIVISION

Chapter 78, Laws of the regular session, twelfth legislature, 1935. For the purpose of carrying out the provisions of this act, there is hereby appropriated to the tax commission, out of the taxes collected hereunder, an amount not to exceed 4% of the taxes collected each month hereunder, which appropriation shall be credited by the state treasurer to a fund to be known as the luxury tax administration fund.

Subdivision 45. STATE TREASURER.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salaries:		
Salary - Treasurer	$ 4,500.00	$ 4,500.00
Deputy treasurer	3,000.00	3,000.00
Loan board secretary	2,400.00	2,400.00
Chief clerk	2,000.00	2,000.00
Bookkeeper	2,400.00	2,400.00
Assistant bookkeeper	1,800.00	1,800.00
Stenographers (2 @ $1,-500.00 each)	3,000.00	3,000.00
Security clerk	2,100.00	2,100.00
Total salaries	$ 21,200.00	$ 21,200.00
Operation	2,750.00	2,750.00
Travel for treasurer	100.00	100.00
Capital investment	200.00	200.00
Repairs and replacements	100.00	100.00
Travel account—farm loans	500.00	500.00
Miscellaneous:		
To defray expenses in litigation and for the payment of taxes on property foreclosures	4,400.00	2,000.00
Total appropriation	$ 29,250.00	$ 26,850.00
	$ 56,100.00	

Subdivision 46. STATE VETERINARIAN.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salary - Veterinarian	$ 3,000.00	$ 3,000.00
Assistant veterinarians (2 @ $720.00 each)	1,440.00	1,440.00
Operation	450.00	450.00
Travel	1,000.00	1,000.00
Total appropriation	$ 5,890.00	$ 5,890.00
	$ 11,780.00	

This appropriation is made subject to the condition that at least a like amount be allotted to each of said assistant veterinarians by the county or counties which he serves.

Subdivision 47. VOLUNTARY BANG'S DISEASE PROGRAM.

	For the 28th Fiscal Year	For the 29th Fiscal Year
For the use of the livestock sanitary board under the supervision of the state veterinarian in matching federal indemnity payments under the voluntary bang's disease program. Said payments shall be made only under a voluntary agreement between the board and the owner of the dairy cattle.		
Lump sum appropriation	$ 7,500.00	$ 7,500.00
	$ 15,000.00	

Subdivision 48. STATE WATER COMMISSION.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salaries:		
Commissioner	$ 4,000.00	$ 4,000.00
Assistant commissioner and engineer	3,300.00	3,300.00
Assistant engineer	2,700.00	2,700.00
Stenographer-bookkeeper	1,800.00	1,800.00
Stenographers (2 @ $1,500.00 each)	3,000.00	3,000.00
Total salaries	$ 14,800.00	$ 14,800.00
Operation	1,400.00	1,400.00
Travel	2,100.00	2,100.00
Capital investment	200.00	200.00
Stream gauging	15,000.00	15,000.00
To be expended in cooperation with the United States geological survey, and upon the condition that the United States will contribute an amount equal to that expended by the state for such purpose.		
Underground water development	6,000.00	6,000.00
To be expended in cooperation with any federal		

agency or agencies, and upon the condition that the United States will contribute an amount equal to that expended by the state for such purpose.		
It is recommended that in the expenditure of said funds, preference be given to the underground water survey in the Santa Cruz, the Big Sandy and the Gila river basins. It is recommended that it be expended in cooperation with the university of Arizona.		
Total appropriation	$ 39,500.00	$ 39,500.00
	$ 79,000.00	

Subdivision 49. SUPERIOR COURT.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salaries - Judges	$ 43,750.00	$ 43,750.00
Court commissioners (Periodic)	250.00	250.00
Total appropriation	$ 44,000.00	$ 44,000.00
	$ 88,000.00	

Subdivision 50. SUPREME COURT.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salaries:		
Salaries - Judges (3)	$ 25,500.00	$ 25,500.00
Clerk	3,600.00	3,600.00
Secretaries (3 @ $2,100.-00 each)	6,300.00	6,300.00
Reporter - decisions	1,200.00	1,200.00
Total Salaries	$ 36,600.00	$ 36,600.00
Operation	1,200.00	1,200.00
Travel:		
Expense - superior judges in attendance	150.00	150.00
Miscellaneous requirements:		
Printing reports - regular	2,000.00	2,000.00
Total appropriation	$ 39,950.00	$ 39,950.00
	$ 79,900.00	

Subdivision 51. VETERANS' RELIEF COMMISSION.

	For the 28th Fiscal Year	For the 29th Fiscal Year
For relief of veterans pursuant to law	$ 5,500.00	$ 5,500.00
	$ 11,000.00	

Subdivision 52. VETERANS' SERVICE OFFICER.

	For the 28th Fiscal Year	For the 29th Fiscal Year
Salaries:		
Salary - Veterans' Service Officer	$ 3,000.00	$ 3,000.00
Stenographer	1,500.00	1,500.00
Total salaries	$ 4,500.00	$ 4,500.00
Operation	160.00	160.00
Travel	1,000.00	1,000.00
Capital investment:		
Filing equipment and typewriter	90.00	90.00
Total appropriation	$ 5,750.00	$ 5,750.00
	$ 11,500.00	

Subdivision 53. ARIZONA STATE EMPLOYMENT SERVICE.

	For the 28th Fiscal Year	For the 29th Fiscal Year
For salaries and wages; for operation; for travel; for capital investment; for repairs and replacements:	$ 12,500.00	$ 12,500.00
	$ 25,000.00	

This appropriation is made subject to the condition that, at least, a like amount be allotted to this

state by the federal government under the Wagner-Peyser act and expended concurrently with this appropriation.

Subdivision 54. ARIZONA GAME AND FISH COMMISSION.

The amount of all fees and receipts from whatever source received by the Arizona game and fish commission, during each of said fiscal years, when paid into the state treasury, is hereby appropriated for the payment of salaries and wages; operation; travel; capital investment; and repairs and replacements.

Subdivision 55. BOARD OF ACCOUNTANCY.

The amount of ninety per cent of all fees and receipts from whatever source received by the board of accountancy, during each of said fiscal years, when paid into the state treasury, is hereby appropriated for the payment of salaries and wages; operation; travel; capital investment; and repairs and replacements. The amount of ten per cent of all such fees and receipts shall be retained by the state treasurer and credited to the general fund.

Subdivision 56. BOARD OF BARBERS.

The amount of ninety per cent of all fees and receipts from whatever source received by the Arizona state board of barbers, during each of said fiscal years, when paid into the state treasury, is hereby appropriated for the payment of salaries and wages; operation; travel; capital investment; and repairs and replacements. The amount of ten per cent of all such fees and receipts shall be retained by the state treasurer and credited to the general fund.

Subdivision 57. BOARD OF COSMETICIANS.

The amount of ninety per cent of all fees and receipts from whatever source received by the Arizona state board of cosmeticians, during each of said fiscal years, when paid into the state treasury, is hereby appropriated for the payment of salaries and wages; operation; travel; capital investment; and repairs and replacements. The amount of ten per cent of all such fees and receipts shall be retained by the state treasurer and credited to the general fund.

Subdivision 58. BOARD OF CHIROPRACTIC EXAMINERS.

The amount of ninety per cent of all fees and receipts from whatever source received by the board of chiropractic examiners, during each of said fiscal years, when paid into the state treasury, is hereby appropriated for the payment of salaries and wages; operation; travel; capital investment; and repairs and replacements. The amount of ten per cent of all such fees and receipts shall be retained by the state treasurer and credited to the general fund.

Subdivision 59. BOARD OF DENTAL EXAMINERS.

The amount of ninety per cent of all fees and receipts from whatever source received by the board of dental examiners, during each of said fiscal years, when paid into the state treasury, is hereby appropriated for the payment of salaries and wages; operation; travel; capital investment; and repairs and replacements. The amount of ten per cent of all such fees and receipts shall be retained

by the state treasurer and credited to the general fund.

Subdivision 60. BOARD OF EMBALMING EXAMINERS.

The amount of ninety per cent of all fees and receipts from whatever source received by the board of embalming examiners, during each of said fiscal years, when paid into the state treasury, is hereby appropriated for the payment of salaries and wages; operation; travel; capital investment; and repairs and replacements. The amount of ten per cent of all such fees and receipts shall be retained by the state treasurer and credited to the general fund.

Subdivision 61. BOARD OF MEDICAL EXAMINERS.

The amount of ninety per cent of all fees and receipts from whatever source received by the board of medical examiners, during each of said fiscal years, when paid into the state treasury, is hereby appropriated for the payment of salaries and wages; operation; travel; capital investment; and repairs and replacements. The amount of ten per cent of all such fees and receipts shall be retained by the state treasurer and credited to the general fund.

Subdivision 62. BOARD OF NATUROPATHIC EXAMINERS.

The amount of ninety per cent of all fees and receipts from whatever source received by the board of naturopathic examiners, during each of said fiscal years, when paid into the state treasury, is

hereby appropriated for the payment of salaries and wages; operation; travel; capital investment; and repairs and replacements. The amount of ten per cent of all such fees and receipts shall be retained by the state treasurer and credited to the general fund.

Subdivision 63. BOARD OF NURSE EXAMINERS.

The amount of ninety per cent of all fees and receipts from whatever source received by the board of nurse examiners, during each of said fiscal years, when paid into the state treasury, is hereby appropriated for the payment of salaries and wages; operation; travel; capital investment; and repairs and replacements. The amount of ten per cent of all such fees and receipts shall be retained by the state treasurer and credited to the general fund.

Subdivision 64. BOARD OF OPTOMETRY EXAMINERS.

The amount of ninety per cent of all fees and receipts from whatever source received by the board of optometry examiners, during each of said fiscal years, when paid into the state treasury, is hereby appropriated for the payment of salaries and wages; operation; capital investment; and repairs and replacements. All travel is subject to section 2803, Revised Code of 1928, or as amended. The remaining ten per cent is hereby made part of the general fund.

Subdivision 65. BOARD OF PHARMACY.

The amount of ninety per cent of all fees and

receipts from whatever source received by the board of pharmacy, during each of said fiscal years, when paid into the state treasury, is hereby appropriated for the payment of salaries and wages; operation; travel; capital investment; and repairs and replacements. The amount of ten per cent of all such fees and receipts shall be retained by the state treasurer and credited to the general fund.

Subdivision 66. BOARD OF EXAMINERS IN PHOTOGRAPHY.

The amount of ninety per cent of all fees and receipts from whatever source received by the board of examiners in photography, during each of said fiscal years, when paid into the state treasury, is hereby appropriated for the payment of salaries and wages; operation; travel; capital investment; and repairs and replacements. The amount of ten per cent of all such fees and receipts shall be retained by the state treasurer and credited to the general fund.

Subdivision 67. BOARD OF TECHNICAL REGISTRATION.

The amount of ninety per cent of all fees and receipts from whatever source received by the board of technical registration, during each of said fiscal years, when paid into the state treasury, is hereby appropriated for the payment of salaries and wages; operation; travel; capital investment; and repairs and replacements. All travel is subject to section 2803, Revised Code of 1928, or as amended. The remaining ten per cent is hereby made part of the general fund.

Subdivision 68. REGISTRAR OF CONTRACTORS.

The amount of ninety per cent of all fees and receipts from whatever source received by the registrar of contractors, during each of said fiscal years, when paid into the state treasury, is hereby appropriated for the payment of salaries and wages; operation; travel; capital investment; and repairs and replacements. The amount of ten per cent of all such fees and receipts shall be retained by the state treasurer and credited to the general fund.

Section 2. The appropriations herein made are subject to the provisions of the state financial code. All salaries and the monthly salary shall never exceed one-twelfth of the annual salary. Periodic salaries may be drawn as needed; no claim for salary, or travel shall be paid from any fund other than that appropriated under the provisions of this act for salary or travel, except the appropriation for the governor. Any person receiving salary or wages under the provisions of this act is thereby precluded from accepting any other salary or wage or office or employment for profit under the state. In no case, shall both the husband and wife be included, at the same time, on the pay rolls mentioned in this act. Provided, however, that physicians at state institutions, persons employed under cooperative agreements with the federal government, assistant state veterinarians and employees of the university of Arizona may draw specified salaries from more than one source.

Section 3. In all cases where money appropriated under the provisions of this act, is or shall be

expended for labor, only citizens of the United States or wards of the United States shall be employed and actual bona fide resident citizens of the state shall be given the preference whenever such labor as may be required can be found within this state, and before any labor can be sought outside of the state, either directly or indirectly, the person, contractor, firm, or corporation shall file with the state auditor a verified written statement setting out in detail the effort put forth, showing the inability to secure the labor as is required within this state, and if the auditor is satisfied of such inability, then the auditor may execute a release permitting the bringing into this state of such citizens only of the United States as may be needed for such work. Before any money herein appropriated shall be paid out for labor or construction a verified statement shall be filed with the auditor, showing strict compliance with the provisions of this section. If the provisions of this section are not complied with, it shall be unlawful to pay out any of the monies appropriated herein; and any contract entered into wherein the provisions of this section have not been complied with shall be void; providing that nothing herein shall be construed to prevent the working of prisoners of the state.

Section 4. All claims for monies appropriated or the disposition of which is provided for by the provisions of this act shall be itemized and accompanied by proper vouchers and each claim shall be audited by the state auditor, who shall reject any voucher or claim or any part thereof, the money for which has not been previously appropriated by law. All said claims shall be verified and the forms of said claims and the verification thereof, shall be prescribed by the state auditor. The state auditor is hereby authorized and directed to draw

his warrant upon the proper fund for the amount audited by him and the state treasurer is hereby authorized and directed to pay said warrant out of the fund upon which it is drawn, provided, that all claims for monies appropriated by this act, shall be fully itemized and that no item shall be grouped under the word "incidentals" or other general term the state auditor is hereby authorized and directed to reject such claim until it is properly itemized.

Section 5. If any section, subsection, sentence, clause or phrase of this act is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this act.

Approved March 21, 1939.

CHAPTER 89

(Senate Bill No. 197)

AN ACT

RELATING TO THE RECOMPILATION OF THE REVISED CODE OF 1928; AUTHORIZING THE SUPREME COURT TO ENTER INTO A CONTRACT THEREFOR; PRESCRIBING THE REQUISITES OF THE RECOMPILATION OF 1939; PROVIDING FOR THE COMPARISON AND AUTHENTICATION OF SAID RECOMPILATION BY THE SECRETARY OF STATE AND FOR THE PUBLICATION OF SAID RECOMPILATION AND SUPPLEMENTS THERETO; FIXING THE

SALE PRICE OF SETS OF SAID RECOMPILATION; DECLARING WHEN SAID RECOMPILATION AND SUPPLEMENTS SHALL BE IN FORCE, AND MAKING THEM THE OFFICIAL COMPILATION, AND MAKING AN APPROPRIATION.

Be it enacted by the Legislature of the State of Arizona:

Section 1. AUTHORIZATION. The supreme court of the state of Arizona, or a majority of the members thereof, is hereby authorized and requested to enter into a contract on behalf of the state for the recompilation, annotation and indexing of said code, and for the publication of such recompilation, all in accordance with the provisions and requirements of this act.

Sec. 2. RECOMPILATION OF 1939. Said recompilation of 1939 shall cover all amendments to the Constitution of the United States and the Constitution of the state of Arizona, all sections of the Revised Code of 1928 and the amendments thereto and all session laws of a general and permanent nature which have been enacted without being made a part thereof, since the adoption of said code of 1928 and down to and through the regular session of the fourteenth legislature.

Sec. 3. APPROPRIATION FOR COMPARISON. As and when the work of recompilation shall be completed and printed, and he shall be so requested by the publishers, the secretary of state is hereby authorized and directed, without charge or fee therefor, promptly to compare the galley or page proofs thereof with enrolled laws on file in his office, and when such recompilation is found

to be a correct reproduction of the statutory law therein contained he shall issue and deliver to the publisher a certificate to that effect. For the purposes of carrying out the provisions of this section there is hereby appropriated to the office of the secretary of state the sum of three thousand dollars from the general fund. Any balance remaining after completion of certification shall revert to the general fund.

Sec. 4. CODE TO BE IN SIX VOLUMES. Said recompilation of 1939, when completed, annotated and indexed, together with copy of its authentication by the secretary of state; the Declaration of Independence; Articles of Confederation; Constitution of the United States, amendments and index thereto; the enabling act; election ordinance number 2; the joint resolution to admit New Mexico and Arizona; the proclamation of the President declaring Arizona admitted; the Constitution of the state of Arizona, appendix and index thereto; the treaty of Guadalupe Hidalgo; the Gadsden treaty; and statutes of the United States relative to records; shall be published in not more than six handy volumes, containing pockets in the back covers thereof for the accommodation of pocket parts supplements, proofs of which shall be compared and authenticated in the same manner as those of the recompilation therein provided for. Electroplates shall be made of the recompiled volumes as so published and shall be kept in fireproof vaults to the end that said volumes shall never be out of print.

Sec. 5. PURCHASE FOR STATE. Upon the publication of the recompilation of 1939, the secretary of state, on behalf of the state, shall purchase from the publishers one thousand sets there-

of, paying therefor a sum not to exceed thirty dollars per set. Thereafter the publishers shall sell additional sets to the state, in lots of fifty or more sets, at not more than thirty dollars per set.

Sec. 6. RECOGNITION AS OFFICIAL COMPILATION. Upon the authentication of said recompilation of 1939, or any supplement thereof, by the secretary of state, as herein authorized and directed, such recompiled code or supplement shall be in force, and printed copies thereof shall be received, recognized, referred to and used in all the courts and in all departments and offices of the state as the official compilation of the statutory law of Arizona.

Sec. 7. APPROPRIATION. There is hereby appropriated out of the general fund of the state of Arizona, not otherwise appropriated, the sum of thirty thousand dollars, for the purchase of one thousand sets of the recompilation of 1939, as hereinbefore provided for.

Approved March 21, 1939.

CHAPTER 90

(Senate Bill No. 46)

AN ACT

RELATING TO ASSISTANCE AND AID TO DEPENDENT CHILDREN, AND AMENDING SECTION 9, CHAPTER 72, SESSION LAWS OF 1937, REGULAR SESSION, AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. Sec. 9, chapter 72, Session Laws of 1937, regular session, is amended to read:

Sec. 9. MAXIMUM PAYMENTS. In no event shall the amount of assistance paid under the provisions of this act to any recipient, for each child in the same family, for any one calendar month, exceed the maximum grant for such purpose in which the Federal government will participate under the provisions of title IV of the Federal social security act or any amendment thereto.

Sec. 2. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved March 21, 1939.

MEMORIALS

HOUSE MEMORIAL NO. 2

A MEMORIAL

RELATING TO THE FEDERAL APPROPRIATION FOR PREDATORY ANIMAL AND RODENT CONTROL.

TO THE CONGRESS OF THE UNITED STATES:

Your memorialist respectfully represents:

Under the Act of Congress approved March 2, 1931 (Public No. 776), the Secretary of Agriculture was authorized and directed to carry out a cooperative program, in conjunction with the states, for the eradication, suppression, or bringing under control of predatory wild animals and rodents injurious to agriculture, horticulture, forestry, animal husbandry, wild game, and other interests, and the Congress was authorized to appropriate one million dollars per annum for such purpose.

This program is especially important to the state of Arizona, which has a number of industries affected by it. The livestock industry, occupying many mountainous and forest areas, suffers immense losses through the depredations of wild animals. Its lower ranges are subject to the ravages of prairie dogs and gophers. The farming and orchard areas of the state are likewise subject to injury from rodent infestations, and great losses are annually sustained by reason thereof.

Under the authorization above referred to Congress has appropriated heretofore from four hundred eighty thousand to six hundred thousand dollars annually. The Secretary of Agriculture, deeming this sum insufficient, has requested the appropriation of the full sum of one million dollars.

From the point of view of this state, and for the best interest of the livestock and agricultural industries, the appropriation of the maximum amount authorized by the Act of Congress of March 2, 1931, and its judicious use in the eradication, suppression or bringing under control of predatory wild animals and rodents is amply justified.

Wherefore your memorialist, the House of Representatives of the State of Arizona, urgently requests:

1. That in compliance with the recommendation of the Secretary of Agriculture the Congress appropriate the sum of one million dollars annually for predatory animal and rodent control.

Adopted by the House, February 9, 1939.

Filed in the office of the Secretary of State, February 10, 1939.

HOUSE CONCURRENT MEMORIAL NO. 1

A CONCURRENT MEMORIAL

RELATING TO THE PROPOSED PETRIFIED FOREST NATIONAL PARK.

TO THE CONGRESS OF THE UNITED STATES OF AMERICA:

Your memorialist respectfully represents:

Within the boundaries of Navajo and Apache counties in northeastern Arizona lies an area containing mineralized remains of mesozoic forests, locally and commonly known as the Petrified Forest, and officially designated the Petrified Forest National Monument.

The Petrified Forest consists of six distinct areas called First Forest, Second Forest, Third Forest, Rainbow Forest, Blue Forest, and Black Forest, which together constitute a deposit of petrified wood unequaled in extent, as well as for size of trees and beauty and variety of coloring of logs. Many of the logs measure over two hundred feet in length and seven to ten feet in diameter.

In addition to the petrified wood this petrified forest contains an extensive deposit of fossil bones of reptiles which lived during the triassic period of the mesozoic age, and de-

posits of fossilized cycads and ferns and other plant life preserved in such perfect condition that the seed pods and almost microscopic fruiting bodies are plainly visible. This field was discovered recently, and the opportunities for scientific research are almost unlimited.

Thousands of prehistoric petroglyphs are engraved on the sandstone cliffs within the Monument, one huge rock alone bearing more than one thousand such symbols by actual count. Sites representing the prehistoric periods from basket maker and pit house type to and including Pueblo No. 3 dot the entire area of the petrified forest. The Pueblo No. 3 period, for example, is represented by the Agate House, a seven room dwelling constructed of blocks of agatized wood and estimated to be about eight hundred years old.

In 1932 the mysterious Blue Forest, with its banded hills and wood deposits, and the most scenic and colorful section of the famous Painted Desert, including the Black Forest, were added to the area first designated as a national monument in 1906. The Black Forest is not yet open to visitors, because of insufficient means of protection, but it contains a greater amount of petrified wood and larger tree trunks than any other section. The Painted Desert, discovered by Coronado, the Spanish conquistador, in 1540, is unsurpassed in scenic value.

As a national monument, the Petrified Forest has attracted hundreds of thousands of visitors and brought many benefits to the state, and would doubtless draw visitors in even greater numbers as a national park, since its paramount scenic, scientific, historic, and prehistoric values are of interest to visitors in every walk of life.

The boards of supervisors of Navajo and Apache counties and the state land commission have by unanimous vote petitioned the Congress of the United States of America to set aside and designate as the Petrified Forest National Park all lands within the boundaries of the Petrified Forest National Monument, and a committee of the United States Senate, during August, 1938, investigated that proposal.

Inasmuch as there is no request to enlarge the present area, the proposed change from national monument to national park can be effected with little or no cost, and it would

be of inestimable benefit to the state of Arizona and its residents, and to the people of the United States.

Wherefore your memorialist, the House of Representatives of the State of Arizona, the Senate concurring, prays:

That the Congress of the United States of America enact legislation to set aside and designate as the Petrified Forest National Park all lands within the boundaries of the Petrified Forest National Monument.

Passed the House January 17, 1939.
Passed the Senate February 18, 1938.
Approved by the Governor February 23, 1939.
Received by the Secretary of State February 24, 1939.

HOUSE CONCURRENT MEMORIAL NO. 3

A CONCURRENT MEMORIAL

RELATING TO AN APPROPRIATION BY CONGRESS FOR AID TO STATES FOR WILDLIFE RESTORATION.

TO THE CONGRESS OF THE UNITED STATES:

Your memorialist respectfully represents:

The Pittman-Robertson act (Public 415, seventy-fifth Congress) authorized Congress to make an annual appropriation for Federal aid to the states for the restoration of wildlife.

It is of the utmost importance that the programs of wildlife restoration which have been inaugurated in various states under the terms of the Pittman-Robertson act be carried forward without interruption; that the gains already made in wildlife restoration be not lost, and that any states which have not yet availed themselves of the advantages of this beneficent law may have opportunity to do so.

Wherefore your memorialist, the House of Representatives of the State of Arizona, the Senate concurring, requests:

1. That the Congress appropriate, as authorized by the

Pittman-Robertson act, "an amount equal to the revenue accruing from the tax imposed by section 610, title IV, of the Revenue Act of 1932, on firearms, shells, and cartridges," for carrying out the purposes of the act, and enabling the states to restore their wildlife.

Passed the House, Feb. 2, 1939.

Passed the Senate, Feb. 2, 1939.

Approved by the Governor, Feb. 6, 1939

Received by the Secretary of State, February 7, 1939.

HOUSE CONCURRENT MEMORIAL NO. 4

A CONCURRENT MEMORIAL

RELATING TO ASSISTANCE FOR THE OWNERS OF UNDEVELOPED MINING PROPERTIES.

TO THE PRESIDENT, THE CONGRESS, AND THE RECONSTRUCTION FINANCE CORPORATION OF THE UNITED STATES:

Your memorialist respectfully represents:

There was a time when it was relatively easy for the owner of a good mining prospect to interest capital, in moderate amounts, for development purposes.

Restrictive legislation enacted in recent years, regulating the offering of securities to investors, however sound such legislation may be in principle or in its general application to industry, has placed a serious handicap upon the seeker after capital for the development of mining prospects. When taken in connection with prevailing financial conditions the securing of capital for such purpose, from private sources, has become a virtual impossibility.

A very limited recognition of the mining industry's right

to participate in the benefits of the government's program for bolstering the national economic structure through government loans and other forms of assistance to industry, was accorded by the Act of Congress approved June 19, 1934 (Public No. 417, section 14), authorizing the Reconstruction Finance Corporation to make loans, under certain conditions, to persons engaged in the development of mining properties.

The terms of this authorization, however, restrict such loans within an unfortunately narrow compass, i. e., to the development of ore bodies, or placer deposits, containing gold, silver, or tin.

In this state, while many ores contain gold or silver, or both, there are highly important mineral deposits, notably lead, zinc, and manganese, and most frequently the last named, which do not contain either gold or silver.

To make this form of assistance still more difficult of attainment the Reconstruction Finance Corporation's self-imposed regulations surrounding the granting of loans on mines containing the approved metals are unduly severe.

As an evidence of the severity and impracticability of the conditions surrounding the granting of loans on mining properties the fact is cited that although the act authorizing such loans has been in effect four and one-half years, and applies to all states, ample funds of the original allocation of ten million dollars are still available for immediate needs.

It was obviously the intention of Congress in passing this act that it was to be considered as a relief measure, for the benefit of those engaged in mining. That only a small amount of money has been loaned under its provisions shows that the administration of the act, as well as the act itself, is far too rigid.

Wherefore, your memorialist, the House of Representatives of the State of Arizona, the Senate concurring, urgently requests:

1. That Congress liberalize the act approved June 19, 1934 (public No. 417), so that loans may be made on mining

properties which do not contain gold, silver and tin.

2. That the Reconstruction Finance Corporation, without waiting for action by Congress, amend its regulations so that loans may be made on properties containing the approved metals under less rigid and more practical conditions.

Passed the House Feb. 9, 1939.

Passed the Senate Feb. 10, 1939.

Approved by the Governor Feb. 11, 1939.

Filed in the office of the Secretary of State, February 13, 1939.

SENATE CONCURRENT MEMORIAL NO. 2

A CONCURRENT MEMORIAL

REQUESTING ADDITIONAL BUILDINGS AND EQUIPMENT FOR THE VETERANS' ADMINISTRATIVE FACILITY AT TUCSON.

TO THE CONGRESS OF THE UNITED STATES AND THE FEDERAL BOARD OF HOSPITALIZATION:

Your memorialist respectfully represents:

Because of the unsurpassed climatic advantages of its location, the veterans' administrative facility at Tucson is operated primarily for the treatment of tuberculosis. The capacity and resources of the institution are constantly taxed to the limit in the hospitalization of tuberculars.

It is a fact, however, well established by competent medical authority and the testimony of thousands of patients who have experienced its benefits, that the climate of southern Arizona possesses equal therapeutic value in the treatment of arthritis, neuritis, asthma, bronchitis, sinusitis, and various other diseases.

During the past year, because of the lack of adequate accommodations for their treatment, approximately five hundred cases of these special types were denied hospitalization.

It is believed that every disabled veteran should have the benefit of the most favorable climatic conditions and the most effective therapeutic aids indicated for his particular type of disease, to enable him to regain his health.

Wherefore your memorialist, the Senate of the State of Arizona, the House of Representatives concurring, urgently recommends:

1. That the veterans' administration include in its budget requests, an item for the construction of additional buildings at Tucson to take care of at least two hundred general medical patients; that an adequate number of single rooms be provided in each ward; that each building be equipped with the most efficient dry air cooling system, and that ample facilities be provided to take care of the increased bed capacity at the hospital.

2. That the Congress of the United States give effect to this recommendation by the enactment of appropriate legislation.

Adopted by the House Feb. 24th, 1939.

Adopted by the Senate Feb. 18th, 1939.

Received by the Secretary of State February 25, 1939.

SENATE JOINT MEMORIAL NO. 1

A JOINT MEMORIAL

RELATING TO THE DEVELOPMENT, PURCHASE, AND STORAGE OF METALS AND MINERALS NECESSARY TO A PROGRAM OF NATIONAL DEFENSE.

TO THE CONGRESS OF THE UNITED STATES OF AMERICA:

Your memorialist respectfully represents:

Within the borders of the United States there exists an adequate supply of most of the metals and minerals necessary for use in time of war.

In many instances these metals and minerals can be obtained from abroad at a price lower than the cost of domestic production, for which reason the deposits of such metals and minerals in this country have not been properly developed.

In the event the foreign sources of supply should suddenly be cut off, because of war or other emergency, the program of national defense would be retarded until sufficient time had elapsed to develop mines and to accumulate an adequate store of war metals and minerals.

In order to maintain a continuing policy of national defense, to foster the development of natural resources, and to provide employment, a policy of aiding and encouraging operators of mining properties to begin and continue production of war metals and minerals would be both desirable and beneficial.

Wherefore your memorialist, the Legislature of the State of Arizona, prays:

That the Congress of the United States enact legislation providing for the purchase and storage, from domestic pro-

duction only, of metals and minerals necessary to a program of national defense.

Adopted by the House February 9, 1939.

Adopted by the Senate January 18, 1939.

Approved by the Governor February 11, 1939.

Received by the Secretary of State February 13, 1939.

SENATE JOINT MEMORIAL NO. 2

A JOINT MEMORIAL

RELATING TO THE EXCISE TAX ON FOREIGN COPPER.

TO THE CONGRESS OF THE UNITED STATES OF AMERICA:

Your memorialist respectfully represents:

Since 1932, by acts of Congress, there has continuously been in existence an excise tax on foreign copper of four cents per pound, which tax was re-enacted in the Revenue Bill of 1937 and automatically expires on June 30, 1939.

The continued protection of the copper industry is essential to the welfare of the entire United States, since countless employees in many industries are dependent upon the continued operation of the copper mines, not only because of direct purchases of material and equipment, but also because of purchases of food, clothing, and other necessities by those employed by the copper industry.

Because of present world conditions, the United States' program of national defense and international independence demands the maintenance of a healthy copper industry, ready to serve fully and efficiently in the production of a necessary metal.

Without assistance, the United States copper industry cannot survive the competition of the foreign copper industry in the world market because of the low costs of production abroad resulting from higher grade ores, enormous ore reserves near the surface, employment of peon and indentured labor, by-product copper production, and subsidization of foreign nations as an essential part of defense programs.

The continued maintenance of the copper excise tax has been highly beneficial in that it has successfully prevented the importation of foreign copper into this country and made possible orderly industrial progress and development both in the United States and throughout the world.

Said excise tax has not been detrimental to domestic interests, inasmuch as the price of domestic copper has been consistently in line with world prices, and has advanced only when forced to do so by increase in London quotations.

A healthy copper industry has been created and maintained merely by reserving the domestic market for United States producers without increasing the price to the consumer, whereas the attainment of the same objective by international cooperation has been attempted, with dismal failure the only result.

The State of Arizona and its future progress is so closely interwoven with the copper mining industry that prosperity or depression within the state depends in large measure upon the conditions existing within that single industry.

Wherefore your memorialist, the Legislature of the State of Arizona, prays:

That the Congress of the United States of America enact legislation to continue the excise tax on foreign copper at not less than its present level of four cents per pound.

Adopted by the House Feb. 1, 1939.

Adopted by the Senate Jan. 17, 1939.

Approved by the Governor, Feb. 2, 1939.

Received by the Sec'y of State Feb. 2, 1939.

SENATE JOINT MEMORIAL NO. 4

A JOINT MEMORIAL

RELATING TO THE STABILIZATION OF THE PRICE OF SILVER.

TO THE PRESIDENT AND THE CONGRESS OF THE UNITED STATES OF AMERICA:

Your memorialist respectfully represents:

Hundreds of thousands of workers in the United States are employed in the mining industry, and they and their dependents must rely on the continued operation of that industry for a livelihood.

A stable price for silver is vital to the mining industry in general, inasmuch as gold, lead, zinc, and copper are generally associated with silver in ore and rock.

If the federal government discontinues the policy of maintaining a fair price for domestic silver, the producers of that metal will be able to obtain only the world market price, which currently approximates forty-five cents per ounce, and, in the absence of governmental action, would doubtless fall to the depression level of twenty-five cents.

In such event, a large number of the non-ferrous metal mines would be forced to close, owing to the relatively low market prices for copper, lead, and zinc, with which metals silver is generally associated, and the prices of which are not easily susceptible of stabilization by governmental action. The history of the past decade substantiates this statement. In 1931 and 1932, nearly all such mines were closed, and unemployment was the almost universal condition of the miners, whereas, immediately upon the initiation of the policy of government stabilization of the price of silver, a large number of silver, copper, lead, and zinc mines were able to resume operations because of the fact that the profitable price for silver compensated for the low prices for the other metals, enabling operation at a profit.

The closing of any considerable number of mines at the

present time would adversely affect not only the problem of relief, but also the prosperity of many other industries, and not only the mining states, but the country as a whole. The mines consume great quantities of coal, electric power, powder, machinery, and other supplies, thus providing profitable employment for thousands and needed markets for vast amounts of American goods, to say nothing of the purchases of farm and factory products by the employed miners. If the mines close, the farmer's local market in mining states is destroyed, and he must seek markets in other states which are already over-supplied. The national, state, and local governments would lose the taxes now paid by the mines, which burden would fall upon land.

The government's policy of maintaining the price of silver has cost the taxpayers nothing, and has netted the United States treasury a clear profit, in addition to the saving of the amount which would otherwise have had to be expended for the relief of unemployed miners.

It would be inequitable for the federal government to assume the obligation to protect all classes of products except metals, and all producers of wealth except miners, when the establishment of a permanent program of stabilization of the price of silver would so greatly benefit the producers of not only that metal, but gold, copper, lead, and zinc.

Wherefore, your memorialist, the Senate of the State of Arizona, the House of Representatives concurring, urgently requests:

1. That the President of the United States of America do all within his power to maintain the price of newly mined domestic silver at not less than its present level.

2. That the Congress of the United States of America enact legislation permanently stabilizing the price of silver at a level which will protect and foster the mining industry of the country.

Adopted by the House February 13, 1939.

Adopted by the Senate February 6, 1939.

Approved by the Governor February 15, 1939.

Received by Secretary of State, February 16, 1939.

RESOLUTIONS

HOUSE CONCURRENT RESOLUTION NO. 3

A CONCURRENT RESOLUTION

PROPOSING AN AMENDMENT TO THE CONSTITUTION OF ARIZONA RELATING TO STATE LANDS.

Be it Enacted by the House of Representatives of the State of Arizona, the Senate concurring:

Section 1. That the following amendment of section 3, article X, Constitution of Arizona, is proposed, to become valid as a part of said constitution when approved by a majority of the qualified electors voting thereon and upon proclamation of the governor:

Section 3. No mortgage or other incumbrance of the said lands, or any part thereof, shall be valid in favor of any person or for any purpose or under any circumstances whatsoever. Said lands shall not be sold or leased, in whole or in part, except to the highest and best bidder at a public auction to be held at the county seat of the county wherein the lands to be affected, or the major portion thereof, shall lie, notice of which public auction shall first have been duly given by advertisement, which shall set forth the nature, time, and place of the transaction to be had, with a full description of the lands to be offered, and be published once each week for not less than ten successive weeks in a newspaper of general circulation published regularly at the state capital, and in that newspaper of like circulation which shall then be regularly published nearest to the location of such lands so offered; nor shall any sale or contract for the sale of any timber or other natural product of such lands be made, save at the place, in the manner, and after the notice by publication thus provided for sales and leases of the lands themselves. Nothing herein contained, however, shall prevent the leasing of any of the lands referred to in this article in such manner as the legislature may prescribe, for grazing and agricultural purposes, for a term of ten years or less, nor the leasing of any of said lands, whether also leased for grazing and agricultural purposes or not, for mineral purposes (including exploration for oil and gas and the extraction thereof) for a term of twenty years or less, without advertisement.

Sec. 2. That the proposed amendment (approved by a majority of the members elected to each house of the legislature, and entered upon the respective journals thereof, together with the ayes and nays thereon) shall be by the secretary of state submitted to the qualified electors at the next regular general election (or at a special election called for such purpose), as provided by article XXI, Constitution of Arizona.

Passed the House, March 9, 1939.

Passed the Senate, March 11, 1939.

Approved by the Governor, March 13, 1939.

Received by the Secretary of State, March 13, 1939.

HOUSE CONCURRENT RESOLUTION NO. 13

A CONCURRENT RESOLUTION

PROPOSING AN AMENDMENT TO THE CONSTITUTION OF ARIZONA RELATING TO PUBLIC SERVICE CORPORATIONS.

Be it Resolved by the House of Representatives of the State of Arizona, the Senate concurring:

1. That the following amendment of section 2, article XV, Constitution of Arizona, is proposed, to become valid as a part of said constitution when approved by a majority of the qualified electors voting thereon and upon proclamation of the governor:

Section 2. Except as to public utility services rendered within their corporate limits by municipal corporations, all corporations engaged in carrying persons or property for hire, or in furnishing gas, oil, or electricity for light, fuel, or power, or in furnishing water for irrigation, fire protection, or other public purposes, or in furnishing, for profit, hot or cold air or steam for heating or cooling purposes, or in transmitting messages or furnishing public telegraph or tele-

phone service, and all corporations operating as common carriers, shall be deemed public service corporations.

2. That the proposed amendment (approved by a majority of the members elected to each house of the legislature, and entered upon the respective journals thereof, together with the ayes and nays thereon) shall be by the secretary of state submitted to the qualified electors at the next regular general election (or at a special election called for such purpose), as provided by article XXI, Constitution of Arizona.

Passed by the House February 27, 1939.

Passed by the Senate March 11, 1939.

Approved by the Governor March 14, 1939.

Received by the Secretary of State March 14, 1939.

SENATE CONCURRENT RESOLUTION NO. 6

A CONCURRENT RESOLUTION

RELATING TO THE USE OF ARIZONA CEDAR JUNIPER POSTS ON PUBLIC PROJECTS, AND RECOMMENDING A STUDY BY THE HIGHWAY COMMISSION WITH A VIEW TO THE INCREASED USE OF THE SAME.

Whereas, Arizona's forests aggregating some fourteen million acres and occupying nineteen per cent of the state's area, constitute one of its important natural resources; and

Whereas, one of the chief products of these forest lands is the cedar juniper tree, which is used largely for posts; and

Whereas, it is estimated that there are available in Arizona fifteen million juniper posts of highway standard, and inasmuch as the average annual cut is about 150,000 there is probably a hundred years' supply, not taking reproduction into account; and

Whereas, the harvesting of the post crop furnishes sea-

sonal employment for several hundred workers, and constitutes the major source of income for most of them; and

Whereas, the cost of producing juniper posts is largely for labor, as the entire operation of converting a juniper tree into a finished post is performed by one man with an axe and a saw; and

Whereas, the Arizona post industry is in most cases confined to small outfits, without funds for promotional purposes, and most of the workers are happy to buy beans and bread for their families and thus keep off the relief rolls; and

Whereas, except for the federal unemployment insurance tax which in time will return to the state, practically all of the money received from the sale of juniper posts remains in the state, in marked contrast with steel posts, for which ninety-five per cent goes to the steel mills or for transportation and only five per cent to an Arizona agent; and

Whereas, twenty-five per cent of the income of the federal government from the sale of juniper posts from the national forests is distributed directly to the counties for road and school uses, and an additional ten per cent for building and maintaining roads and trails within the forests, thereby benefiting the schools, relieving the taxpayers, and facilitating the public's access to remote points; and

Whereas, the suitability of juniper wood for posts is unquestionable, inasmuch as there are many authentic instances, vouched for by old residents and confirmed by examinations made by the southwestern forest and range experiment station of the United States, of juniper posts which have remained in the ground and continued in service for fifty years. Statistics of the United States forest service add to the proof supporting the excellent quality of this Arizona product; and

Whereas, it appears that the juniper post industry is worthy of every consideration and assistance which can be given it, to the end that it may be enlarged and its benefits increased; therefore

Be it resolved by the Senate of the State of Arizona, the House of Representatives concurring:

1. That this body recommend that the Arizona highway commission direct the state engineer to make a study of the feasibility of using cedar juniper posts on public projects, and specifically as guard rail supports and line fence posts on public highways.

2. That if such posts are found to be satisfactory for the purpose stated and for other purposes in connection with public projects, they be so used whenever possible.

Adopted by the House, March 11, 1939.

Adopted by the Senate, February 23, 1939.

Received by the Secretary of State, March 13, 1939.

SENATE JOINT RESOLUTION NO. 2

A JOINT RESOLUTION

REQUESTING THE STATE HIGHWAY COMMISSION TO DESIGNATE AS A STATE ROUTE THE ROAD FROM AJO TO THE MEXICAN BORDER.

Be it resolved by the Legislature of the State of Arizona:

1. The state highway commission is requested to designate as a state route, include in the state highway system, and assume supervision and maintenance of that certain highway in Pima county extending from Ajo to the western boundary of the Papago Indian Reservation, being a part of the Tucson-Ajo road, and the Sonoyta road from its junction with the Tucson-Ajo road to the Mexican border.

Adopted by the House February 7, 1939.

Adopted by the Senate February 6, 1939.

Approved by the Governor February 10, 1939.

Filed in the office of the Secretary of State February 10, 1939.

INITIATIVE MEASURES

VOTED ON AT THE GENERAL ELECTION HELD

NOVEMBER 8th, 1938

STATE OF ARIZONA

EXECUTIVE DEPARTMENT

PROCLAMATION

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

WHEREAS, Articles IV and XXI of the Constitution of the State of Arizona, and Article 1, Chapter 34, Revised Code of Arizona, 1928, provide that proposed amendments to the Constitution of the State of Arizona shall be submitted to the electors of the State of Arizona at a special or general election, either by initiative petitions or by the Legislature of the State of Arizona, and said Article IV of the Constitution of the State of Arizona, and said Article 1, Chapter 34, Revised Code of Arizona further provides that Initiative measures and legislative measures against which the referendum is applied shall be submitted to the electors of the State of Arizona; and

WHEREAS, at the general election held upon the eighth day of November, 1938, there was, in accordance with the provisions of said Articles IV and XXI of the Constitution of the State of Arizona, and said Article 1, Chapter 34, Revised Code of Arizona, 1928, submitted to the electors of the State of Arizona, two proposed amendments to the Constitution of the State of Arizona, and one Initiative measure, all of which said proposed amendments and Initiative measure were submitted to the people at said general election in accordance with the provisions of said Article IV, Constitution of the State of Arizona, and Article 1, Chapter 34, Revised Code of Arizona, 1928; and

WHEREAS, Sub-section 13, Section 1, Article IV, Constitution of Arizona, and Section 1270, Chapter 22, and Section 1748, Chapter 34, Revised Code of Arizona, 1928, provide that when the Canvassing Board of the State of Arizona shall have counted the votes cast at a general or special election, and shall have verified the returns thereof, it shall be the duty of the Governor of the State of Arizona to issue his proclamation, giving the whole number of votes cast for and against each measure or proposed amendment,

and declaring such measures or amendments as are approved by a majority of those electors voting thereon to be in full force and effect as the law of the State of Arizona, from the date of said proclamation; and

WHEREAS, the said proposed Amendments and Initiative measure were voted upon at the General Election held on November 8, 1938, being duly submitted to the electors of the State in conformity with the provisions of Article XXI of the Constitution of the State of Arizona, and Article 1, Chapter 34, Revised Code of Arizona, 1928; and

WHEREAS, The Governor, the Secretary of State and the Chief Justice of the Supreme Court of the State of Arizona canvassed the votes for and against said proposed amendments, and Initiative measure within thirty days after the said election and in the manner provided by the Constitution and the Laws of the State of Arizona; and

WHEREAS, it appears from the returns of said general election held upon the eighth day of November, 1938, as canvassed and certified by said Canvassing Board, in accordance with Article XXI, Constitution of the State of Arizona, that a proposed amendment to the Constitution of the State of Arizona, entitled:

"PROPOSED AMENDMENT TO THE CONSTITUTION OF THE STATE OF ARIZONA

AMENDING ARTICLE IX OF THE CONSTITUTION OF THE STATE OF ARIZONA BY ADDING THERETO ANOTHER SECTION TO BE KNOWN AS SECTION 2a, PROVIDING THAT THERE SHALL BE EXEMPT FROM ALL TAXATION OTHER THAN SPECIAL ASSESSMENTS FOR BENEFITS, TO EVERY HEAD OF A FAMILY WHO IS A RESIDENT AND CITIZEN OF THE STATE OF ARIZONA, HIS OR HER REAL PROPERTY USED AS A BONA FIDE HOME, AND THE NECESSARY FURNISHINGS THEREIN, UP TO THE MARKET VALUE OF FIVE THOUSAND DOLLARS AND PROVIDING THAT THE TITLE TO SUCH HOME MAY BE IN SUCH HEAD OF A FAMILY OR HIS LAWFUL WIFE RESIDING THEREON OR IN BOTH AND PROVIDING THAT SAID

TITLE SHALL INCLUDE BOTH THE LEGAL AND EQUITABLE BENEFICIAL TITLE UNDER BONA FIDE CONTRACTS TO PURCHASE AND THAT THE TERM HEAD OF A FAMILY SHALL INCLUDE BOTH MARRIED AND SINGLE PERSONS WHO ACTUALLY RESIDE ON THE PROPERTY: AND THAT SAID TITLE MAY BE HELD BY THE ENTIRETIES OR JOINTLY OR IN COMMON WITH OTHERS OR AS COMMUNITY PROPERTY AND LIMITING THE VALUATION EXEMPT FROM TAXATION TO FIVE THOUSAND DOLLARS, MARKET VALUE, TO ANY ONE PERSON OR ON ANY ONE PARCEL OF PROPERTY,"

was submitted to the electors of the State of Arizona at said election and that there were of legal votes cast at said election 39,589 votes cast in favor of said amendment, and 43,771 votes cast against said amendment, and that therefore a majority of the legal votes cast at said election were opposed thereto; and

WHEREAS, it appears from the returns of said general election held on the eighth day of November, 1938, as canvassed and certified by said Canvassing Board, in accordance with Article IV, Constitution of the State of Arizona, and Section 1268, Chapter 22, and Section 1748, Chapter 34, Revised Code of Arizona, 1928, that a proposed Act submitted by Initiative Petition of the people, entitled:

"AN ACT

DECLARING IT TO BE THE POLICY OF GOVERNMENT OF THE STATE OF ARIZONA, THAT IN ORDER TO FIX RESPONSIBILITY AND TO PROMOTE EFFICIENCY IN THE ADMINISTRATION OF STATE GOVERNMENT, ALL STATE OFFICERS WHO ARE NOT ELECTED BY THE VOTE OF THE PEOPLE, OR WHOSE APPOINTMENT AND TERM OF OFFICE ARE NOT OTHERWISE PROVIDED BY THE CONSTITUTION, SHALL BE APPOINTED BY THE GOVERNOR AND THAT THE TERM OF OFFICE OF SUCH STATE OFFICERS SHALL BE COTERMINOUS WITH THE TERM OF OFFICE OF THE APPOINTING GOVERNOR; AND THAT THE TERM OF OFFICE OF EACH SUCH STATE OFFICER WHO SHALL BE IN OFFICE ON THE DATE ON

WHICH THIS ACT SHALL TAKE EFFECT, SHALL TERMINATE ON THE FIRST MONDAY IN JANUARY, 1939," was submitted to the electors of the State of Arizona at said election and that there were of legal votes cast at said election 33,016 votes cast in favor of said Act, and 34,752 votes cast against said Act, and that therefore, a majority of the legal votes cast at said election were opposed thereto; and

WHEREAS, it now appears from the returns of said election as canvassed and certified to me by the said canvassing board that at the said election 37,438 were cast in favor of said Constitution Amendment and 28,478 were cast against said Constitutional Amendment, which said Constitutional Amendment is as follows:

"AN INITIATIVE MEASURE

PROPOSING AN AMENDMENT TO THE CONSTITUTION OF THE STATE OF ARIZONA RELATING TO THE ELECTION OR APPOINTMENT OF MEMBERS OF THE LEGISLATURE TO PUBLIC OFFICES OR POSITIONS, AND AMENDING SECTION 5, PART 2, ARTICLE IV.

Be It Enacted by the People of the State of Arizona:

The amendment of Section 5, part 2, Article IV, Constitution of the State of Arizona, in the words and figures following, is proposed, to become valid as a part of said Constitution when approved by a majority of the qualified electors voting thereon and upon proclamation of the Governor:

Section 5. No member of the Legislature, during the term for which he shall have been elected or appointed shall be eligible to hold any other office or be otherwise employed by the State of Arizona, or any county or incorporated city or town thereof. This prohibition shall not extend to the office of school trustee, nor to employment as a teacher or instructor in the public school system."

102—YES	37,438
103—NO	28,478

and that, therefore, a majority of the votes upon the said

proposed Amendment to the Constitution were in favor thereof.

NOW, THEREFORE, I, R. C. STANFORD, Governor of the State of Arizona, by virtue of the authority in me vested, and in accordance with law, do hereby proclaim and declare that the above said Amendment to the Constitution be in full force and effect from the date of this Proclamation.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State to be affixed.

Done at the City of Phoenix, the Capitol, this 14th day of December, 1938.

(Signed) R. C. STANFORD

R. C. Stanford,
Governor

SEAL

ATTEST:

(SIGNED) JAMES H. KERBY
Secretary of State

INITIATIVE MEASURE
VOTED ON BY THE PEOPLE
AT THE GENERAL ELECTION
HELD ON NOVEMBER 8, 1938.

To be submitted to the qualified electors of the State of Arizona for their approval or rejection at the

REGULAR GENERAL ELECTION

to be held

ON NOVEMBER 8th, 1938

Proposed by Initiative Petition of the People and filed in the office of the Secretary of State, July 2nd, 1938, and printed in pursuance of Paragraph 1746, Chapter 34, Article I, Revised Code of Arizona, 1928. Amended Chapter 62, Laws 1935.

JAMES H. KERBY, Secretary of State.

(On Official Ballot Nos. 102-103)

INITIATIVE PETITION

AMENDMENT TO THE CONSTITUTION OF THE STATE OF ARIZONA

PROPOSED AMENDMENT TO THE CONSTITUTION OF THE STATE OF ARIZONA

AN INITIATIVE MEASURE

PROPOSING AN AMENDMENT TO THE CONSTITUTION OF THE STATE OF ARIZONA RELATING TO THE ELECTION OR APPOINTMENT OF MEMBERS OF THE LEGISLATURE TO PUBLIC OFFICES OR POSITIONS, AND AMENDING SECTION 5, PART 2, ARTICLE IV.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF ARIZONA:

The amendment of section 5, part 2, article IV, Constitution of the State of Arizona, in the words and figures following, is proposed, to become valid as a part of said

Constitution when approved by a majority of the qualified electors voting thereon and upon proclamation of the Governor:

Section 5. No member of the Legislature, during the term for which he shall have been elected or appointed shall be eligible to hold any other office or be otherwise employed by the State of Arizona or, any county or incorporated city or town thereof. This prohibition shall not extend to the office of school trustee, nor to employment as a teacher or instructor in the public school system.

The following is the form and number in which the question will be printed on the Official Ballot.

PROPOSED AMENDMENT TO THE CONSTITUTION
PROPOSED BY INITIATIVE PETITION

"MEMBERS OF LEGISLATURE NOT ELIGIBLE FOR PUBLIC APPOINTMENT DURING TERM OF OFFICE TO WHICH ELECTED"

PROPOSING AN AMENDMENT TO THE CONSTITUTION OF THE STATE OF ARIZONA RELATING TO THE ELECTION OR APPOINTMENT OF MEMBERS OF THE LEGISLATURE TO PUBLIC OFFICES OR POSITIONS, AND AMENDING SECTION 5, PART 2, ARTICLE IV.

If you favor the above law, vote YES: if opposed, vote NO.

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102 Yes—37,438
103 No—28,478

The foregoing amendment was ordered by petition of the people, and, filed in the office of the Secretary of State, July 2, 1938 and approved by a majority of votes cast thereon at the General Election held on November 8th, 1938. There were 37,438 votes cast for said amendment and 28,478 votes cast against it and under the provisions of law by a proclamation of the Governor dated December 14th, 1938, took effect on that date.

JAMES H. KERBY
Secretary of State.

BILLS VETOED BY THE GOVERNOR

EXECUTIVE OFFICE
STATE HOUSE

PHOENIX, ARIZONA

March 21, 1939.

Hon. Harry M. Moore
Secretary of State
Phoenix, Arizona.

Dear Mr. Moore:

I hand you herewith my veto of House Bill No. 1, which is an Act "RELATING TO PUBLIC HEALTH; CREATING THE STATE BOARD OF HEALTH AND DEFINING ITS POWERS AND DUTIES, REPEALING SECTIONS 2678, 2679, 2680, and 2681, Revised Code of 1928, Chapter 38, Session Laws of 1931, regular session, and chapter 103, Session Laws of 1935, regular session, and declaring an emergency".

House Bill No. 1, the so-called "Public Health Bill", has several meritorious features and it is with extreme regret I am forced, in the interests of good government, to veto it.

We have found, through bitter experience, that the principle of divided authority more than any one thing is responsible for the breakdown of efficiency in our state government.

As I pointed out in my annual message to the Legislature, we already have too many boards and commission. They are an expensive luxury and accomplish little good.

I cannot sign a bill which creates a new state health board which will be an added expense on the already overburdened tax payers of Arizona.

I cannot believe that this board of five men who are bound to have five different shades of opinion on the conduct of public health administration can promote public health as effectively as a competent physician appointed by and responsible directly to the Governor. I am quite content that this responsibility should be mine and I am willing to stand

or fall upon the record of my public health officer, Dr. Fred Perkins.

This bill is also objectionable in that it provides after Dr. Perkins has served his term the Governor must appoint a man with a college degree in public health work.

I am reliably informed this would exclude every practicing doctor in the State of Arizona and would force us to go outside the state for our health officer.

Even if one or two Arizona physicians could meet these exacting requirements, I still feel this bill is violently discriminatory when it specifically excludes ninety-nine per cent of our doctors.

I am hopeful that the wise and necessary provisions of this bill involving the term of office of the Superintendent of Public Health, the creation of a Superintendent of Nurses, improving the public health code, and others will be included in a bill which I shall ask the Legislature to enact when and if it becomes necessary to call a special session.

In view of the foregoing objectionable features, I hereby disapprove, reject and veto House Bill No. 1.

Yours very sincerely

(Signed) R. T. Jones
GOVERNOR

RTJ"B
ENCL.

HOUSE BILL NO. 1

AN ACT

RELATING TO PUBLIC HEALTH; CREATING THE STATE BOARD OF HEALTH AND DEFINING ITS POWERS AND DUTIES, REPEALING SECTIONS 2678, 2679, 2680, and 2681, REVISED CODE OF 1928, CHAPTER 38, SESSION LAWS OF 1931, REGULAR SESSION, AND CHAPTER 103, SESSION LAWS OF 1935, REGULAR SESSION, AND DECLARING AN EMERGENCY.

Be it enacted by the Legislature of the State of Arizona:

Section 1. DEFINITIONS. In this act, unless the context otherwise requires:

"board" means state board of health;

"superintendent" means superintendent of public health.

Sec. 2. DUTIES OF BOARD. Except as herein provided, the duties of the board shall be advisory only.

Sec. 3. SUPERINTENDENT. (a) The superintendent of public health shall be appointed by the board for a term of five years. He may be removed for cause prior to the expiration of his term, upon the filing of written charges and after hearing thereon by the board. Vacancy in the office shall be filled for the unexpired portion of the term only.

(b) The superintendent shall be a licensed practitioner of medicine and surgery with not less than

two years practical experience in the private practice of medicine and a graduate of a medical school recognized by the association of American medical colleges. He shall be a qualified elector of the state of Arizona and experienced in public health administration and shall have a certificate showing completion of one year of post graduate training in public health in an accredited public health training school, provided that the first superintendent appointed under the provisions of this act shall not be required to possess the certificate from such public health training school but shall within two years after his appointment obtain such a certificate.

(c) The superintendent shall devote his full time to the duties of the office, and shall receive a salary, to be fixed by the board, of not less than four thousand eight hundred nor more than six thousand dollars per annum, plus traveling expenses in conformity with section 2803, Revised Code of 1928, as amended.

(d) The superintendent shall give bond in the sum of ten thousand dollars for the faithful performances of the duties of his office and for the proper accounting of such moneys as may come into his possession by virtue of his office.

Sec. 4. DUTIES OF SUPERINTENDENT. The superintendent shall be the administrative and executive officer of the state board of health and the state registrar of vital statistics, but shall receive no additional compensation for his duty as registrar.

He shall with the advice of the board:

1. Make and declare rules and regulations in

accordance with the laws of the state for the proper safeguarding of the public health and for the prevention of the spread of diseases, and the elimination of the sources of contamination. Provided, however, that the rules and regulations in force and effect at the time of the passage of this act shall be and remain in force and effect until modified, altered, or repealed by the superintendent of public health pursuant to the provisions of this act. Rules and regulations shall be publicized in such manner as may be directed by the board.

2. Cooperate in the work of city, town, and county boards of health and health officers.

3. Investigate causes of disease, epidemics, causes of mortality, nuisances affecting public health, and all other matters relating to public health.

4. Promote activities for maternal and child health.

5. Exercise sanitary control over public and private water supplies and abate the pollution of streams or other water sources, to the end that the public health shall be protected.

6. Exercise sanitary control over the collection and disposal of sewage.

7. Prepare the annual budget for presentation to the governor.

8. Appoint directors of the division of the department with the consent of the board naming the remainder of the personnel of the department without such advice and consent.

Sec. 5. BIENNIAL REPORT. Not later than December 1 of each even numbered year the superintendent shall submit to the governor a report setting forth:

1. The activities of the board and the superintendent during the current and the next preceding calendar years.

2. The work done in each county.

3. The character and extent of all diseases that have been reported to him.

4. The expenditures of the board and of each county board.

5. Such recommendations as he may deem advisable for the protection of the public health.

Sec. 6. SUPERVISOR OF PUBLIC HEALTH NURSING. (a) The superintendent shall appoint and fix the salary of the supervisor of public health nursing.

(b) The supervisor of public health nursing shall have had not less than nine months' training in public health work.

(c) The supervisor of public health nursing shall, subject to the direction of the superintendent: 1. Supervise and advise all nurses, attendants, and aides engaged in public health activities; 2. make a monthly report to the board of the observations made and the work performed, and, 3. furnish such other information relating to public health nursing as may be required by the board or the superintendent.

Sec. 7. STATE BOARD OF HEALTH. (a) The state board of health shall consist of five members, who shall be appointed by the governor with the advice and consent of the senate. One member shall be appointed for a term ending February 1 next succeeding the date of his appointment, and one each for terms ending one, two, three, and four years thereafter. Upon the expiration of any of said terms a successor shall be appointed for a full term of five years. Appointment to fill a vacancy resulting otherwise than from expiration of term shall be for the unexpired portion of the term only.

(b) Each member of the board shall be a qualified elector of the state.

(c) Members of the board shall receive no compensation for their services as such, but shall be reimbursed for necessary expenses incurred in the performance of their duties.

Sec. 8. MEETINGS AND ORGANIZATION. The board shall hold regular meetings not less than once every six months. Special meetings may be called by the chairman, the superintendent, or any three members. Three members shall constitute a quorum. The board shall elect from its membership a chairman and a vice-chairman. The superintendent shall be secretary of the board, and shall have charge of its books and records.

Sec. 9. OATHS. The chairman of the board and the superintendent shall have power to administer oaths in connection with the duties of the board.

Sec. 10. FINANCIAL PROVISIONS. The public health fund shall consist of appropriations and of all receipts from any other source for the use of the board. The state treasurer shall receive and

disburse moneys donated to or provided for the board by any person, town, city, benevolent organization, or other agency for health administrative work, and moneys so received shall be deposited in the public health fund. The salaries and expenses of the board and of the superintendent and all employees appointed pursuant to the provisions of this act, shall be paid from said fund. Disbursements therefrom shall be made upon claims signed by the superintendent, in the manner provided by law for payment of other claims against the state.

Sec. 11. PENALTY. Any person violating any provision of this act, or any rule or regulation adopted pursuant to this act, shall be guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not less than ten nor more than three hundred dollars, or by imprisonment in the county jail for not less than sixty days or by both such fine and imprisonment.

Sec. 12. REPEAL. Sections 2678, 2679, 2680, and 2681, Revised Code of 1928, chapter 38, Session Laws of 1931, regular session, and chapter 103, Session Laws of 1935, regular session, are repealed. This section does not negative an implied repeal of any statute which conflicts with this act.

Sec. 13. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

I hereby disapprove, reject, and veto

(Signed) R. T. Jones
Governor

March 21, 1939.

EXECUTIVE OFFICE
STATE HOUSE

PHOENIX, ARIZONA

March 21, 1939.

Hon. Harry M. Moore
Secretary of State
Phoenix, Arizona.

Dear Mr. Moore:

I hand you herewith my veto of House Bill No. 32, which is an Act "RELATING TO THE STATE HOSPITAL; PROVIDING FOR ITS ADMINISTRATION, AND REPEALING ARTICLE 2, CHAPTER 70, REVISED CODE OF 1928; AND DECLARING AN EMERGENCY".

I am vetoing this measure for the same reason I have rejected the provisions of House Bill No. 1.

The people of Arizona elected me their Chief Executive on November 8, 1938 with a clear and unmistakable mandate, to reorganize the administration of our state institutions. These institutions, through mis-management, had reached a point where the morale of both staff and inmates was very low and the cost of operation very high.

No one more fully appreciated this condition than I. I accepted it as the outstanding problem of my administration.

With one exception, these institutions were placed under new and competent leadership. Principles of sound business practices were introduced. The combination of these two factors has resulted in a marked increase in all-around efficiency in the operation of the State Prison, the State Hospital, the Pioneers' Home, and the Fort Grant Industrial School.

This bill, if allowed to become a law, would uproot and destroy the smooth-functioning staff which Dr. Louis Saxe has assembled to assist him in the management of the State Hospital for the Insane.

In a little over two and one half months, Dr. Saxe has made a remarkable showing as Superintendent of the Hospital. I am exceedingly proud of his record, and feel that if he is allowed to operate this large institution without inter-

ference that he will within a short period succeed in raising its standard of operation to a very high plane in efficiency, comparing favorably with any institution of its kind in America.

I have the utmost confidence in Dr. Saxe and am willing to stand or fall upon his accomplishments.

Under this proposed law, the Superintendent of the Hospital would be responsible to five men who would constitute the State Hospital Board, in contrast to the present situation which makes him solely responsible to the Governor. In my long business career, I have found it much more difficult to obey the orders of five men than it is to work under instructions of one.

Both Dr. Saxe and I are fully cognizant of the need of a business director, as is provided in this measure. Nevertheless, we feel that the bad effects of placing this institution under a five-man board, the members of which cannot possibly be expected to learn the responsibilities and duties of their office for at least a year, more than outweighs this one argument in favor of this measure.

Therefore, in view of the foregoing objectionable features, I hereby disapprove, reject and veto House Bill No. 32.

Very sincerely yours

(Signed) R. T. Jones
GOVERNOR

RTJ"B
ENCL.

HOUSE BILL NO. 32

AN ACT

RELATING TO THE STATE HOSPITAL; PROVIDING FOR ITS ADMINISTRATION, AND REPEALING ARTICLE 2, CHAPTER 70, REVISED CODE OF 1928; AND DECLARING AN EMERGENCY.

Be it enacted by the Legislature of the State of Arizona:

Section 1. DEFINITIONS. In this act, unless the context otherwise requires:

"state hospital" means the state hospital for the insane;

"board" means the state hospital board;

"superintendent" means the superintendent of the state hospital;

"officer" or "employee" means any officer or employee of the state hospital.

Sec. 2. STATE HOSPITAL. A state hospital for the insane shall be maintained for the care and treatment of persons who are adjudged insane and such other mentally diseased persons as may be admitted in accordance with law. It shall have adequate facilities and equipment for the enlightened and scientific treatment of nervous and mental diseases in accordance with approved methods of mental therapeutics, which shall include, among other things: 1. facilities for medical and psychiatric treatment, with special attention to sedative and tonic hydro-

therapy, insulin, and other special therapies, including occupational therapy; 2. facilities for the proper segregation and care of children patients; 3. facilities for recreation and physical training; 4. an institutional library for the use of patients; 5. a properly equipped dental department, and, 6. a properly equipped laboratory and X-ray department.

Sec. 3. ADMINISTRATION. The state hospital shall be under the charge and control, subject to the provisions of this act, of the state hospital board.

Sec. 4. ADMITTANCE. Admittance of a patient to the state hospital shall be in the manner provided by law.

Sec. 5. CASE HISTORY. Upon commitment of any person to the state hospital the board of social security and welfare or the health officer of the county in which such person resided at the time of commitment, or any hospital or physician having an authentic case history of such person bearing upon his mental illness or disorder, shall transmit the same, or a copy thereof to the state hospital.

Sec. 6. PAROLE AND DISCHARGE. (a) Upon the application of relatives or friends, the superintendent of the state hospital may release upon parole a convalescent patient who is not of a suicidal or homicidal tendency. The person to whom the patient is paroled shall give a bond to the board in such sum as the board may require, conditioned upon the proper care and maintenance of the parolee, his return to the state hospital if demanded by the superintendent or the board, and the making of monthly reports to the superintendent regarding his mental and physical condition.

(b) The superintendent shall discharge any patient in the state hospital who is not insane or who does not require confinement or treatment. Upon discharge, all articles of value taken from the patient when he entered the hospital shall be returned, and he shall be paid all moneys received for his benefit and not disposed of according to law, together with any sum earned by him during his confinement.

(c) Prior to the discharge of a patient as cured, the guardian, relatives, or friends of the patient shall be notified to appear and receive him. In the event the discharged patient is an indigent, he shall be returned, decently clothed and provided with non-transferable transportation and five dollars in cash, to the county from which committed, and shall be received by the county board of social security and welfare.

Sec. 7. PAYMENT FOR MAINTENANCE. In the event a person is received by the state hospital whose estate is chargeable with his maintenance, the court shall fix the amount to be charged and shall collect and receive all moneys due therefor. Moneys so collected, and moneys collected for the care of voluntary patients, shall be paid to the state treasurer, through the state auditor, and credited to the fund for operation and maintenance of the state hospital.

Sec. 8. VOLUNTARY ADMISSION. (a) Pursuant to rules and regulations prescribed by the board, the state hospital may receive as a patient any person, suitable for observation or care and treatment, who voluntarily makes written application therefor on a form prescribed by the board, or, if less than twenty-one years of age, upon application made by the parent, guardian, or next of kin.

(b) The superintendent of the state hospital, within ten days after the admission of a patient by voluntary application, shall forward to the business director of the board, or other executive officer of the state hospital, a record of a patient, including a report of an examination made by the medical staff of the hospital. The business director, or other executive officer, shall promptly examine the case to determine whether or not the patient is in fact a voluntary patient, and his decision shall be final.

(c) A person voluntarily entering the state hospital shall not be detained more than ten days after the date of notice in writing of his intention or desire to be released. If less than twenty-one years of age, the notice shall be signed by the person who made the application for admission.

(d) Voluntary admission shall be by unanimous action of the board and upon written order directed to the superintendent. The board shall fix the charge for any such patient at an amount which will fully reimburse the state for the expense of housing, board, care, and treatment, and shall require that satisfactory provision be made for the prompt payment thereof.

Sec. 9. SUPERINTENDENT. (a) The superintendent shall have charge of the state hospital, shall supervise and direct its activities, subject to the provisions of law and the rules and regulations of the board, and shall be directly responsible for carrying out the purposes for which the hospital is maintained.

(b) Not later than July 15 of each year the superintendent shall submit to the board a report of the activities of the state hospital during the

preceding fiscal year, which report shall include: 1. an account of patients received, paroled, and discharged voluntary patients treated, and out-patient services rendered; 2. methods of treatment used, and the results thereof; 3. a complete employment and personnel record; 4. equipment purchased, and the condition of existing equipment; 5. recommendations for improvement of the institution, and, 6. such other matters as may be required by the board or deemed advisable by the superintendent to present a clear picture of the condition and activities of the hospital.

(c) The superintendent shall be a well educated physician, graduated from a legally chartered school of medicine the requirements of which shall have been, at the time of his graduation, not less than those prescribed by the Association of American Medical Colleges, and shall have had not less than three years' experience in practice of medicine and surgery, one year of which must be in the practice of mental and nervous diseases. He shall be removed only for cause.

Sec. 10. STAFF. (a) The superintendent shall be charged with the employment of all employees of the state hospital subject to the approval of the board.

(b) The superintendent may discharge an employee only for cause, and any employee so discharged may, upon request, have the cause of his discharge reviewed and determined by the board.

(c) Suitable living quarters and board for the superintendent and his family shall be furnished and for such other employees as the board may, from time to time, determine.

Sec. 12. BUSINESS DIRECTOR. (a) The business director shall have charge and control, subject to the rules and regulations of the board and the approval of the superintendent, of the business management and affairs of the state hospital. He shall: 1. purchase all supplies, and shall designate the class, quality, and kind of supplies to be purchased for the hospital; 2. keep the books and records of the hospital; 3. maintain a perpetual inventory of all supplies and provisions purchased or grown for the use of the hospital, and a property inventory record and control; 4. make all reports relating to the business affairs of the state hospital required by law or requested by the board or the superintendent, and, 5. perform such other duties as the board may direct.

(b) The business director shall give a surety bond to the state, approved by the board, in an amount not less than twenty-five thousand dollars.

Sec. 13. FINANCIAL STATEMENTS. (a) Not later than the twentieth day of each month the superintendent shall prepare in duplicate a financial statement of the affairs of the state hospital, showing: 1. amounts appropriated for the current fiscal year for operation, maintenance, and improvement; 2. amount expended during the preceding calendar month; 3. balance on hand, and, 4. estimated expenditures for the current month. The original shall be filed with and retained as a record of the board and the duplicate filed with the state auditor.

(b) Not later than July 15 of each year the superintendent shall submit to the board a financial statement of the affairs of the state hospital during the preceding fiscal year, in a form prescribed by the state auditor.

Sec. 14. STATE HOSPITAL BOARD. (a) The state hospital board shall consist of five members, who shall be appointed by the governor. One member shall be appointed for a term ending February 1 next succeeding the date of his appointment, and one each for terms ending one, two, three, and four years thereafter. Upon the expiration of any of said terms a successor shall be appointed for a full term of five years. An appointment to fill a vacancy resulting otherwise than from expiration of the term shall be for the unexpired portion of the term only.

(b) The members of the board shall be persons well known for their interest in social welfare and the care and treatment of the mentally ill.

(c) Members of the board shall receive no compensation for their services as such, but shall be reimbursed for necessary expenses incurred in the performance of their duties.

Sec. 15. DUTIES OF BOARD. The board shall:

1. appoint the superintendent;

2. fix the salaries and qualifications of employees, subject to the provisions of this act;

3. establish rules and regulations for out-patient services;

4. if it be deemed advisable, establish a nurses' training school in connection with the hospital, to be under the supervision of the superintendent;

5. prescribe forms of complaint and certificates of insanity and commitment;

6. adopt rules and regulations for the commitment of insane persons;

7. establish rules and regulations for the administration of the state hospital and to carry out the purposes of this act.

Sec. 16. ORGANIZATION OF BOARD. Not later than ten days after its appointment, and not later than February 15 of each year thereafter, the board shall organize by electing from its membership a chairman, vice-chairman, and secretary.

Sec. 17. SECRETARY OF BOARD. The secretary of the board shall give a surety bond to the state, approved by the governor and in an amount fixed by the board. He shall keep the minutes of the board meetings and certify the same, and each member in attendance shall certify the minutes. Claims for expenses of members shall be approved by the secretary.

Sec. 18. ANNUAL REPORT. Not later than August 1 of each year the board shall submit to the governor a comprehensive report of the activities of the state hospital during the preceding fiscal year, which report shall include the annual reports of the superintendent and the business director, and shall contain: 1. An account of the work done; 2. recommendations for improvement, and 3. such financial statements as shall clearly reflect the origin and disposition of all funds which may have come into the hands of the board or any officer or employee, through appropriations or otherwise. The board shall make such supplemental reports as the governor or the legislature may request. The annual report shall be published for the information of the public, and a copy mailed to each member or member-elect of the legislature.

Sec. 19. EXPENDITURES. (a) This act shall not be construed to give the board or any officer or employee authority to create any debt or obligation in excess of the amount appropriated by the legislature in carrying out its provisions. In the event funds have not been appropriated for any of the purposes of this act, the board shall make appropriate recommendations to the legislature, with a statement of the cost of the improvement requested.

(b) The state auditor shall issue no warrant for expenditures by the state hospital in excess of the estimate contained in the monthly financial statement of the superintendent, approved in writing by the board, setting forth the reasons therefor, and in no event in excess of the amount available for the current quarter.

Sec. 20. REPEAL. Article 2, chapter 70, Revised Code of 1928, is repealed. This section does not negative an implied repeal of any statute which conflicts with this act.

Sec. 21. SEVERABILITY. If any provision of this act be held invalid, such invalidity shall not affect other provisions which can be given effect without the invalid provision, and to this end the provisions of the act are declared to be severable.

Sec. 22. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

I hereby disapprove, reject, and veto

(Signed) R. T. Jones
Governor
March 21, 1939.

EXECUTIVE OFFICE
STATE HOUSE
PHOENIX, ARIZONA

March 21, 1939

Hon. Harry M. Moore
Secretary of State
Phoenix, Arizona.

Dear Mr. Moore:

I hand you herewith my veto of House Bill No. 205, which is an Act "RELATING TO STATE FINANCES AND CONTROL AND PROVIDING AN ADEQUATE, UNIFIED, AND INTERGRATED SYSTEM OF FINANCIAL AND BUSINESS ADMINISTRATION FOR THE STATE GOVERNMENT, EMBRACING BUDGETING, ACCOUNTING, PRE-AUDITING, POST-AUDITING, AND FISCAL REPORTING; PRESCRIBING ADDITIONAL DUTIES FOR THE STATE AUDITOR, AND PROVIDING PENALTIES FOR THE VIOLATION OF THE PROVISIONS OF THIS ACT, AND REPEALING ARTICLE 3 OF CHAPTER 2, AND ARTICLES 1 and 2 OF CHAPTER 60, REVISED CODE OF 1928, AS AMENDED".

It is evident from reading this measure that the Legislature had two specific things in mind: the waste of state funds by our various departments and institutions and the problem of plugging the leaks. By reposing large and comprehensive powers of direction, control and supervision over all departments spending money or incurring obligations in the hands of the State Auditor, it hoped to cure some of the evils of the present system.

As a former member of the Legislature and an observer of the operations of the state government over the last ten years, I realize only too well that there has been a great deal of waste and inefficiency in the handling of public funds. I have made the correction of this situation one of the main objectives of my administration.

A careful analysis of this measure reveals that in many respects it is a revision of present statutes, vesting new and broad powers of financial control in the State Auditor.

The full extent and scope of these powers cannot be def-

initely ascertained from the language of the act itself. Beyond question the primary objectives of the measure are excellent; however, the act is so broad and so indefinite, that its ultimate satisfactory operation is open to grave question.

The reservation of the rights and prerogatives of the Governor with relation to budgeting and expenditure of public revenues should be more definitely set forth.

Those provisions of the act providing for recommendations to the Governor for the removal of various public officials, whom the Governor has no right to remove under the Constitution and laws of the state of Arizona, are meaningless. The rights vested in the Auditor with relation to stopping the flow of state excise funds to the counties, to say the least, could, in the hands of an arbitrary Auditor, work a severe hardship on the various counties. Various other provisions of the bill relating to the function of state departments could result in substantial interference with the normal operation of those departments affected.

Even though the bill contains many meritorious and excellent features, these and other serious objections growing out of the broad scope of House Bill 205 and its indefinite limitations might have the effect of nullifying any hoped for improvement in the present system of financial control.

House Bill 205 should be given additional study by all of the departments of the state which it affects, by the Legislature and by the Chief Executive to the end that this matter may be included in the first special legislative call, and at that time a new bill enacted retaining all of the benefits of House Bill 205 and at the same time clarifying and making definite its limitations.

There is also the question of available funds with which to make effective the operation of the State Government under the provisions of House Bill 205. This matter can also be given consideration by the Legislature in special session. It is of extreme importance that all public institutions charged with rendering public service be granted sufficient funds to make those services effective. No bill as far reaching in its affect upon the operation of the State Government as House Bill 205 should be placed in effect unless adequate funds have been made available to carry out its provisions.

In addition to the foregoing reasons, the Attorney Gen-

eral has ruled that the title is defective and that various provisions of the act are unconstitutional, and these objections should also be removed when this bill is brought up for further consideration by the Legislature.

In vetoing this bill, I do so, not with the desire to defeat the intent of the Legislature, but with the sincere conviction that additional thought and study will enable the Legislature to enact a measure incorporating all of the good features of this bill and at the same time remove its objectionable points.

I therefore disapprove, reject and veto House Bill No. 205.

Yours very sincerely

(Signed) R. T. Jones
GOVERNOR

RTJ"B
ENCL.

HOUSE BILL NO. 205

AN ACT

RELATING TO STATE FINANCES AND CONTROL AND PROVIDING AN ADEQUATE, UNIFIED, AND INTEGRATED SYSTEM OF FINANCIAL AND BUSINESS ADMINISTRATION FOR THE STATE GOVERNMENT, EMBRACING BUDGETING, ACCOUNTING, PRE-AUDITING, POST-AUDITING, AND FISCAL REPORTING; PRESCRIBING ADDITIONAL DUTIES FOR THE STATE AUDITOR, AND PROVIDING PENALTIES FOR THE VIOLATION OF THE PROVISIONS OF THIS ACT, AND REPEALING ARTICLE 3 OF CHAPTER 2, AND ARTICLES 1 AND 2 OF CHAPTER 60, REVISED CODE OF 1928, AS AMENDED.

Be it enacted by the Legislature of the State of Arizona:

ARTICLE 1. SHORT TITLE AND DEFINITIONS.

Section 1. SHORT TITLE. This act shall be known, and may be referred to, as the budget and financial administration act of 1939.

Sec. 2. DEFINITIONS. In this act, unless otherwise required by the context:

"appropriation" means an authorization by the legislature to a budget unit to expend from public funds, a sum of money not in excess of the sum specified, for the purpose specified in such au-

thorization, under the procedure herein prescribed;

"appropriation act" means an act of the legislature that authorizes the expenditure of state money;

"budget" means the complete financial plan for each fiscal year as proposed in the budget report and modified and adopted by means of the appropriation and revenue act;

"budget class" means one of the kinds of expenditure denoting a class of services, commodities purchased, or properties acquired as specified in the classification of expenditures prescribed as provided herein, for use in expenditure accounting, in the making of budget estimates, and in the budget reports and budgets;

"budget estimates" mean the statements with its accompanying explanations, as provided herein, in which a budget unit states its financial requirements and request appropriations;

"budget report" means the recommendations of the governor to the legislature, as to financial plans and expenditures to be authorized, with the accompanying statements and explanations, prepared as provided herein;

"budget unit" means a department, commission, board, institution, or other agency or division of the state organization expending or disbursing state funds or incurring obligations against the state;

"capital outlays" mean the expenditures which

result in the acquisition of fixed properties such as land, buildings, equipment, construction or development or permanent improvement, or that result in the reduction of fixed or long term liabilities, such as bonded debt;

"disbursements" mean cash actually paid out for any or all purposes;

"expenditures" mean expenses and capital outlays;

"expense" means values consumed in operation, maintenance, and fixed charges, whether such values are represented by cash paid out or by obligations to pay cash, or partly by each;

"receipts" mean cash actually received from any or all sources;

"revenues" mean values accruing which increase the amount of assets without correspondingly increasing liabilities or reserves; for example, earnings such as fees, taxes.

ARTICLE 2. BUDGETING.

Section 1. EXPENDITURES TO BE AUTHORIZED BY ANNUAL OR BIENNIAL APPROPRIATION ACTS. All expenditures of the state and all of the budget units thereof shall be made by the authority of an annual or biennial appropriation act or appropriation acts, which shall be based upon a budget prepared as set forth in this act.

Sec. 2. BIENNIAL BUDGET REPORT. The governor, by and with the advice and assistance of

the state auditor, shall biennially prepare and submit, to each and every regular session of the legislature, a budget report presenting a complete financial plan for each fiscal year of the ensuing biennium. Said budget report shall contain a certificate or certificates of the state auditor as to the accuracy of the statements of the financial condition, of income and receipts, and of expenditures and disbursements, which shall be prepared as set forth in this act.

Sec. 3. CONTENTS OF THE BIENNIAL BUDGET REPORT. Each biennial budget report shall include the following:

(a) Summary statements of the financial condition of the state, to include: (1) a comparative consolidated balance sheet showing all the current assets and liabilities of the state as at the close of each of the two fiscal years last concluded; (2) summary statements of the actual income and the total expenditures of each of the fiscal years concluded: (3) similar summary statements of the estimated fund balances for the current fiscal year and each of the two ensuing fiscal years.

(b) Statements of income and receipts for each of the two fiscal years last concluded, and the estimated income and receipts of the current fiscal year and of each of the two ensuing fiscal years. The statements of income and estimated income shall be itemized by source by organization units and sources, and by funds and sources, and shall show separately receipts from refunds and reimbursements of expenditures, receipts from sale of assets, and receipts on account of the income of prior years, all detailed by sources.

(c) Detailed comparative statements of expenditures and request for appropriations by funds, budget units and budget classes, showing the expenditures for each of the two fiscal years concluded, the budget of the current year, and the request of each budget unit and the governor's recommendations for appropriations for each of the two ensuing fiscal years, all distributed according to budget classes of ordinary recurring expenses of operation and maintenance, and of extraordinary expenses and capital outlays. In connection with each budget class of capital outlays, involving construction projects to be completed in two or more fiscal years, there shall be shown the total estimated cost of each such project and the amount thereof recommended to be appropriated and expended in each ensuing fiscal year until completion of the project.

(d) A summary statement for each fund of the cash resources estimated to be available at the beginning of each of the two fiscal years next ensuing and the estimated cash receipts of the fiscal year, as compared with the total recommended amounts of appropriations for all budget classes for the year, and if the total of the recommended expenditures exceeds the total of the estimated resources, recommendations as to how the deficiency is to be met and estimates of receipts from any proposed additional revenues.

(e) A draft of a proposed appropriation act embodying the governor's recommendations for appropriations for the ensuing fiscal year and drafts of such revenue and other acts as may be recommended for putting into effect the proposed financial plan. The recommended appropriations for ordinary recurring expenses shall not be item-

ized by budget classes in the appropriation acts but by budget units, and the amount of each of such recommended appropriations shall be the total of the recommended amounts for the budget classes in the group covered by the appropriation. Recommended appropriations for extraordinary expenses and capital outlays shall be itemized in the appropriation act by budget classes and the title of each budget class shall be supplemented by such wording as is needed to limit each appropriation to the specific use or purpose intended. In connection with each suggested appropriation for capital outlays, the draft of the appropriation act shall specify the total amount to be appropriated for the total estimated cost of each such project and the amount recommended for appropriation for each fiscal year thereafter until the completion of the project. The recommended appropriation for each budget unit shall be specified in a distinct and separate section of the appropriation act.

Sec. 4. STATE AUDITOR TO PRESCRIBE AND FURNISH FORMS TO BUDGET UNITS. It shall be the duty of the state auditor to prescribe the forms to be used by the budget units in submitting their budget estimates and request for appropriations in accordance with the provisions of this act, and to prescribe such rules and regulations as he may deem necessary for the guidance of officials in preparing such budget estimates and requests. On or before the first day of August of each year, immediately preceding the year in which the legislature convenes in regular session, the state auditor shall transmit or cause to be transmitted to the administrative head of each budget unit, (a) at least two complete sets of prescribed forms on which budget estimates and re-

quest for appropriations for the next two ensuing fiscal years are to be submitted, (b) instructions as to the preparation of each of the required statements.

Sec. 5. HEAD OF BUDGET UNITS TO SUBMIT BUDGET STATEMENTS AND OTHER DATA ON PRESCRIBED FORMS. The head of each budget unit, not later than the first day of September of each even-numbered year, shall submit to the state auditor, estimates of the financial requirements and of the receipts of each budget unit for the next two fiscal years, on the forms and in the manner prescribed by the state auditor, and accompanied by such explanatory data as may be required by him, together with such additional information as the head of the budget unit may wish to submit. The estimates so submitted shall bear the approval of the head officer of said budget unit, or of the boards or commissions of said budget units, for which such boards or commissions are constituted.

Sec. 6. CONTINUOUS FINANCIAL PLANNING. The state auditor shall have in continuous process of preparation and revision, in the light of his direct studies of the operations, plans and needs of budget units and of the existing and prospective sources of income, a tentative budget report for the next ensuing biennium for which a budget report is required to be prepared. Upon receipt of the estimates of the several budget units, he shall check these estimates in the light of his own information, and shall make such further inquiries and investigations and revise the tentative budget report as he deems warranted. Such tentative budget report, when completed by the state auditor, shall be submitted to the governor,

together with the budget statements provided in section 5.

Sec. 7. DUTIES OF THE GOVERNOR IN PREPARING THE BUDGET REPORT. Prior to the submission of the budget report to the legislature, the governor shall examine the statements and estimates and shall make or cause to be made such further investigations by the state auditor, with such hearings before the governor, and shall direct such changes or revisions in appropriations recommended as he may deem advisable.

Sec. 8. MEANS OF INFORMING GOVERNOR-ELECT AS TO BUDGET PROPOSALS. The governor-elect shall be entitled to a seat in all budget hearings and shall be furnished a copy of the budget report as approved by the governor.

Sec. 9. BUDGET REPORT TO BE PRINTED AND TRANSMITTED TO LEGISLATURE. The governor shall have the budget report printed in such number of copies as he may deem necessary, and copies thereof shall be transmitted to the legislature not later than five days after beginning of the regular session of the legislature.

Sec. 10. STATE AUDITOR TO SERVE APPROPRIATION COMMITTEES. From the time of the transmission of the budget report to the legislature until the appropriation bill or bills shall have been finally disposed of, the state auditor, in person or by an assistant, shall be at the disposal of the legislature and the appropriation committees thereof, and shall devote so much of his time as may be required to the work of the appropriation committees, under the direction of the respective chairmen.

Sec. 11. BUDGET TO GOVERN THE ALLOTTING OF APPROPRIATIONS; PERMISSIBLE DEVIATIONS. The heads of the budget units, the state auditor, and the governor, in allotting appropriations for expenditures, shall be governed by the work plans formulated by the heads of the budget units as shown in the detailed budget estimates as amended by the legislature, and shall make allotments quarterly to permit the carrying out of such plans except as deviations therefrom are made necessary by changes in conditions of operations, to meet unforeseen contingencies, to correct errors, and to avoid cash deficits.

Sec. 12. ALLOTMENTS TO GOVERN EXPENDITURES; PERMISSIBLE TRANSFERS WITHIN ALLOTMENTS. The heads of the budget units shall hold to the work plans and detailed expenditure estimates as authorized and approved on advices of allotments, except as deviations therefrom are made necessary by changes in conditions of operations, to meet unforeseen contingencies, and to correct errors. In no case shall obligations be incurred or expenditures made in excess of the amounts allotted. Transfers from an allowance for one budget class to an allowance for another budget class within the same budget unit, may be authorized by the administrative head of the budget unit to which the allotment was made, if approved by the state auditor and the governor.

ARTICLE 3. CONTROL OF THE INCURRING OF OBLIGATIONS.

Section 1. COMMITMENTS TO BE EVIDENCED BY VOUCHERS. No disbursements in

payment of liabilities incurred, except liabilities representing the expenses of the legislature, salaries of elected state officers, and special grants or orders of the legislature, shall be made from any appropriation or fund, unless there has been previously filed with the state auditor commitment statements as follows:

(a) For personal services of officers and employees of the state, except elected officers, an advice of employment for each such officer and employee, which advice shall give the name of the budget unit, the name of the officer or employee regularly appointed to a position in the unit, the rate of pay, the date from which the employment takes effect, and the appropriation or appropriations to which payment of the salary or wages are to be charged; and the responsible head of the budget unit shall certify that the information contained in the advice is true and correct; or

(b) Copies of the purchase orders or contracts under which purchase orders or contracts shall specify (1) the work to be done or the services to be rendered, the unit cost or rate of payment, and the estimated total cost, or (2) the kind of commodities to be supplied, and the quantity, grade, or quality, unit price and estimated cost of such commodities; or

(c) Where it is not possible or practicable to issue a purchase order, a requisition in writing shall be made to the state auditor, describing in detail the nature of the commitment to be entered into or the obligation to be incurred, or a travel order, stating the unit cost and the total cost to be involved, and requesting reservation of the sum of money necessary to discharge the obligation.

Sec. 2. FORM OF COMMITMENT VOUCHERS TO BE PRESCRIBED BY STATE AUDITOR; FORMS TO BE USED, HOW. It shall be the duty of the state auditor to prescribe a form of advice of employment, a form of purchase order, a form of requisition for the reservation of funds, and a form of travel order. All commitments shall be authorized on such forms by the heads of the budget units, or their authorized officer or employee, in conformity with the provision of this act, and copies of all such authorizations shall be transmitted immediately to the state auditor.

Sec. 3. DESIGNATION OF OFFICERS OR EMPLOYEES AUTHORIZED TO SIGN COMMITMENT VOUCHERS. It shall be the duty of the administrative head of each budget unit to designate the officer or employee authorized to sign advices of employment, copies of purchase orders and contracts, requisitions for reservation of funds and travel orders, and no such advice, order, contract or requisition shall be honored as a commitment statement unless such designation with a copy of the signature of such officer shall be on file in the office of the state auditor.

Sec. 4. DUTY OF THE AUDITOR WITH RESPECT TO AUTHORIZED COMMITMENTS. Every adivice of employment, copy of purchase order or contract requisition for reservation of funds or travel order, provided for under this act, immediately upon its receipt in the office of the state auditor, shall be stamped with the date of its receipt and be examined by the state auditor, or an assistant designated by him, within the next business day after being so received. The auditor shall ascertain whether or not the proposed expenditures are authorized by the appropriations

and allotments to which it is proposed to charge them, and that the amounts involved do not exceed the unencumbered balances of such allotments. If any proposed expenditure cannot be approved by the state auditor under the provisions of this act, he shall notify the head of the budget unit concerned that the proposed expenditure is disallowed. The state auditor shall cause to be stamped on, or attached to, each approved commitment voucher, a certificate by himself or his authorized agent as follows: "I certify that this voucher has been examined, that the proposed expenditure is authorized by appropriation and allotment and does not exceed the unencumbered balance of the allotment to which it is properly chargeable, and that the total estimated cost has been entered as a charge against (..... insert the designation of the proper allotment)."

Sec. 5. COMMITMENTS IN EXCESS OF ALLOTMENTS NOT TO BE APPROVED. In no event shall the head of any budget unit, either by himself or through any assistant designated by him, approve any advice of employment, purchase order, contract, requisition for reservation of funds, or travel order, which will involve an expenditure of any sum in excess of the unencumbered balance of the allotment to which the resulting expenditure will be chargeable.

Sec. 6. UNAUTHORIZED OBLIGATIONS. No person shall incur or order or vote for the incurrence of any obligation against the state of Arizona or for any expenditure not authorized by appropriation, allotment, and approval of a commitment voucher, as provided herein, except as expressly authorized in this act. Any such obligation so raised in contravention of this act, shall

not be binding against the state of Arizona, but shall be null and void and incapable of ratification by any administrative authority of the state of Arizona to give effect thereto against the state of Arizona. But every person incurring, or ordering or voting for the incurrence of such obligation, and his surety or sureties, shall be jointly and severally liable therefor.

Sec. 7. ANTICIPATED EXPENSES; POWERS OF STATE AUDITOR. The state auditor is hereby authorized to grant special authority for any budget unit, during any fiscal year, to enter into contracts and make specific purchases of supplies or materials to be delivered in the ensuing fiscal year, in anticipation of appropriations already made for the ensuing fiscal year.

ARTICLE 4. CONTROL OF THE ACCRUING INCOME AND RECEIPTS.

Section 1. COLLECTION OF FEES AND OTHER AMOUNTS DUE THE STATE THROUGH THE BUDGET UNITS. Fees for licenses, permits, certificates of any kind and other amounts due any budget unit shall be collected at the time such licenses, permits or certificates are issued, by the budget units issuing them. All other monies accuring to the various budget units or to the state through the various budget units shall also, so far as practicable, be collected at the time services are rendered, or at the time of accrual by the budget units rendering the services or assessing the charges, or otherwise giving rise to the claims in favor of the state; and when collections cannot be so effected, it shall be the duty of the budget units concerned, to render bills to the

persons liable for the amounts due or accruing, and to collect such bills.

Sec. 2. CONTROL OF BUDGET UNIT RECEIVABLES. On or before the fifth day of each month in each fiscal year, the head of each budget unit shall transmit to the state auditor, a statement showing: (1) the amount of the receivables of such unit as of the beginning of the previous month, (2) the total income accruing to such unit during said month, whether collected or not, (3) the amount of money collected and deposited in the treasury during said month, and (4) the total receivables as of the end of said month. To each such statement there shall be appended a certificate by the head of the budget unit, to the effect that the statement is correct in every detail and that all amounts due said budget unit, as of the end of the previous month, have been collected or have been billed and included in the amount of the receivables as of the end of the previous month, as shown by the statement. The monthly statements herein required shall be supported in the months of July and January of each fiscal year by detailed lists of receivables prepared by the heads of the budget units to show: (1) the name and address of each debtor, (2) the nature of the item, (3) the amount of the item, (4) the date the item was due and receivable, and (5) the total of all receivables so listed, which total shall be in agreement with the total receivables as shown on a relative monthly statement.

Sec. 3. CONTROL OF TAXES RECEIVABLE FROM THE COUNTIES. The treasurer of each county shall remit to the state treasurer, on or before the fifteenth day of each month during each fiscal year, the portion of tax money belong-

ing to the state, which was collected during the previous month, and transmit to the state auditor, a statement showing: (1) the amount of taxes receivable as of the beginning of the previous month by each tax levy, (2) the amount of additions during said month by each tax levy, (3) the amount of deductions for cancellations or abatements during said month by each tax levy, (4) the amount of collections made during said month by each tax levy, (5) the amount remitted by each tax levy, (6) the amount of taxes receivable as of the end of said month by each tax levy. Each such statement shall be in form prescribed by the state auditor, and there shall be appended a certificate by the clerk of the board of supervisors of said county to the effect that the statement is correct in every detail. Any county which fails or refuses to comply with this section, or refuses to pay any obligations due the state from said county, shall be notified in writing by the state auditor. Any county which persists in such failure or refusal for a period of ten days after the mailing of notice thereof shall be disqualified from receiving any portion of the excise tax monies, until said county shall comply with this section and pay the state such obligations.

Sec. 4. RECEIPTS OF THE BUDGET UNITS TO BE DEPOSITED DIRECTLY IN THE TREASURY. No monies received by any of the budget units, or monies for which the state is responsible, shall be held, or used, or deposited in any personal or special bank account temporarily or otherwise, by any agent or employee except as expressly provided herein. All cash receipts of any budget unit, except as otherwise provided herein, shall be promptly remitted to the state treasurer together with an itemized statement of remittance.

Sec. 5. PRIVATE FUNDS AND CONTRIBUTIONS. Every department, institution, board, commission, or other agency of the state government, receiving private funds or contributions available for its support or for the purpose of defraying the expenses of any work done under its direction, shall deposit such funds or contributions with the state treasurer, in the manner prescribed by this act for the deposit of public monies and shall certify to the state auditor: (1) the sources from which such funds or contributions were received, (2) the terms and conditions under which, and the purpose for which, they were received, (3) the names of the trustees or administrators of the funds or contributions, and (4) the name of the person authorized to approve expenditures from each fund or contribution. The state treasurer shall keep each such fund or contribution entirely separate and distinct from all other funds. All disbursements from such funds and contributions shall be made by the state treasurer on the warrants of the state auditor, who shall issue such warrants only upon adequate vouchers approved by the person or persons authorized to approve the expenditures. Separate sets of accounts with each of the said funds and contributions, and the receipts and disbursements thereof, shall be maintained by the state auditor. The provisions of this act shall not apply to private funds of students in state educational institutions nor to the private funds of patients or prisoners in state institutions, when such funds are deposited with an officer of such institutions for safekeeping.

Sec. 6. MONIES PAID INTO THE TREASURY. For all monies paid into the state treasury there shall be prepared three receipts, which shall

be signed for the money, which shall be alike, except that upon the face of one of them shall appear the word "Original", and on the others the words "Duplicate" and "Triplicate", respectively. Such receipts shall specify the amount and from what person or officer received and into what fund or account deposited, and a memorandum of the contents thereof. The state treasurer shall deliver both the duplicate and triplicate receipts to the person or official paying the money into the state treasury. Such officer or person shall forthwith present both receipts to the state auditor. The state auditor, or an employee designated by the state auditor, shall countersign the triplicate receipt and file the duplicate, after writing upon its face the day of its delivery to him, and scrutinizing the contents, and charging the state treasurer with the amount specified therein, and crediting the proper fund or account. Such officer or person making remittances by mail to the state treasurer shall, also mail under separate cover an itemized statement of such money to the state auditor, and the state treasurer shall present duplicate and triplicate receipts to the state auditor. No such receipt shall be considered valid or binding as against the state, unless so countersigned as provided by this section.

Sec. 7. STATE AUDITOR TO KEEP RECORD OF COLLECTION OF REVENUES. It shall be the duty of the state auditor to keep up to date, a completely detailed list of all sources from which monies accrue to the state, classified according to the budget units and other agencies responsible for the collection of public funds, so as to show for each of the various budget units and each of the other revenue-collecting agencies of the state, the various kinds of taxes, fees, permits, and other

public monies collected or to be collected. The state auditor is empowered to supervise and direct the collecting and money-handling activities of all said collecting units, agencies, and employees, and to take such steps as may be deemed necessary to enforce the provisions of this act with respect to the collecting and depositing of public monies.

ARTICLE 5. PRE-AUDITING AND GENERAL PROVISIONS.

Section 1. STATE AUDITOR TO PRESCRIBE CLAIM FORMS TO BE USED. It shall be the duty of the state auditor to prescribe the forms of the vouchers or claims to be used, which shall be the only forms used for the presentation of such indebtedness of the state to the state auditor.

Sec. 2. PRE-AUDIT OF CLAIMS; OTHER DUTIES. All claims against the state for an obligation authorized, required or permitted to be incurred by any budget unit, shall be paid only in the following manner: (a) the claimant shall present an itemized claim, sworn to by him and approved by the head official of each budget unit or office under which the obligation was incurred, or by some other officer thereof, if expressly authorized to approve; (b) claims other than for the salaries of regular employees of the state must indicate the serial number of the purchase order, contract, requisition for reservation of funds, or travel order, under which such indebtedness was incurred; (c) claims shall specify the particular fund, authority, and appropriation, and shall be presented to the state auditor within one year after such claim shall accrue, and not afterwards; (d) claims shall state specifically the actual pub-

lic purpose and also any information requested for the classification of expenditures by the state auditor. The state auditor shall carefully examine all claims against the state, and shall reject any which are incorrect in form, insufficient in detail, or not supported by the required evidence; or which in his judgment is not for an actual public purpose connected with the department or institution where the claim originated, is not warranted by law, is not authorized by the appropriation against which drawn, or which is the result of fraudulent, illegal, improper, or defective procedure on the part of the claimant or vendor, or of the officer or budget unit approving the claim.

Sec. 3. EXAMINATION OF WITNESSES UPON CLAIMS. Whenever it is necessary to the proper settlement of any account, the state auditor may examine the parties and others on oath, touching any matters material to such account, and for that purpose may administer oaths, issue subpoenas, and compel witnesses to attend before him and give evidence, in the same manner and by the same means allowed by law to courts of record.

Sec. 4. WARRANTS TO SPECIFY APPROPRIATION AGAINST WHICH DRAWN; ACCEPTANCE OF WARRANTS BY TREASURER. Each warrant of the state auditor shall specify the particular appropriation on which it is drawn, and shall be countersigned by the governor, or by one of his secretaries for him and in his name, before the presentation to the state treasurer for payment or endorsement, and in case of absence of the governor from the state, by the secretary of state, and unless so countersigned said warrants shall not be considered complete in form or effect as legal obligations against the state. All war-

rants of the state auditor, issued in accordance with the provisions of this act, shall, when signed by the state auditor, or an assistant designated by him therefor, constitute full and sufficient authority to the state treasurer for the disbursement of public monies in the amount set forth, and the state treasurer shall accept all such warrants and issue his check on a state depository bank in payment therefor, or if no funds are available for payment of such warrants, he shall stamp the date of its presentation upon the face of the warrant, and whenever it is paid, interest shall be allowed from said date, and paid out of the general fund, in addition to the principal thereof; provided that no public money shall be withdrawn from the treasury for any purpose whatsoever unless on the warrant of the state auditor, as is provided by this act. Provisions of this section shall not be construed to apply to withdrawals of funds from state depository banks for immediate redeposit in other state depository banks.

Sec. 5. LAPSING APPROPRIATIONS. No officer, department, board, commission, institution, or other agency of the state shall, after the close of any fiscal year, incur or order or approve the incurring of any obligation or expenditure under any appropriation made by the legislature for such fiscal year, and no expenditure shall be made from or be charged to any appropriation made by the legislature for any fiscal year that shall have expired at the time the obligation for such expenditure was incurred. The state auditor is authorized to draw warrants, against the available balances of appropriations made for a fiscal year, for a period of three months after the close of such fiscal year, for the payment of expenditures incurred during the fiscal year for

which such appropriations were made or in fulfillment of contracts properly made during such year and for no other purpose whatsoever, and the state treasurer is authorized to pay such warrants. After expiration of such period of three months from the beginning of each fiscal year, all balances of appropriations for the prior fiscal year shall lapse and no further payments shall be made on any claims on account of expenditures of such prior fiscal year.

Sec. 6. EMERGENCY EXPENDING. The governor may authorize the incurring of liabilities and expenses to be paid as other claims against the state, from the general fund, in the amount necessary, provided, the aggregate amount of the debt so incurred and existing, shall not exceed the sum of three hundred fifty thousand dollars, to meet contingencies and emergencies arising from invasions, riots or insurrections, epidemics of disease, acts of God resulting in damage or disaster to the works, buildings or property of the state or which menace the health, lives or property of any considerable number of persons in any community of the state, and for which no other funds are appropriated, or for which the appropriation was insufficient to meet the emergency.

Sec. 7. IMPREST FUNDS AUTHORIZED; MANNER OF PROCURING. The head official of any state office or state agency, may establish an imprest fund when provided for by appropriation or when authorized by the state auditor, for the purpose of making disbursements requiring prompt cash outlays, but not in any case to exceed five thousand dollars, provided that an application shall be presented to the state auditor by said office or agency stating: the amount deemed nec-

essary, the particular person who shall have custody of and be charged with the handling and accounting for the fund. Any question relative to the amount to be allowed in any imprest fund, the expenditures thereof, the accounting therefor, and the repayment thereof to the state treasurer, shall be determined by the state auditor. The amount of any imprest fund shall lapse with the appropriation on which it is based, but such fund may be re-established from the appropriation for the next ensuing fiscal year or when authorized by the state auditor.

Sec. 8. CERTIFICATE TO ISSUE WHERE NO APPROPRIATION. In all cases where the law recognizes a claim for money against the state, but no appropriation shall have been made by law to pay the same, the state auditor shall audit and adjust the same, if presented to him, and give the claimant a certificate of the amount thereof, under his official seal, if demanded, and shall report the same to the legislature.

Sec. 9. SHALL PRESERVE ACCOUNTS. All accounts, vouchers, and documents shall be preserved in his office, and copies thereof, authenticated by his official seal, shall be given to any person who may apply for the same, and tender the fees at the rate of twenty cents per folio and one dollar for certificate and seal.

Sec. 10. INVENTORY OF STATE PROPERTY. The state auditor shall keep a continuing inventory showing classification, appraisement, situation and use of all state property. Each state officer or other person having in his possession or under his control any state property shall report to him in writing when requested concerning said

property. No claim for the services of any such state officer or other person who fails for the period of thirty days after request to make the said report, shall be audited until he shall have made and filed the said report. The state auditor shall submit to each regular session of the legislature a condensed form of said inventory as of the close of the fiscal year last preceding the convening of the said legislature. Officials having custody of property which has become obsolete or damaged may dispose of the same upon approval of the governor on forms prescribed by the state auditor.

Sec. 11. AUTHENTICATION WITH SEAL. The state auditor shall appoint a deputy state auditor, and shall keep a seal of office which shall be used to authenticate all warrants signed by him, and all writings, papers, and documents, certified from his office.

ARTICLE 6. ACCOUNTING, REPORTING AND POST-AUDITING.

Section 1. STATE AUDITOR TO AUDIT, PRESCRIBE AND INSTALL A UNIFIED AND INTEGRATED SYSTEM OF ACCOUNTS. The state auditor shall have the sole authority to audit all boards, commissions, institutions, and departments of the state. It shall be the duty of the state auditor to audit the accounts, records and transactions of the budget units not less frequently than once in each fiscal year. Such auditing shall extend to private and semi-private agencies receiving state aid or having responsibility for handling any state funds. The state auditor shall make special audits and investigations at such times as he may deem necessary, and shall audit periodically the

state's portion of taxes collected by the various counties, and the collection of revenues of all kinds accruing to the state, to ascertain whether the revenue due and owing the state is being properly and completely collected, and if he shall find from said audit or audits that collections are not being satisfactorily made, he shall proceed with measures provided for the enforcement of this act. The state auditor shall keep in process a continuous internal audit of the accounts and affairs of the office of state treasurer and shall not less frequently than once a month examine the books of the state treasurer, take up all cancelled warrants and give the state treasurer a receipt therefor. The state auditor shall prescribe a unified and integrated system of accounts for the state, which shall include: (a) a set of budgetary control accounts for each fund, which it shall be his duty to maintain in his office, comprising an account with the available cash of the fund, an account with the budget estimate of the amount of money to be derived from each source of revenue and non-revenue receipts, an account with the total of the unallotted balance of appropriations, an account with the total of the free balance of allotments, an account with the total commitments under allotments, and an account with the estimated cash surplus or deficit as the case may be, so as to show at all time the status of the fund; (b) a subsidiary appropriation ledger for each fund from which appropriations are made, which it shall be his duty to maintain in his office, embracing an account with each appropriation designed to show: the budget unit to which appropriation was made, the purpose of the appropriation, the amount appropriated, the additions to the appropriation, allotments from the appropriation, the unallotted bal-

ance of the appropriation, commitments charged to allotments, and the free balance of the total amount allotted; (c) a set of general controlling proprietary and operating accounts for each fund, which it shall be his duty to maintain in his office, so as to record the transaction to the fund in summary form and to show the current assets, current liabilities, reserves, income, expenditures, and surplus or deficit as the case may be; (d) a uniform classification of the sources of revenue and non-revenue receipts, which shall be observed by all the budget units in preparing remitting statements and reporting on revenues and receipts; (e) standard classifications of the expenditures of the budget units, by the activities upon which the units are engaged; (f) a standard classification of budget units and their principal functions by major functions of government; (g) such other accounts, records, and devices as the state auditor may deem necessary for the production of needed information respecting financial condition, financial operations, and costs.

Sec. 2. AUTHORIZATION OF FORMS TO BE USED IN FINANCIAL AND BUSINESS ADMINISTRATION. All blank forms used or that shall hereafter be proposed for use by any or all budget units for any of the purposes herein specified shall be examined by the state auditor and shall be designed or redesigned under his supervision and direction with a view to providing for the simplification, unification, and integration of all financial and business administrative records and procedures. It shall also be the duty of the state auditor to prescribe, and enforce adherence to standard sizes, colors, designs, and forms, including styles of types and qualities and grades of paper. This section shall be construed to apply

to all forms for use in state budgeting, accounting, pre-auditing, purchasing, property control, and any other matter of financial and business administration of the state or any budget unit thereof.

Sec. 3. MONTHLY STATEMENTS FROM STATE DEPOSITORIES. The president or cashier of each state depository shall, on the first day of each month, certify to the state auditor, in form, as the state auditor may prescribe, the amount or amounts remaining to the credit of the state treasury. Any state depository bank which fails or refuses to comply, in any month, with the provisions of this section shall be notified in writing by mail, on or before the tenth day of such month, of such failure or refusal, by the state auditor. Any state depository bank which persists in such failure or refusal for a period of ten days after the mailing of notice thereof as herein required shall be disqualified as a state depository and it shall be the duty of the state treasurer to call the state's deposits in such bank and forthwith to withdraw them therefrom. Any bank disqualified hereunder as a state depository bank shall continue to be ineligible for designation as a state depository for a period of two years.

Sec. 4. STATE AUDITOR TO RECONCILE STATE TREASURER'S ACCOUNTS WITH BANK CERTIFICATIONS AND STATE AUDITOR'S ACCOUNTS. Immediately after the close of each month during each fiscal year, the state auditor shall reconcile the state treasurer's accounts with the bank certifications and the accounts of the state auditor's office, and the state treasurer shall submit his books and accounts and shall assist the state auditor in such reconciliation.

Sec. 5. AUDITING STATE AUDITOR. The president of the Senate and the speaker of the House, shall cause a fidelity audit to be made of the books and accounts of the state auditor immediately preceding the year in which the regular session of the legislature convenes.

Sec. 6. FISCAL REPORTING. It shall be the duty of the state auditor: (a) within ten days after the close of each month, to furnish each budget unit with copies of his active accounts with the appropriations and allotments in favor of such unit, showing all the transactions recorded in the previous month and the balances as of the beginning and end of that month; (b) within ten days after the close of each month, to prepare and transmit to the governor, a report embodying: a summary statement of the actual financial condition of each fund as of the close of the previous month, a summary statement showing the receipts and payments of each fund of the previous month, and for the current fiscal year to the close of the month, and a summary budget statement for each fund showing the available cash balance as of the end of the previous month, the amount of cash estimated to be realized from each source during the remaining month of the fiscal year, the total means of financing, the amount of unallotted balances of allotments, the estimated amount of unliquidated commitments; (c) on or before the first day of December in each fiscal year, to file with the governor a complete report of the financial transactions of the preceding fiscal year and of the financial condition of the state as of the end of that year, with such comments, and supplementary data as he may deem necessary to make his report complete and easy to understand.

Sec. 7. STATE AUDITOR TO INVESTIGATE ALLEGED MISMANAGEMENTS OR DEFALCATIONS. The state auditor is empowered, and it shall be his duty to investigate any alleged mismanagement or defalcation of state funds by any officer or employee or governing body responsible for carrying out any state function; to recommend to the governor that he proceed as provided by law for the removal of any unnecessary officer or employee and of any officer or employee whom the state auditor shall find has grossly mismanaged any state funds. The state auditor shall be empowered to direct prosecutions in the name of the state, for all official delinquencies in relation to the assessment, collection, and payment of the revenue against all persons, who by any means, become possessed of public moneys or property and fail to pay over or deliver the same, and against any debtor to the state.

When a question of law arises between the state auditor and any other public official, or when actual litigation is necessary for the purpose of carrying out the provisions of this section, the state auditor may employ an attorney periodically as needed, which attorney shall receive compensation not to exceed twenty dollars a day while actually employed.

Sec. 8. POWERS OF STATE AUDITOR TO CONDUCT EXAMINATIONS AND COMPEL ATTENDANCE AND TESTIMONY OF WITNESSES. For the purpose of enforcing the provisions of this act, the state auditor, or any member of his staff who may be designated as his agent, shall have free access during business hours, to all books, reports, documents, papers, accounts, and letters in the office or under the care, charge or control of any budget unit. The state auditor may administer

oaths, certify to official acts, issue subpoenas, compel the attendance of witnesses and the productions of all testimony touching any subject, properly under investigation by it, and may compel the production of books, papers, letters, documents, accounts, and reports.

Sec. 9. PENALTY FOR VIOLATING LAW. Any officer, agent or employee of the state or of any of its political subdivisions, who shall willfully fail or refuse to comply with any of the provisions of this act or who shall expend any money in violation of any of the provisions of this act, shall be deemed guilty of a misdemeanor and be fined not less than one hundred dollars, nor more than one thousand dollars, or imprisoned not less than ninety days nor more than one year, or both such fine and imprisonment.

Sec. 10. SEVERABILITY. If any provisions of this act be held invalid, such invalidity shall not affect other provisions which can be given effect without the invalid provision, and to this end the provisions of the act are declared to be severable.

Sec. 11. REPEALING CLAUSE. Article 3 of chapter 2, and articles 1 and 2 of chapter 60, Revised Code of 1928, as amended, are hereby repealed.

I hereby disapprove, reject, and veto

(Signed) R. T. Jones
Governor

March 21, 1939.

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ACTS
Memorials and Resolutions

of the

FOURTH SPECIAL SESSION

of the

Thirteenth Legislature

of the

STATE OF ARIZONA
1938

Fourth Special Session Convened September 15, 1938

Fourth Special Session Adjourned Sine Die, October 4, 1938

Publication Authorized
(Chapter 88, Sub. Div. 36, Laws of 1939)
Regular Session
14th Legislature

NOTICE:—There are a few misspellings, other errors and punctuation mistakes in the body of this volume, which originated in the original engrossed copies, and had to be duplicated herein, so as to conform to such original copies.

AUTHENTICATION

STATE OF ARIZONA
Office of the Secretary of State } ss.

THIS IS TO CERTIFY—That the Acts, Memorials and Resolutions published in this volume, are full, true and correct copies of the originals, passed at the Fourth Special Session of the Thirteenth Legislature of the State of Arizona, as they appear on file in the office of the Secretary of State of Arizona.

That the Fourth Special Session of the Thirteenth Legislature of the State of Arizona was convened at the Capitol, in the City of Phoenix, September 15, 1938, and adjourned sine die on the 4th day of October, 1938.

IN TESTIMONY WHEREOF, I have hereunto set my hand as Secretary and affixed the Great Seal of the State of Arizona, this 12th day of June, 1939.

HARRY M. MOORE (Signature)
Secretary of State.

EXECUTIVE DEPARTMENT

STATE OF ARIZONA

PHOENIX, ARIZONA

PROCLAMATION

CALLING THE THIRTEENTH LEGISLATURE OF ARIZONA INTO SPECIAL SESSION

WHEREAS, Article IV, Part 2, Section 3 of the Constitution of Arizona reads in part as follows:

> "The Governor may call a special session whenever in his judgment it is advisable. In calling such a special session the Governor shall specify the subjects to be considered at such session, and at such session no laws shall be enacted except such as relate to the subjects mentioned in such call."

And,

> WHEREAS, Article V, Section 4 of the Constitution of Arizona reads in part as follows:
>
> "He (the Governor) may convene the Legislature in extraordinary session."

NOW, THEREFORE, I, R. C. STANFORD, Governor of the State of Arizona, in consideration of these premises, and by virtue of the authority vested in me by the Constitution, do convene the Thirteenth Legislature of the State of Arizona into Fourth Special Session, in Phoenix, at the Capitol Building, at ten o'clock, A.M., on Thursday the 15th day of September, 1938, to enact legislation for the following purposes:

I.

To enable the Board of Regents of the University of Arizona, the Boards of Education of the State Teacher's Colleges at Tempe and Flagstaff, the Arizona State School for the Deaf and Blind, to borrow money, or accept grants, from any Federal agencies.

II.

To make appropriations for the purpose of enabling the State of Arizona, its boards, institutions, departments and commissions to receive grants from any Federal agency.

III.

To enable the State of Arizona, its Colorado River Commission, and its different boards, departments, institutions and its National Guard to conform with the Federal requirements to participate in the various benefits of the Public Works Administration, the Works Progress Administration, or any other Federal agency, and to make necessary appropriations therefor.

IV.

To enact legislation to encourage the leasing and development of oil lands in the State of Arizona.

V.

To consider, and to enact, legislation in aid of, and to facilitate, the obtaining of loans and grants of money, or either thereof, from the United States of America, or from any of the departments or agencies thereof, to irrigate districts organized and existing, or which may be organized, under the laws of the State of Arizona; and to amend, supplement, or repeal any existing provision or provisions of the laws of the State of Arizona, relating to irrigation districts which may be considered advisable or necessary to accomplish the purposes of this item.

VI.

To enable counties, cities, towns, villages, school districts, high school districts and union high school districts, to borrow money and accept grants from any Federal agency for any purpose not prohibited by the Constitution of Arizona.

VII.

To transfer the powers of the Board of Directors of

State Institutions over the control of the Arizona State Industrial School and the Arizona State Hospital for the Insane, and any other state institution, or institutions, as the legislature may deem necessary, to a Board of Managers to consist of the Governor, one citizen to be appointed by the Governor, and the remainder to be selected from citizens of the State of Arizona upon the recommendations of governing bodies of the Arizona professional, educational and occupational associations, and appropriate the necessary funds therefor.

VIII.

To appropriate funds necessary for the State Prison and the State Hospital for the Insane.

IX.

Confirmation of appointments.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Arizona to be affixed.

DONE at the Capitol Building in Phoenix, this 8th day of September, 1938.
(Signed)

R. C. STANFORD,
Governor.

ATTEST:
(Signed) AUSTIN S. GRIMES,
Asst. Secretary of State.

Filed in the Office of the Secretary of the State of Arizona this 9th day of September A. D. 1938 at 10:25 A.M.

JAMES H. KERBY,
Secretary of State.

By AUSTIN S. GRIMES,
Assistant Secretary.

Order of Acts

Order of Acts

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OF THE

THIRTEENTH LEGISLATURE

STATE OF ARIZONA

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1 H. B. 11 Making an appropriation for the thirteenth legislature of the State of Arizona, fourth special session. Approved Sept. 16, 1938. Effective Sept. 16, 1938. (Emergency section) ..... [illegible] 487

2 S. B. 5 Providing that registration of voters shall not be necessary for irrigation district elections heretofore or hereafter called to be held under the provisions of Chapter six of the acts of the third special session of the eleventh legislature, known as "The District Enabling Act of 1934", legalizing calls of elections, and other proceedings under said act made before the passage of this act where the election is held after the passage of this act, providing a limitation or termination, and declaring an emergency. Approved Sept. 27, 1938. Effective Sept. 27, 1938. (Emergency section) ..... [illegible] 489

3 H. B. 3 Relating to bonds of educational institutions and amending sections 4 and 12 of Chapter 7, session laws of 1934, third special session. Approved Sept. 28, 1938. Effective Sept. 28, 1938. (Emergency section) [illegible] 490

4 S. B. 11 To amend Chapter 6 of the acts of the third special session of the eleventh legislature known as "The District Enabling Act of 1934", by adding thereto a new section to be designated section 8A providing for the authorization of contracts or agree-

ments with the federal government and the issuance of bonds thereunder prior to the adoption of any resolution or the making of any offer or other commitment in respect thereto by the federal government, declaring contracts so authorized and executed by the governing body of the district with or without modification valid and binding, declaring registration of voters unnecessary, validating calls and notices of elections and elections held pursuant thereto in cases where such calls were made and such notices published and posted prior to the passage of this act, providing a limitation or termination, and declaring an emergency. Approved Sept. 28, 1938. Effective Sept. 28, 1938. (Emergency section) 492

5 H. B. 13 Making an appropriation to the Arizona State School for Deaf and Blind for building construction and equipment, and declaring an emergency. Approved Sept. 29, 1938. Effective Sept. 29, 1938. (Emergency section) 497

6 H. B. 30 Relating to the National Guard; authorizing the construction of a military headquarters building, making appropriation therefor, and declaring an emergency. Approved Sept. 30, 1938. Effective Sept. 30, 1938. (Emergency section) 499

7 H. B. 24 Relating to the state industrial school; authorizing the construction of a dormitory, making an appropriation therefor, and declaring an emergency. Approved Oct. 4, 1938. Effective Oct. 4, 1938. (Emergency section) 501

8 S. B. 21 Relating to the state capitol, making appropriation for the completion and remodeling of quarters for administrative and legislative purposes, and declaring an emergency. Approved Oct. 5, 1938. Effective Oct. 5, 1938. (Emergency section) 502

9 S. B. 13 Concerning the construction of dormitories, not to exceed the sum of fifty thousand dollars, by junior college districts, the acceptance of grants and the borrowing of money by junior college districts from the United States of America, or any federal agency, and the issuance of bonds to finance such construction, limiting the time within which such bonds may be issued, and declaring an emergency. Approved Oct. 4, 1938. Effective Oct. 4, 1938. (Emergency section) 505

10 H. B. 12 Relating to state institutions for juveniles, and creating a board of directors of state institutions for juveniles. Approved Oct. 6, 1938. Effective Jan. 3, 1939. 510

ACTS

CHAPTER I

(House Bill No. 11)

AN ACT

MAKING AN APPROPRIATION FOR THE THIRTEENTH LEGISLATURE OF THE STATE OF ARIZONA, FOURTH SPECIAL SESSION.

Be it enacted by the Legislature of the State of Arizona:

Section 1. APPROPRIATION. The sum of twenty-eight thousand, three hundred sixty-three dollars and sixty-four cents is appropriated to the thirteenth legislature, fourth special session, eight thousand nine hundred seventy-four dollars and seven cents thereof being a reappropriation of the balances remaining of appropriations for the thirteenth legislature, regular session; four thousand six hundred five dollars and twelve cents being a reappropriation of balances remaining of appropriations for the thirteenth legislature, first special session; one thousand seven hundred forty-four dollars and forty-three cents being a reappropriation of balances remaining of appropriations for the thirteenth legislature, second special session; six thousand five hundred eighty-six dollars and forty-three cents being a reappropriation of balances remaining of appropriations for the thirteenth legislature, third special session, and six thousand four hundred fifty-three dollars and fifty-nine cents constituting an appropriation out of the general fund.

Sec. 2. PURPOSE. The purpose of said ap-

propriation is to provide for the payment of the current and contingent expense of carrying on the fourth special session of the thirteenth legislature, and shall be expended for the following objects and in not more than the following amounts:

1. For the payment of salaries: 1a. of members of the senate, three thousand forty dollars; 1b. of members of the house of representatives, eight thousand one hundred sixty dollars.

2. For the payment of mileage: 2a. of members of the senate, seven hundred ninety-four dollars and twenty cents; 2b. members of the house of representatives, one thousand two hundred sixty-nine dollars and forty cents.

3. For the payment of salaries and wages: 3a. of officers and employees of the senate, one thousand five hundred dollars; 3b. of officers and employees of the house of representatives, three thousand six hundred dollars, and clerical help in law and legislative library, five hundred dollars.

4. For the payment of contingent expenses: 4a. of the senate, four thousand dollars; 4b. of the house of representatives, five thousand five hundred dollars.

Sec. 3. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved September 16th, 1938.

CHAPTER 2

(Senate Bill No. 5)

AN ACT

PROVIDING THAT REGISTRATION OF VOTERS SHALL NOT BE NECESSARY FOR IRRIGATION DISTRICT ELECTIONS HERETOFORE OR HEREAFTER CALLED TO BE HELD UNDER THE PROVISIONS OF CHAPTER SIX OF THE ACTS OF THE THIRD SPECIAL SESSION OF THE ELEVENTH LEGISLATURE, KNOWN AS "THE DISTRICT ENABLING ACT OF 1934", LEGALIZING CALLS OF ELECTIONS, AND OTHER PROCEEDINGS UNDER SAID ACT MADE BEFORE THE PASSAGE OF THIS ACT WHERE THE ELECTION IS HELD AFTER THE PASSAGE OF THIS ACT, PROVIDING A LIMITATION OR TERMINATION, AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. REGISTRATION OF VOTERS. Registration of voters shall not be necessary for irrigation district elections heretofore or hereafter called to be held under the provisions of Chapter 6 of the Acts of the Third Special Session of the Eleventh Legislature, known as "The District Enabling Act of 1934".

Sec. 2. ELECTIONS. No call of election, notice of election, or other proceeding issued, published, posted or taken prior to the passage of this act, pertaining to any irrigation district election

held under the District Enabling Act of 1934, after the passage of this act, shall be held invalid by reason of any failure or omission to provide for the registration of voters for said election.

Sec. 3. LIMITATION. This act shall expire by limitation February 1, 1939.

Sec. 4. EMERGENCY. To preserve the public peace, health and safety, it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure and shall take effect upon its passage in the manner provided by law.

Approved September 27th, 1938.

CHAPTER 3

(House Bill No. 3)

AN ACT

RELATING TO BONDS OF EDUCATIONAL INSTITUTIONS AND AMENDING SECTIONS 4 AND 12 OF CHAPTER 7, SESSION LAWS OF 1934, THIRD SPECIAL SESSION.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. Section 4, Chapter 7, Session Laws of 1934, Third Special Session, is amended to read:

Section 4. RESOLUTION FOR ISSUANCE OF BONDS. Such institutions shall have power

and are hereby authorized from time to time to issue negotiable bonds in the aggregate principal amount, respectively: Board of Regents of the University of Arizona, not exceeding $1,600,000; Arizona State Teachers College at Tempe, not exceeding $670,000; Arizona State Teachers College at Flagstaff, not exceeding $465,000; Arizona State School for the Deaf and Blind, not exceeding $120,000. The bonds shall be authorized by resolution of the board. The bonds may be issued in one or more series, may bear such date or dates, may be in such denomination or denominations, may mature at such time or times, not exceeding thirty years from the respective dates thereof, may mature in such amount or amounts, may bear interest at such rate or rates, not exceeding five per centum per annum, payable semi-annually, may be in such form, either coupon or registered, may carry such registration privileges, may be executed in such manner, may be payable in such medium of payment, at such place or places, may be subject to such terms of redemption, with or without premium, as such resolution or other resolutions may provide. The bonds may be sold only to a federal agency and at not less than par. The bonds shall be fully negotiable within the meaning and for all the purposes of Chapter 53 of the Revised Code of Arizona, 1928.

Section 2. Section 12, Chapter 7, Session Laws of 1934, Third Special Session, is amended to read:

Section 12. SUPPLEMENTAL NATURE OF ACT. CONSTRUCTION AND PURPOSE. The powers conferred by this Act shall be in addition to and supplemental to the powers conferred by any other law, general or special, and bonds may be issued hereunder notwithstanding the provi-

sions of any other such law and without regard to the procedure required by any other such law. Insofar as the provisions of the Act are inconsistent with the provisions of any other law, general or special, the provisions of this Act shall be controlling. Except in pursuance of any contract or agreement theretofore entered into by and between any institution and any federal agency, no institution shall borrow any money or issue any bonds pursuant to the provisions of this Act after March 1, 1940.

Section 3. EMERGENCY. To preserve the public peace, health and safety, it is necessary that this Act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved September 28, 1938.

CHAPTER 4

(Senate Bill No. 11)

AN ACT

TO AMEND CHAPTER 6 OF THE ACTS OF THE THIRD SPECIAL SESSION OF THE ELEVENTH LEGISLATURE KNOWN AS "THE DISTRICT ENABLING ACT OF 1934", BY ADDING THERETO A NEW SECTION TO BE DESIGNATED SECTION 8A PROVIDING FOR THE AUTHORIZATION OF CONTRACTS OR AGREEMENTS WITH THE FEDERAL GOVERNMENT AND THE ISSU-

ANCE OF BONDS THEREUNDER PRIOR TO THE ADOPTION OF ANY RESOLUTION OR THE MAKING OF ANY OFFER OR OTHER COMMITMENT IN RESPECT THERETO BY THE FEDERAL GOVERNMENT, DECLARING CONTRACTS SO AUTHORIZED AND EXECUTED BY THE GOVERNING BODY OF THE DISTRICT WITH OR WITHOUT MODIFICATION VALID AND BINDING, DECLARING REGISTRATION OF VOTERS UNNECESSARY, VALIDATING CALLS AND NOTICES OF ELECTIONS AND ELECTIONS HELD PURSUANT THERETO IN CASES WHERE SUCH CALLS WERE MADE AND SUCH NOTICES PUBLISHED AND POSTED PRIOR TO THE PASSAGE OF THIS ACT, PROVIDING A LIMITATION OR TERMINATION, AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. Chapter 6, Session Laws of 1934, third special session, known as "The District Enabling Act of 1934", is amended by adding section 8a, as follows:

8a. AUTHORITY TO CONTRACT; ELECTIONS; ISSUANCE OF BONDS. If for any reason the governing body of any such district shall deem it advisable to obtain authority to enter into any such contract or agreement with the federal government and/or to issue bonds for the purpose of carrying out the same, prior to the adoption of any resolution or the making of any offer or other commitment by the federal government in respect thereto, such governing body may obtain such au-

thority to enter into such contract or agreement and/or to issue such bonds by submitting such question at a general, special or primary election in such district. All real property taxpayers in the district who are also in all respects qualified electors of this state and of the district affected by such question, shall be entitled to vote at said election. Registration of voters shall not be necessary for any such election. Notice of the time and place of any such election shall be given for the time and in the manner provided in section 8 of said District Enabling Act of 1934 (Chapter 6, Section 8, Laws 1934, Third Special Session). Such notice shall state: 1. that the district proposes to enter into a contract or agreement with the federal government for a loan or grant of money to or for the benefit of the district, or for the purchase or exchange by the federal government of bonds to be issued by the district, 2. the general purpose of the proposed contract or agreement, 3. the maximum amount of money that it is proposed to obtain from the federal government pursuant to such proposed contract or agreement, 4. the maximum amount of any new bonds that it is proposed shall be issued by the district pursuant to such proposed contract or agreement, the maximum interest rate payable on such bonds and approximately the maximum amount of principal and interest that may be made payable in any year pursuant to such proposed contract or agreement, and 5. that if said proposed contract or agreement is authorized at said election, the governing body will have power to enter into such contract or agreement with the federal government and to issue bonds pursuant thereto and that such contract or agreement and such bonds may contain such provisions, conditions, covenants, restrictions and modifications as may be approved, determined upon and agreed to

by said governing body. At any such election the ballot shall contain the words, "Shall the proposed contract between the district and .... and the issuance of bonds thereunder in an amount not to exceed .... dollars, bearing interest at not to exceed ..... per cent per annum, and the amount of principal and interest to be payable on said bonds not to exceed ..... dollars in any one year, be authorized? Yes ..... No .....", or other words equivalent thereto. If no bonds are to be issued pursuant to said proposed contract or agreement, the words pertaining to bonds shall be omitted from said question. Any such special election shall be conducted and canvassed in all respects as nearly as practicable in conformity with the provisions of law covering the election of the governing body of the district. Informalities in calling, noticing or conducting such election shall not invalidate the same if the election shall have been otherwise fairly conducted. Any such proposed contract or agreement on which there has been an adverse vote may be submitted to the electors in the same or any modified form, at a subsequent election held under section 8 of said District Enabling Act of 1934 (Chapter 6, Section 8, Laws 1934, Third Special Session). In the event any such proposed contract or agreement and bonds to be issued thereunder are authorized and approved by the vote of a majority of the real property taxpayers of the district who are also in all respects qualified electors of this state, and of the district, voting on said question at any such election held pursuant to the terms of this section, no further approval by the voters at an election or otherwise shall be required for the authorization of said contract or agreement, or

any modifications thereof, or any provisions, conditions, covenants, or restrictions agreed by the federal government and the governing body of the district to be included therein, or for the issuance and delivery of said bonds, or for the performance of said contract or agreement, or for the levy of taxes, assessments or other charges for the payment of any sums payable by said district, pursuant to the provisions of such contract or agreement, or of the principal and interest of any such bonds when and as the same fall due. Authorization of a contract or agreement with the federal government and of the issuance of bonds thereunder under the provisions of this section, and the execution of such contract and agreement and the execution and delivery of said bonds by the governing body of the district shall make such contract and agreement and such bonds in all respects as valid and binding upon the district as if they had been submitted and approved at an election held under the provisions of section 8 of said District Enabling Act of 1934 (Chapter 6, Section 8, Laws 1934, Third Special Session).

Sec. 2. VALIDATION OF ACTS. All calls for elections for the approval of proposed contracts or agreements with the federal government made prior to the passage of this act and all notices of election published and posted prior to the passage of this act which are in substantial compliance with the provisions of this act, are hereby validated, and all elections held after the passage of this act pursuant to such calls and notices are hereby declared as valid and effective for all purposes as if this act had become a law prior to the making of such calls and the publication and posting of such notices.

Sec. 3. LIMITATION. This act shall expire by limitation February 1, 1939.

Sec. 4. EMERGENCY. To preserve the public peace, health and safety, it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved September 28, 1938.

CHAPTER 5

(House Bill No. 13)

AN ACT

MAKING AN APPROPRIATION TO THE ARIZONA STATE SCHOOL FOR DEAF AND BLIND FOR BUILDING CONSTRUCTION AND EQUIPMENT, AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. APPROPRIATION. The sum of one hundred forty-four thousand five hundred dollars is appropriated to the Arizona State School for Deaf and Blind as follows:

For the purchase of land (not to exceed $3,500.00) and for the construction, furnishing and equipment of a primary and kindergarten building.....$55,000.00

For the construction, furnishing and equipment of a vocational building 52,500.00

For the construction, furnishing and equipment of a hospital and infirmary 20,000.00

For landscaping, sidewalks and the extension of water service, sewers and electrical service, and for repairs and replacements in existing school plant 17,000.00

Section 2. CONDITIONS. (a) Each item of the foregoing appropriation is conditioned upon the allotment by the federal government of approximately forty-five per cent of the cost of the project of which the construction, furnishings, equipment, repair or improvement under or in connection with such items forms a part.

(b) All items of construction and all purchases of furnishings and equipment shall be by contract after call for bids.

(c) All expenditures hereunder shall be made on claims approved by at least two members of the board of the institution, and at the times and in conformity with the requirements of such agreement with the federal government, or any agency thereof.

Section 3. EXEMPTION. This act shall be exempt from the provisions of paragraph 2616, Revised Code of Arizona, 1928, as amended.

Section 4. EMERGENCY. To preserve the public peace, health and safety, it is necessary

that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved September 29th, 1938.

CHAPTER 6

(House Bill No. 30)

AN ACT

RELATING TO THE NATIONAL GUARD; AUTHORIZING THE CONSTRUCTION OF A MILITARY HEADQUARTERS BUILDING, MAKING APPROPRIATION THEREFOR, AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. AUTHORIZATION. The adjutant general is authorized and directed to cause to be constructed, a military headquarters building, and to equip and furnish the same, said building not to be located on the capitol grounds.

Sec. 2. APPROPRIATION. (a) For the purpose of defraying the state's share of the cost of said military headquarters building the sum of eight thousand one hundred eighty-seven dollars and fourteen cents is appropriated to the National Guard of Arizona.

(b) In addition to the appropriation con-

tained in subsection (a) the sum of five thousand five hundred sixty-two dollars and eighty-six cents (being the amount of insurance recovered and placed in the general fund, on account of the destruction by fire of the capitol grounds bungalow, during the occupancy and use thereof as military headquarters) is likewise appropriated to the National Guard of Arizona for the purpose stated in subsection (a).

Sec. 3. CONDITIONS. (a) Said appropriation is conditioned upon the receipt of a grant or grants by or from the public works administration of the United States, or other agency of the federal government, of approximately 45% of the cost of said military headquarters building.

(b) All items of construction and all purchases of furnishings and equipment shall be by contract after call for bids.

Sec. 4. EXEMPTION. The appropriation contained in this act shall not be subject to the provisions of paragraph 2616, Revised Code of 1928, as amended.

Sec. 5. EMERGENCY. To preserve the public peace, health and safety, it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved September 30, 1938.

CHAPTER 7

(House Bill No. 24)

AN ACT

RELATING TO THE STATE INDUSTRIAL SCHOOL; AUTHORIZING THE CONSTRUCTION OF A DORMITORY, MAKING AN APPROPRIATION THEREFOR, AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. AUTHORIZATION. The board of directors of state institutions is authorized and directed to cause to be constructed a dormitory building at the state industrial school, at Fort Grant, on the site of the dormitory building recently destroyed by fire.

Sec. 2. APPROPRIATION. For the purpose of defraying the state's share of the cost of said dormitory building the sum of five thousand eight hundred ninety-one dollars and seventy-five cents (being the amount of insurance recovered for the destruction by fire of said original dormitory and deposited in the general fund) is appropriated to the board of directors of state institutions.

Sec. 3. CONDITIONS. Said appropriation is conditioned upon the receipt of a grant or grants by or from the public works administration of the United States, or other agency of the federal government, whereby not less than forty-five per cent of the cost of said dormitory shall be contributed by the United States.

Sec. 4. EXEMPTION. The appropriation contained in this act shall not be subject to the provisions of paragraph 2616, Revised Code of 1928, as amended.

Sec. 5. EMERGENCY. To preserve the public peace, health and safety, it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved October 4, 1938.

CHAPTER 8

(Senate Bill No. 21)

AN ACT

RELATING TO THE STATE CAPITOL, MAKING APPROPRIATION FOR THE COMPLETION AND REMODELING OF QUARTERS FOR ADMINISTRATIVE AND LEGISLATIVE PURPOSES, AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. APPROPRIATION. (a) The sum of fifty thousand dollars is appropriated to the board of directors of state institutions, out of the income tax administration fund of the state tax commission, created by section 1, chapter 80, Session Laws of 1935, regular session, as amended,

the license fee and privilege tax administration fund created by section 2, article III, chapter 77, Session Laws of 1935, regular session, as amended, and the luxury tax administration fund created by section 2, article IV, chapter 78, Session Laws of 1935, regular session, as amended, in such proportions as the state tax commission shall deem most feasible. On the first day of each month until the said appropriation shall be fully satisfied or the purpose thereof fulfilled the state tax commission shall notify the state auditor in writing the sum of money, not less than eight and one-third per cent of said appropriation, available therefor, and the fund or funds from which the same shall be withdrawn, and the state auditor shall transfer the said amount on his books from the fund or funds so designated and place the same in a special fund for use as provided in this act.

(b) The sum of eight thousand dollars is appropriated to the board of directors of state institutions out of the general fund, and the appropriation of all moneys standing to the credit of the legislative, executive and judicial public buildings land fund, in accordance with the provisions of chapter 58, Session Laws of 1935, regular session, is confirmed and extended to include all moneys in said fund during the twenty-eighth fiscal year, notwithstanding the limitations imposed by section 3021, Revised Code of 1928.

(c) The board of directors shall supplement such appropriations by means of such grant or grants, if any, as may be secured from the public works administration or other agency of the federal government.

Sec. 2. PURPOSES. The purposes of said

appropriations are: 1. to provide for the completion and finishing of the basement and first story of the department of justice addition to the capitol building, and to do all things necessary or desirable for the occupancy and utilization thereof by the state tax commission and its several divisions and by any other administrative department or departments assigned quarters therein by the board of directors of state institutions; 2. to provide for the remodeling of the west wing of the capitol building, when the same shall be vacated by the departments at present occupying the same, the fourth story thereof to be fitted and utilized for the purposes of an archival depository under the control and direction of the department of library and archives, the third story for committee rooms for the use of the legislature, which rooms, when the legislature is not in session, shall be under the charge and control of the director of library and archives; 3. to remodel and otherwise fit the second and first floors and basement for the use of such administrative departments or offices as may be assigned thereto by the board of directors of state institutions.

Sec. 3. CONDITIONS. All items of construction and all purchases of furnishings and equipment shall be by contract after call for bids.

Sec. 4. EXEMPTION. The appropriations contained in this act shall not be subject to the provisions of paragraph 2616, Revised Code of 1928, as amended.

Sec. 5. EMERGENCY. To preserve the public peace, health and safety, it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure,

and shall take effect upon its passage in the manner provided by law.

Approved October 5, 1938.

CHAPTER 9

(Senate Bill No. 13)

AN ACT

CONCERNING THE CONSTRUCTION OF DORMITORIES, NOT TO EXCEED THE SUM OF FIFTY THOUSAND DOLLARS, BY JUNIOR COLLEGE DISTRICTS, THE ACCEPTANCE OF GRANTS AND THE BORROWING OF MONEY BY JUNIOR COLLEGE DISTRICTS FROM THE UNITED STATES OF AMERICA, OR ANY FEDERAL AGENCY, AND THE ISSUANCE OF BONDS TO FINANCE SUCH CONSTRUCTION, LIMITING THE TIME WITHIN WHICH SUCH BONDS MAY BE ISSUED, AND DECLARING AN EMERGENCY.

Be it Enacted by the Legislature of the State of Arizona:

Section 1. DEFINITIONS. (a) The term "junior college district" shall mean any junior college district created under the laws of this state;

(b) The term "governing body" shall mean the board, commission, trustees or other body or authority having charge of the finances of a junior college district;

(c) The term "bonds" shall mean bonds, in-

terim certificates or other obligations of a junior college district issued pursuant to this act;

(d) The term "federal agency" shall mean the United States of America, the President of the United States, the Federal Emergency Administration of Public Works, or any such agency or instrumentality as may be designated or created to make grants or loans, or both.

Sec. 2. POWERS OF JUNIOR COLLEGE DISTRICTS. Every junior college district shall have power and is hereby authorized:

(a) To construct, operate and maintain any dormitory in connection with such junior college;

(b) To accept from any federal agency grants for or in aid of the construction of any dormitory in connection with such junior college;

(c) To contract debts for the construction of any such dormitory not to exceed the sum of fifty thousand dollars, to borrow money and to issue bonds to finance such construction, and to provide for the rights of the holders of the bonds and to secure as hereinafter provided;

(d) To make contracts and execute instruments containing such terms, provisions and conditions as in the discretion of the governing body of the junior college district may be necessary, proper or advisable for the purpose of obtaining grants, loans or other financial assistance from any federal agency, and to carry out and perform the terms and conditions of all such contracts or instruments.

Sec. 3. POWERS TO SECURE BONDS AND

MAKE AGREEMENTS. In order to secure the payment of any specific issue of bonds, and interest thereon, or in connection with any specific issue of bonds, any junior college district shall have power as to such bonds:

(a) To pledge to the punctual payment of any bonds issued for the construction of a dormitory, all or any part of the fees, rents, tolls or other charges received or receivable by the junior college district from such dormitory, and to make such covenants against thereafter pledging such fees, rents, tolls or charges as the governing body shall agree with the purchaser of the bonds;

(b) To provide for the terms, form, registration, exchange, execution and authentication of such bonds;

(c) To provide for the replacement of lost, destroyed or mutilated bonds;

(d) To covenant as to the use and disposition of the proceeds from the sale of such bonds;

(e) To covenant as to the fees, rents or tolls to be charged in connection with the dormitory for which such bonds are to be issued and as to the use and disposition to be made thereof;

(f) To covenant to set aside or pay over reserves and sinking funds for such bonds and as to the disposition thereof;

(g) To redeem such bonds, and to covenant for their redemption, and to provide the terms and conditions thereof;

(h) To covenant as to its books of account and as to the inspection and audit thereof and as to the accounting methods;

(i) To covenant and prescribe as to what events shall constitute "happenings of default" and the terms and conditions upon which any or all of such bonds shall become or may be declared due before maturity and as to the terms and conditions upon which such declaration and its consequences may be waived;

(j) To covenant as to the rights, liabilities, powers and duties arising upon the breach by it of any covenant, condition, or obligation;

(k) To vest in a trustee or trustees the right to enforce any covenant made to secure or to pay such bonds, to provide for the powers and duties of such trustee or trustees, to limit liabilities thereof and to provide the terms and conditions upon which the trustee or trustees or the holders of bonds or any proportion of them may enforce any such covenant;

(l) To make covenants other than, and, in addition to, the covenants herein expressly authorized, of like or different character;

(m) To execute all instruments necessary or convenient in the exercise of the powers herein granted or in the performance of its covenants or duties.

Sec. 4. RESOLUTION FOR ISSUANCE OF BONDS. The bonds may be issued in one or more series, may bear such date or dates, may mature at such time or times, not exceeding thirty years from their respective dates, may bear interest at

such rate or rates, not exceeding five per centum per annum, payable semi-annually, may be in such denomination or denominations, not to exceed the sum of fifty thousand dollars, may be in such form, either coupon or registered, may carry such registration and conversion privileges, may be executed in such manner, may be payable in such medium of payment, at such place or places, may be subject to such terms of redemption, with or without premium, and may be declared or become due before the maturity date thereof, as may be provided by resolution or resolutions of the governing body of the junior college district. The bonds may be sold at private sale only to a federal agency and at not less than par, in such blocks as the governing body may by resolution provide. The bonds may be purchased by the junior college district at a price not more than the principal amount thereof plus the accrued interest, and all bonds so purchased shall be cancelled. The bonds shall be fully negotiable within the meaning of and for all the purposes of chapter 55 of the Revised Code of Arizona, 1928.

Sec. 5. BONDS TO BE PAYABLE SOLELY FROM REVENUE PLEDGED. No part of the principal or interest of any bond or bonds issued under this act shall ever be paid directly or indirectly by any moneys derived from taxation; and no holder or holders of any such bond or bonds shall ever have the right to compel the exercise of any taxing power to pay said bonds or the interest thereon.

Sec. 6. TERMINATION OF ACT. This act shall expire by limitation March 1, 1939, except that such limitation shall not invalidate nor affect any contract or agreement previously entered into under the provisions of this act by and between any junior

college and any federal agency, and any such contract or agreement so previously entered into may be prosecuted to a conclusion the same as if this act had not expired by such limitation.

Sec. 7. SUPPLEMENTAL NATURE OF ACT, CONSTRUCTION AND PURPOSE. The powers conferred by this act shall be in addition and supplemental to the powers conferred by any other law. Bonds may be issued thereunder for any public works project notwithstanding that any other law may provide for the issuance of bonds for like purposes and without regard to the requirements, restrictions or procedural provisions contained in any other law. Bonds may be issued under this act notwithstanding any debt or other limitation prescribed by any other law. Any proceedings heretofore taken under any other law by any junior college district relating to the subject matter of this act may be continued under such other law or under this act, or at the option of the governing body may be discontinued and new proceedings instituted under this act. It is the purpose of this act to enable junior college districts to secure the benefits of the Recovery Act, to encourage public works, to reduce unemployment and thereby to assist in the national recovery and promote the public welfare, and to these ends every junior college district shall have power to do all things necessary or convenient to carry out said purpose in addition to the powers conferred in this act. This act is remedial in nature and the powers hereby granted shall be liberally construed.

Sec. 8. EMERGENCY. To preserve the public peace, health and safety, it is necessary that this act shall become immediately operative. It is therefore declared to be an emergency measure, and shall

take effect upon its passage in the manner provided by law.

Approved October 4, 1938.

CHAPTER 10

(House Bill No. 12)

AN ACT

RELATING TO STATE INSTITUTIONS FOR JUVENILES, AND CREATING A BOARD OF DIRECTORS OF STATE INSTITUTIONS FOR JUVENILES.

Be it enacted by the Legislature of the State of Arizona:

Section 1. DEFINITIONS. In this act, unless the context otherwise requires:

"board" means the board of directors of state institutions for juveniles;

"institution" means any institution under the control of the board of directors of state institutions for juveniles;

"industrial school" means the state industrial school;

"employee" means any employee of the board or of any institution under its control;

"juvenile offender" means a person who has been committed according to law to an institution for the education and treatment of juvenile offenders.

Sec. 2. GOVERNMENT OF INSTITUTIONS. The government of state institutions for juvenile offenders and the administration of laws for the detention, education and treatment of juvenile offenders is vested in the board.

Sec. 3. MEMBERSHIP OF BOARD. The board shall consist of one licensed practitioner of medicine and surgery, one teacher in the public schools of the state, one registered engineer, one craftsman or tradesman, one elector of the state who does not represent any of the above mentioned professions or occupations. Not earlier than January 15, 1939, and not later than February 1, 1939, the governor shall request the council of the Arizona State Medical Association, the executive committee of the Arizona Education Association, and the State Board of Technical Registration, each to certify the names of three members of its profession as candidates for appointment to the board, and the Arizona State Federation of Labor to certify the names of three craftsmen informed in one or more of the crafts or trades taught at the state industrial school as candidates for appointment to the board. In the event that the council of the Arizona State Medical Association or the executive committee of the Arizona Education Association is disqualified by the courts, to certify names of candidates, the governor shall request the State Board of Medical Examiners

or the State Board of Education to certify the names of three members of the profession for which its licenses or registers, as candidates for appointment to the board. The governor shall then appoint to the board, by and with the advice and consent of the senate, a member representing each of the professions and occupations herein named from among the candidates so certified. At least one member of the board shall be of opposite sex from the other members. If any of the certifying bodies above named shall fail to certify the names of candidates within twenty days from the time the governor requests such certification, then the governor shall appoint, by and with the advice and consent of the senate, any member of the profession or occupations represented by the defaulting certifying body, but in no event shall he appoint any member to represent any of the professions herein named who is not, at the time of such appointment, duly licensed or registered by the state and in good standing. The governor shall appoint the physician member for five years, the teacher member for four years, the engineer member for three years, the craftsman member for two years, and the elector member for one year. The first year of each of such terms shall be deemed to have expired on the first day of February next following such appointment. Thereafter, the term of each member shall be five years. Any appointment to fill a vacancy caused otherwise than by expiration of the term shall be only for the unexpired portion of that term. The governor shall, by appointment, fill all vacancies; but such appointment shall be in all cases made only in the manner above provided in this section, and not otherwise. Each of the professions herein named shall at all times be represented on the board by one member in good standing.

Sec. 4. POWERS AND DUTIES OF BOARD.

For each of the institutions under its control the board shall:

(a) Prescribe systems of records and accounts, subject to the approval of the state auditor.

(b) Make frequent inspections of the institutions.

(c) Supervise the instruction given in schools connected with the institutions, and order any changes in method which will improve the instruction given.

(d) Appoint a superintendent for each of the institutions.

(e) Cause its annual report to be printed for the information of the public, and a copy thereof to be mailed to each member or member-elect of the legislature.

(f) Prescribe rules and regulations for the government of institutions.

Sec. 5. ANNUAL REPORT. At the end of each fiscal year, and not later than August 1, the board shall make a report to the governor which shall contain a comprehensive statement of the functions and activities of each institution, an account of rehabilitation work done, methods employed, and results obtained; recommendations for the improvement of the institutions or of methods in vogue; and a financial statement which shall clearly reflect the financial standing of each institution. It shall also contain the annual reports of institutional superintendents, as prescribed in section 7. The board

shall make such supplemental reports as the governor may request.

Sec. 6. SUPERINTENDENT. (a) The superintendent of the industrial school shall be a male citizen of the state of Arizona with the following qualifications: That he be qualified in the term of business administration, education and public welfare.

(b) The superintendent of each institution shall hold office until removed by the board. The board may remove a superintendent for cause, but only after a hearing before the board upon written charges.

Sec. 7. DUTIES OF SUPERINTENDENT. The superintendent of each institution shall:

(a) Reside at the institution.

(b) Have charge of the institution and its management, subject to the direction of the board.

(c) Purchase supplies for the institution, under orders of the board.

(d) File with the board not later than the fifth day of each month a detailed report of expenditures, with an account of the condition and activities of the institution during the preceding month, and such other reports as the board may require.

(e) Make a report to the board at the end of each fiscal year, which shall include a comprehensive statement of the condition of the institution; a detailed financial statement including each indi-

vidual transaction, total cost of maintenance, per capita cost per year and per month, per capita cost per month of the keep of residents, and such other items as will clearly reflect the financial status of the institution; and an account of rehabilitation work done, methods employed, and results obtained; recommendations for improvement of the institution; and such other information as the board may require.

(f) Direct subordinate officers and employees in their duties and supervise their work.

(g) Provide for the care of residents of the institution, protection of their health, their instruction in academic subjects and useful trades and occupations, development of their characters, and inculcation of principles of morality, sobriety, and industry.

(h) Perform such other duties as may be required by the board.

Sec. 8. TEACHERS AND EMPLOYEES. The board shall appoint all assistants, teachers, medical officers, or other employees required in the conduct of any institution, upon the recommendation of the superintendent thereof. The superintendent may discharge any employee for cause, but shall promptly file with the board a written report of his reasons therefor, and the board, in its discretion, may order an investigation of such discharge or removal.

Sec. 9. RESTRICTIONS ON MEMBERS AND EMPLOYEES. (a) Any member of the board or any employee who shall receive, directly or indirectly, from any person or firm having financial dealings with the board or an institution, any gift or gratuity for himself or another person, shall be guilty of

bribery, and shall be promptly removed from his office or employment.

(b) Any member or any employee who shall attempt to influence the political views of any other employee, or who shall take part in a political campaign, or contribute directly or indirectly any money or thing of value for election or campaign purposes, shall be promptly removed from his office or employment.

Sec. 10. INDUSTRIAL SCHOOL. The industrial school shall be maintained for the detention, education, employment, and reformation of male juvenile offenders, committed in accordance with the provisions of article 1, chapter 40, Revised Code of 1928, as amended.

Sec. 11. GIRL JUVENILE OFFENDERS. The board shall have the power to arrange with private institutions within the state devoted to social welfare work and possessing adequate facilities therefor, for the detention, education, employment, and reformation of girl juvenile offenders. When a girl juvenile offender is committed, the clerk of the committing court shall file with the board a certified copy of the order of the court, with a sufficient transcript of the record to inform the board of the material facts of the case; and the board shall assign such girl juvenile offender to an appropriate institution with which an arrangement has been entered into as provided herein. The board shall not have the power to reestablish the girls school at Randolph, nor to establish any other school for the care of girl juvenile offenders.

Sec. 12. RELEASE OF JUVENILE OFFENDERS. The board shall have power, with the approval

of the committing court, to order the absolute or conditional release of a juvenile offender, when in its judgment such release will not be dangerous to society nor detrimental to the welfare of the juvenile released.

Sec. 13. VOLUNTARY COMMITMENT. When a juvenile offender is committed at the instance of the parent or other protector, the cost of keep and transportation shall be paid by such person, unless by reason of poverty or other good cause the board shall otherwise order, in which case transportation shall be paid by the county whence the commitment issues and the cost of keep by the state, in whole or in part, as determined by the board.

Sec. 14. ORGANIZATION AND MEETINGS. (a) The board shall elect a president, a vice-president, and a secretary from among its members. Three members shall constitute a quorum.

(b) The board shall meet quarterly, at such times as it shall determine, and special meetings may be called by the president or by a majority of the board.

Sec. 15. BONDS. Each employee who has custody of state property shall, before taking office, execute a bond to the state in a sum to be fixed by the board, which shall be approved by and filed with the state auditor, and the premium of such bond shall become the obligation of the state of Arizona.

Sec. 16. SALARIES. (a) The members of the board shall receive no compensation for their services, but shall receive their actual and necessary expenses incurred in the performance of their duties.

(b) The salaries of all employees, including the superintendents, shall be fixed by the board, and each superintendent shall be furnished living quarters.

(c) The superintendent of each institution shall submit a payroll semi-monthly, giving the names of all employees of the institution and their monthly salaries. The payroll shall be affirmed by the secretary of the board and filed with the state auditor, who shall issue his warrant to each individual named therein.

Sec. 17. ASSETS TRANSFERRED. (a) All balances on the books of the state auditor and state treasurer to the credit of the industrial school and girl juvenile offenders shall be transferred to the board upon its organization.

(b) Upon the organization of the board, the board of directors of state institutions shall turn over to the board all books, accounts, records, equipment, and other property under its control pertaining to the industrial school or to girl juvenile offenders. All contracts entered into between the board of directors of state institutions and institutions for the confinement of girl juvenile offenders shall pass to the board.

Sec. 18. SEVERABILITY. If any provision of this act be held invalid, such invalidity shall not affect other provisions which can be given effect without the invalid provision, and to this end the provisions of the act are declared to be severable.

Approved October 6, 1938.

MEMORIALS

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HOUSE CONCURRENT MEMORIAL NO. 1

A CONCURRENT MEMORIAL

RELATING TO AGED AND DISABLED PERSONS AND THEIR ELIGIBILITY FOR OLD AGE ASSISTANCE UNDER THE SOCIAL SECURITY ACT.

TO THE PRESIDENT AND CONGRESS OF THE UNITED STATES OF AMERICA:

Your memorialist respectfully represents:

Throughout the State of Arizona, especially in the numerous mining districts, are many totally and permanently disabled persons between the ages of sixty and sixty-five years whose needs are even greater than those of able bodied persons over the age of sixty-five years, and who must be cared for in some way.

States which provide pensions or other forms of relief for such totally and permanently disabled persons under the age of sixty-five years receive no aid from the federal government, under the provisions of the old age assistance division of the social security act of the United States.

With the limited state moneys for relief, the support of such persons is a burden which the states are unable to bear without aid; and the condition of such persons is deplorable.

Wherefore your memorialist, the House of Representatives of the State of Arizona, the Senate concurring, prays:

That legislation be enacted to enable states which furnish financial assistance to totally and permanently disabled persons over sixty years but under sixty-five years of age, who are otherwise eligible, to receive aid from the federal government on the same basis as states now receive such aid for assistance to persons over sixty-five years of age under title I of the social security act of the United States, relating to grants to states for old age assistance.

Passed the House September 28, 1938.
Passed Senate Sept. 30, 1938.
Approved September 30, 1938.
Received by Secretary of State September 30, 1938.

HOUSE CONCURRENT MEMORIAL NO. 2

A CONCURRENT MEMORIAL

ON THE GRANTING OF PUBLIC LAND FOR THE MAINTENANCE OF A COLONY FOR CRIPPLED CHILDREN.

TO THE PRESIDENT AND CONGRESS OF THE UNITED STATES:

Your memorialist respectfully represents:

The state of Arizona has no institution or other adequate means for caring for, treating, rehabilitating, and educating her crippled children, many of whom are so situated as to require public support or assistance, and the responsibility rests upon the government of providing adequate security for this class of unfortunates.

Within the state of Arizona the federal government has reserved, in round figures, for Indian reservations, some twenty million acres, and for national forests and parks more than thirteen million acres, while there remains of the public domain, unreserved and unappropriated, about fourteen million acres.

Wherefore your memorialist, the House of Representatives of the state of Arizona, the Senate concurring, respectfully requests:

1. That legislation be enacted providing for a grant to the state of Arizona of five million acres of the unreserved, unappropriated, non-mineral public land lying within its borders, conditioned upon the proceeds from the sale of said land being placed in an inviolable fund, the income from which, together with proceeds of the rental of said land, shall be used for the maintenance of a colony for crippled children.

Passed House Sept. 30, 1938.

Passed Senate Sept. 30, 1938.

Approved by the Governor September 30, 1938.

Received by Secretary of State October 1, 1938.

HOUSE CONCURRENT MEMORIAL NO. 3

A CONCURRENT MEMORIAL

RELATING TO THE AGRICULTURAL ADJUSTMENT ACT.

TO PRESIDENT FRANKLIN D. ROOSEVELT, HON. HENRY A. WALLACE, UNITED STATES SECRETARY OF AGRICULTURE, HON. HENRY F. ASHURST, HON. CARL HAYDEN, AND HON. JOHN R. MURDOCK, ARIZONA'S SENATORS AND REPRESENTATIVE IN CONGRESS:

Your memorialist respectfully represents:

The agricultural adjustment act, approved February 16, 1938, wisely designed to stabilize agriculture by means of measures calculated to encourage rotation in crops, discourage overproduction, and afford financing facilities comparable to those enjoyed by other industries, depends for its efficacy upon the rational interpretation and just, equitable administeration of its provisions.

A vital administrative feature, as related to Arizona conditions is the time element in the making of crop allocations. The climatic character of central and southern Arizona is such that crop planning and planting must of necessity occur in advance of similar activities in most other states and localities. It is of the utmost importance to cooperating Arizona farmers to have early information regarding the kind and acreage of crops they may plant in conformity with allotments of the agricultural adjustment administration, and it is a fact that at this time planning and planting are being delayed by reason of the lack of such information.

Another cause of embarrassment to Arizona farmers is found in the failure to disburse price adjustment payments for the crop year of 1937, for which appropriation was made by Congress in August, 1937, a delay wholly unexpected in view of that certain provision of the agricultural adjustment act authorizing crop adjustment payments based upon agreements of cooperating farmers to abide by the conditions of the crop allotment program.

A serious injustice to the growers of cotton in the irri-

gated areas in Arizona, California, New Mexico, and West Texas appears in the differential for government loan purposes established by the commodity credit corporation, as between cotton grown by means of irrigation and cotton grown in the rain area. It is a well established fact that whatever deficiency in quality, if any, might have been charged against cotton grown under irrigation during the early years of experimentation in that field, improved irrigation and cultural practices, ginning methods and seed selection have resulted in the production of cotton fully equal in spinning value to cotton grown without irrigation.

Wherefore your memorialist, the House of Representatives of the State of Arizona, the Senate concurring, respectfully requests:

1. That crop allotments affecting the Arizona district be announced at the earliest practicable moment, without awaiting a general announcement, to the end that cooperating farmers may be enabled intelligently to plan and prepare for their plantings.

2. That price adjustment payments for the crop year of 1937 be expedited.

3. That cotton grown under irrigation in the district consisting of Arizona, California, New Mexico, and West Texas be accorded a loan rating equal to that of cotton grown in other localities.

Passed House September 30, 1938.

Passed Senate September 30, 1938.

Approved by Governor September 30, 1938.

Received by Secretary of State October 1, 1938.

SENATE CONCURRENT MEMORIAL NO. 1.

A CONCURRENT MEMORIAL

RELATING TO ARIZONA'S CLASSIFICATION IN THE WORKS PROGRESS ADMINISTRATION.

TO THE PRESIDENT OF THE UNITED STATES OF AMERICA AND THE HONORABLE HARRY L. HOPKINS, FEDERAL EMERGENCY RELIEF ADMINISTRATOR:

Your memorialist respectfully represents:

The state of Arizona is at the present time grouped with California and other states insofar as concerns wage scales in Region 1.

The cost of subsistence in Arizona is such that the wage allowance, based on the population basis for the Works Progress Administration, we deem inequitable for the reason that it costs just as much to live in the state of Arizona as it does in California, because of its geographical locations, economic conditions, financial structure and commercial relationship with other states, Arizona, reasonably and logically should be included, so that any reference to the largest municipality be waived and living conditions alone be taken into consideration;

Wherefore your memorialist, the Senate of the State of Arizona, the House of Representatives concurring, prays:

1. That the state of Arizona be reclassified so that any restrictions that relate to the population of the largest municipality be eliminated, and

2. That the Works Progress Administration of Arizona, obtains the privilege and be subject to the conditions that affect the area represented by the largest municipality in the state of California.

Adopted by House October 3, 1938.

Adopted by Senate September 22, 1938.

Received by Secretary of State October 4, 1938.

HOUSE JOINT MEMORIAL NO. 1

A JOINT MEMORIAL

RELATING TO OLD AGE ASSISTANCE.

TO THE PRESIDENT AND THE CONGRESS OF THE UNITED STATES OF AMERICA.

Your memorialist respectfully represents:

The federal-state co-operative acts governing the dispensing of funds to aged persons have been in force in Arizona for almost fifteen months. Experience from their operation discloses the advisability of amending these laws. Since the benefits awarded under this program are limited to the amount needed by each beneficiary, a large force of investigators, clerks, stenographers, auditors and statisticians are now required. This causes large sums of money, which ought to go to the beneficiary, to be spent on such over-head.

In determining the need of an applicant for old age assistance a very annoying investigation often can not be avoided even when the investigator endeavors to make such examination as agreeable as possible to the aged client. When, however, an investigator lacks tact or wantonly harasses the applicant or is inclined to show favoritism there results discord, dissatisfaction and ill feeling throughout the entire community in which this takes place. The aforesaid experience reveals this to be too frequently the reaction of the population generally both in Arizona and all the other states, and thus substitutes hatred, friction and discord for domestic tranquility.

It is the opinion of your memorialist, the Legislature of the State of Arizona, that this can be corrected only by the granting of a flat amount to each eligible person, by being less rigid in the requirements of evidence to substantiate an application and by making such grant as a pension to everyone reaching the required minimum age and meeting other qualifications, rather than a mere dole to the needy.

It is further the belief of your memorialist that properly caring for aged citizens in accordance with American ideals

and American standards unequivocally demands this change in the aforesaid acts.

Wherefore your memorialist, the Legislature of the State of Arizona, prays:

That the federal old age assistance act be amended: (a) to make the federal grant a flat amount of not less than the present maximum of Fifteen Dollars ($15.00) to each qualified person, such sum to be matched by an equal amount by the states, (b) to make the rules of evidence less strict for substantiation of applications and (c) to make such grants a pension for every qualified person reaching the minimum age, rather than a mere dole to the needy.

Passed House September 24, 1938.

Passed Senate September 26, 1938.

Approved by Governor September 26, 1938.

Received by Secretary of State, September 27, 1938.

HOUSE JOINT MEMORIAL NO. 2

A JOINT MEMORIAL

ON THE LOCATION OF A NATIONAL CEMETERY AT WHIPPLE.

TO THE HONORABLE, THE SECRETARY OF WAR OF THE UNITED STATES:

Your memorialist respectfully represents:

Under the Act of Congress approved June 29, 1938 (Public No. 774), authority is given to the Secretary of War for the establishment, care and maintenance of a national cemetery in every state.

Arizona is one of the twenty states of the Union in which there is no national cemetery, although a large number of persons who have seen active service in the military establishment of the nation spend the last days of their lives and are buried in this state.

The vicinity of Whipple (previously Fort Whipple, and now known officially as Public Facility No. 50), adjacent to the city of Prescott, in Yavapai county, affords every desirable feature for the location of a national cemetery.

Sightliness, landscaping possibilities, highway and transportation facilities, easy and practically equal accessibility to every quarter of the state, all favor the location. Being within the boundaries of a military reservation, the title to which is in the United States, any amount of land desired is available.

Wherefore your memorialist, the Legislature of the State of Arizona, respectfully requests:

1. That the Secretary of War, under the authority in him vested by the said Act of Congress, take steps to select a desirable site within the boundaries of said military reservation and to establish thereon a national cemetery.

Passed the House Sept. 29, 1938.

Passed the Senate Sept. 29, 1938.

Approved by the Governor September 29, 1938.

Received by the Secretary of State September 30, 1938.

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SENATE CONCURRENT RESOLUTION NO. 1

A CONCURRENT RESOLUTION

On the death of Claudius M. Zander

Whereas, on the afternoon of September 6, 1938, Claudius M. Zander was suddenly taken by death in a tragic airplane accident near Benson; and

Whereas, the passing of this distinguished citizen and public servant, for forty years a resident of Arizona, was a shock to the people of the entire state and a cause of universal sorrow; and

Whereas, Mr. Zander—agriculturist, mining man, writer, and statesman—for a quarter of a century served Arizona as tax commissioner, director of the highway department, and director of state institutions, with such profit to the state and distinction to himself as to win the commendation of citizens and give lustre to his name; therefore

Be it resolved by the Senate of the State of Arizona, the House of Representatives concurring:

1. That the death of Claudius M. Zander is an irreparable loss to the state of Arizona and is deeply mourned by this body.

2. That the sympathy of the people of Arizona, as represented by the Legislature, is hereby extended to the surviving son, grandchildren and other bereaved relatives of the deceased.

Adopted by House September 19, 1938.

Adopted by Senate September 19, 1938.

Received by the Secretary of State September 19, 1938.

HOUSE JOINT RESOLUTION NO. 1

A JOINT RESOLUTION

ENDORSING THE PRESIDENT'S PLEA FOR PEACE.

Whereas, at a time when eastern Asia is being devastated by war, and Spain lies torn and bleeding, and ominous clouds obscure the skies of many lands, and a conflagration which might well engulf the entire world threatens to break out in central Europe; and

Whereas, at this most critical juncture the President of the United States has addressed to the chancellor of Germany and the president of Czechoslovakia a friendly but forceful appeal to eschew the arbitrament of war and settle by arbitration or other reasonable means the differences which separate those countries; and

Whereas, it is peculiarly fitting that the people of Arizona should second the President's timely call, numbering as they do many representatives of the races which populate the nations of Europe, and bound as they are by ties of consanguinity to many who would be participants in a European war or victims of its horrors; now therefore

Be it resolved by the Legislature of the State of Arizona:

1. That this body extends its whole-hearted commendation to the President for his clear, temperate declaration by which America is placed squarely on the side of reason and opposed to the employment of brute force, with its inevitable accompaniment of wholesale murder of innocent men, women and children, its unspeakable suffering and its destruction of the facilities by which civilization maintains itself, as a means of determining questions of right and justice.

2. That it is the duty of all peace loving peoples of the world, in whatever land or under whatever flag they may live, or whatever philosophy their leaders may expound, to cast their moral support into the scales of human rights on the side which holds for the settlement of controversies by the resort to reason rather than by the resort to carnage

and destruction. For this formula the people of Arizona cast their vote, however small it may be, and through this body voice gratitude for a leader whose pronouncements are not written in blood.

Passed House September 27, 1938.

Passed Senate September 28, 1938.

Approved by Governor September 29, 1938.

Received by Secretary of State September 29, 1938.

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