ACTS
Memorials and Resolutions

of the

REGULAR SESSION
Fifteenth Legislature

of the

STATE OF ARIZONA
1941

Regular Session Convened January 13, 1941

Regular Session Adjourned Sine Die March 17, 1941

Publication Authorized
Section 4-201 Arizona Code of 1939
(Paragraph 23, Article 2, Chapter 2 Revised Code of 1928)

(Chapter 122, Sub. Div. 40, Laws of 1941)

Regular Session

15th 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 15th 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 15th Legislature of the State of Arizona was convened at the Capitol, in the City of Phoenix, January 13, 1941, and adjourned sine die on the 17th day of March, 1941.

That the Acts, Memorials and Resolutions passed at said Session were officially published on the 16th day of June, 1941.

IN TESTIMONY WHEREOF, I have hereunto set my hand as Secretary and affixed the Great Seal of the State of Arizona, this 16th day of June, 1941.

HARRY M. MOORE (Signature)
Secretary of State.

MEMBERS OF THE SENATE

FIFTEENTH LEGISLATURE
OF ARIZONA
1941

County	Name and Party	Address
Apache	Bert J. Colter, (D)	Springerville
Cochise	Dan Angius, (D)	Bisbee
Cochise	Ralph Cowan, (D)	McNeal
Coconino	James E. Babbitt, (D)	Flagstaff
Gila	S. L. Bixby, (D)	Box 311, Globe
Gila	A. R. Edwards, (D)	Miami
Graham	Benjamin Blake, (D)	Pima
Greenlee	A. C. Stanton, (D)	Box 968, Clifton
Maricopa	Joe C. Haldiman, (D)	47 W. Jefferson, Phoenix
Maricopa	Marvin E. Smith, (D)	715 N. Central, Phoenix
Mohave	J. Hubert Smith, (D)	Kingman
Navajo	Lloyd C. Henning, (D)	Holbrook
Pima	H. H. d'Autremont, (D)	P. O. Box 515, Tucson
Pima	William Kimball, (D)	77 N. Court St., Tucson
Pinal	William Coxon, (D)	Casa Grande
Santa Cruz	James A. Harrison, (D)	Nogales
Yavapai	Norman Fain, (D)	Jerome Rt., Prescott
Yavapai	Paul C. Keefe, (D)	Clarkdale
Yuma	H. H. Baker, (D)	Yuma

MEMBERS OF THE HOUSE

FIFTEENTH LEGISLATURE
OF ARIZONA
1941

District	Name and Party	Post Office
	APACHE COUNTY	
1	Walter Pulsipher, (D)	St. Johns
	COCHISE COUNTY	
1	Neal L. Vinson, (D)	Lowell Box 3007
2	Howard McKinney, (D)	Warren Box 2148
3	H. J. Lewis, (D)	Douglas 733 12th Street
4	Frank W. Sharpe, Jr., (D)	Douglas 1129 11th Street
5	E. B. McAleb, (D)	Willcox
	COCONINO COUNTY	
1	Frank L. Christensen, (D)	Flagstaff 409 N. Sitgreaves
2	Charles F. Wade, (D)	Williams
	GILA COUNTY	
1	James R. Heron, (D)	Globe
2	Harold Copp, (D)	Miami
3	W. G. Rosenbaum, (D)	Hayden
	GRAHAM COUNTY	
1	J. W. Greenhalgh, (D)	Safford
2	W. B. Mattice, (D)	Box 94, Pima
	GREENLEE COUNTY	
1	Fred J. Fritz, (D)	Clifton
	MARICOPA COUNTY	
1	Fred T. Colter, (D)	Phoenix 2229 W. Adams
2	Louise A. Moore, (D)	Phoenix 504 N. 7th Street
3	Maxine P. Brubaker, (D)	Phoenix

1224 E. Taylor
4 Cecil A. Bell, (D) ..... Phoenix
1315 W. Fillmore
5 Frank Mosshammer, (D) ..... Phoenix
22 W. Willetta
6 C. J. Carreon, (D) ..... Phoenix
218 E. Taylor
7 Laura McRae, (D) ..... Phoenix
929 E. Coronado
8 Roy A. Williams, (D) ..... Mesa
Route 1, Box 246
9 Mrs. Claire Phelps, (D) ..... Box 478, Chandler
10 M. E. Curry, (D) ..... Tempe
11 W. W. Mitchell, (D) ..... Phoenix
111 N. 18th Street
12 O. L. McDaniel, (D) ..... Glendale
13 T. M. McGowan, (D) ..... Wickenburg
14 H. C. Armstrong, (D) ..... Tolleson
15 R. F. Kilpatrick, (D) ..... Phoenix
Route 2, Box 684
16 C. T. Thompson, (D) ..... Phoenix
Route 9, Box 120
17 M. R. Bailey, (D) ..... Phoenix
1080 E. Weldon
18 Lorna Lockwood, (D) ..... Phoenix
84 W. Cypress
19 Kirby L. Vidrine, (D) ..... Phoenix
Phoenix Nat'l Bank Bldg.

MOHAVE COUNTY

1 E. L. Jameson, (D) ..... Kingman

NAVAJO COUNTY

1 Don Udall, (D) ..... Holbrook
E. P. Kiernan, (D) ..... Winslow

PIMA COUNTY

1 Frank G. Robles, (D) ..... Gen. Del., Tucson
2 John H. Rapp, (D) ..... Tucson
307 Valley Nat'l Bank Bldg.
3 Robert H. Forbes, (D) ..... Tucson
105 Olive Road
4 Roy Martin, (D) ..... Tucson
25 E. Corral
5 Gaynor K. Stover, (D) ..... Tucson
82 W. Pennington
6 J. N. Chapman, (D) ..... Box 623, Ajo
7 Jonathan H. Michael, (D) ..... Tucson
2503 E. 4th Street

PINAL COUNTY

1 C. S. Goff, (D) ..... Casa Grande
2 George Ernst, (D) ..... Ray

SANTA CRUZ COUNTY

1 W. H. Hathaway, (D) ..... Box 59, Nogales

YAVAPAI COUNTY

1 Robert E. Perkins, (D) ..... Prescott
Jerome Rt.
2 Robert Crable, (D) ..... Box 30, Prescott
3 Leonard Klein, (D) ..... Clarkdale
4 Robert G. Chambers, (D) ..... Box 216, Ashfork

YUMA COUNTY

1 Nellie T. Bush, (D) ..... Parker
2 Albert W. Dudley, (D) ..... Box 643, Yuma

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3. H. B. 53.	Relating to Motor Vehicles, prescribing a penalty for the operation thereof without payment of fees, and amending Section 66-236, Arizona Code of 1939; and declaring an emergency. Approved January 24, 1941. Effective January 24, 1941.	4
4. S. B. 28.	Making an appropriation for the use of the Attorney General in defraying the costs and expenses of prosecuting or defending any and all suits brought by or against the state of Arizona, or any officials thereof, in connection with Sec. 69-119, Arizona Code of 1939, commonly known as the Arizona Train Limit Law; exempting such appropriation from the provisions of the financial code; and declaring an emergency. Approved February 4, 1941. Effective February 4, 1941.	6

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7. S. B. 42.	Relating to decedents' estates; providing for the sale of property thereof, and amending Section 38-1218, Arizona Code of 1939. Approved February 8, 1941. Effective June 16, 1941.	9
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95.	S. B. 165.	Relating to annual statement and estimate of county and city officer, publication and notice, and amending Section 73-502, Arizona Code of 1939. Approved March 24, 1941. Effective June 16, 1941.	195
96.	S. B. 167.	Governing boards of school districts permitted to require operators of school busses to carry public liability insurance. Approved March 24, 1941. Effective June 16, 1941.	196
97.	S. B. 216.	To confer power upon the board of regents of the University of Arizona to construct and equip a dormitory, and for such purposes to borrow money and issue bonds and limit the amounts thereof and to provide for the payment of such bonds and interest thereon and to secure such payment; to confer further powers for the making of agreements with the holders of such bonds; to limit the time within which bonds may be issued; to supercede inconsistent provisions of all other laws; and to declare an emergency. Approved March 24, 1941. Effective arch 24, 1941.	197

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98. S. B. 71.	Relating to public moneys, and amending section 10-303, Arizona Code of 1939. Approved March 25, 1941. Effective June 16, 1941.	203
99. S. B. 81.	Relating to the state department of social security and welfare; providing for the payment of its administrative expenses, and amending Section 70-115, Arizona Code of 1939. Approved March 26, 1941. Effective June 16, 1941.	204
100. S. B. 153.	Relating to the sale of cemetery property; providing for the regulation thereof as other real estate business; amending Sections 67-1702 and 67-1704, Arizona Code of 1939, and amending Article 17, Chapter 67, Arizona Code of 1939, by adding Section 67-1729a. Approved March 26, 1941. Effective June 16, 1941.	205
101 S. B. 162.	Relating to the eradication of dourine; providing for payment of reactors destroyed and for quarantine of affected areas; making an appropriation, and amending Sections 6 and 8, Chapter 6, Session Laws of 1940, first special session, and declaring an emergency. Approved March 26, 1941. Effective March 26, 1941.	208
102. S. B. 177.	Relating to state land; providing that Certificates of purchase, leases, and permits shall be subject to sale or lien, and amending Article 4, Chapter 11, Arizona Code of 1939, by adding Section 11-426. Approved March 26, 1941. Effective June 16, 1941.	209
103. S. B. 203.	Making an appropriation for a heating plant and gas burner in the state office building, and declaring	

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	an emergency. Approved March 26, 1941. Effective March 26, 1941.	210
104. S. B. 213.	Making an appropriation for the payment of bond premiums of public officials, and declaring an emergency. Approved March 26, 1941. Effective March 26, 1941.	210
105. H. B. 1.	Relating to public health; creating the state department of health and defining its powers and duties; amending Section 68-405; and repealing Sections 68-101, 68-102, 68-103, 68-104, 68-105, 68-106 and 50-902, Arizona Code of 1939, and declaring an emergency. Approved March 26, 1941. Effective June 16, 1941.	212
	(This bill carrying the Emergency Clause was passed by the following vote: House: 30 Ayes, 18 Nayes, 4 Excused, 0 absent. Senate: 17 Ayes, O Nayes, 2 Not voting.)	
106. H. B. 21.	For the relief of Dr. Charles W. Sult. Approved March 26, 1941. Effective June 16, 1941.	216
107. H. B. 46.	Relating to the municipal revenue bond revenue Act of 1940; enlarging its scope to include all municipal utilities and removing the time limitation thereon; amending Sections 2, 3, 11, 12, 13, 14, 16 and 18, and repealing Section 19, Chapter 4, Session Laws of 1940, first special session. Approved March 26, 1941. Effective June 16, 1941.	217
108. H. B. 69.	Relating to motor vehicle fuel, and imposing a tax on the use thereof. Approved March 26, 1941. Effective July 1, 1941.	221
109. H. B. 70.	Relating to highways and motor vehicles; providing for refunds of fuel tax and payment of the tax on	

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		fuel imported in fuel tanks and defining terms, and amending sections 66-320, 66-323, and 66-401, Arizona Code of 1939. Approved March 26, 1941. Effective July 1, 1941.	230
110.	H. B. 129.	Relating to the lien of unpaid personal property taxes on real estate and providing for the waiver of such lien in the event of foreclosure of a pre-existing mortgage upon such real estate, and declaring an emergency. Approved March 26, 1941. Effective March 26, 1941.	237
111.	H. B. 130.	Relating to actions to foreclose mortgages and providing for the making of the state of Arizona a party thereto, and declaring an emergency. Approved March 26, 1941. Effective March 26, 1941.	238
112.	H. B. 164.	Relating to chiropody; regulating the practice thereof, and providing for the examination and licensing of chiropodist. Approved March 26, 1941. Effective June 16, 1941.	239
113.	H. B. 180.	Relating to insurance; amending Sections 61-101, 61-306, 61-328 and 61-332, Arizona Code of 1939. Approved March 26, 1941. Effective June 16, 1941.	245
114.	H. B. 186.	Relating to liquor licenses and control; imposing restrictions on the issuance of licenses, and amending Section 72-107, Arizona Code of 1939. Approved March 26, 1941. Effective June 16, 1941.	250
115.	H. B. 203.	Relating to livestock; prescribing the method of recording and rerecording brands, and amending Article 3, Chapter 50, Arizona Code of 1939, by adding Section 50-316A. Approved March 26, 1941. Effective June 16, 1941.	252

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116. H. B. 251.	Making an appropriation to the board of directors of state institutions to pay outstanding insurance premiums, and declaring an emergency. Approved March 26, 1941. Effective March 26, 1941.	252
117. S. B. 179.	Relating to state land; prescribing procedure in case of default by purchasers, and amending Section 11-417, Arizona Code of 1939. Approved March 27, 1941. Effective June 16, 1941.	254
118. H. B. 206.	For the relief of H. S. Anderson. Approved March 27, 1941. Effective June 16, 1941.	255
119. S. B. 214.	Making an appropriation to pay claims against the liquor division of the state tax commission, and declaring an emergency. Approved March 27, 1941. Effective March 27, 1941.	255
120. H. B. 65.	Relating to agricultural proration; amending Sections 49-802, 49-804 to 49-807, inclusive, 49-811, 49-812, 49-815 to 49-818, inclusive, and 49-823, Arizona Code of 1939, and amending Article 8, Chapter 49, Arizona Code of 1939, by adding Sections 49-804a to 49-804d, inclusive. Approved March 27, 1941. Effective June 16, 1941.	256
121. S. B. 73.	Relating to horticulture; prescribing standards for citrus fruit; amending sections 49-921 and 49-922, Arizona Code of 1939, and amending Article 9, Chapter 49, Arizona Code of 1939, by adding sections 49-921a to 49-921f, inclusive; and declaring an emergency. Approved March 27, 1941. Effective June 16, 1941.	269
	(This Bill carrying the Emergency Clause was passed by the following vote: House: 35 Ayes, 11 Nays, O	

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	Absent, 6 Excused. Senate: 12 Ayes, 7 Nays, O Not voting.)	
122. H. B. 190.	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, 1941, and ending June 30, 1942, hereinafter designated as the 30th fiscal year, and beginning July 1, 1942, and ending June 30th, 1943, hereinafter designated as the 31st fiscal year, all of which constitute a general appropriation bill for said fiscal years. (except subdiv. 27). Approved March 27, 1941. Effective July 1, 1941.	276
123. S. B. 78.	Relating to the state department of social security and welfare, and amending sections 70-108 and 70-113, Arizona Code of 1939. Approved March 27, 1941. Effective June 16, 1941.	323
124. S. B. 194.	Relating to employment security and amending Sections 56-1001, 56-1002, 56-1003, 56-1004, 56-1005, 56-1006, 56-1007, 56-1008, 56-1009, 56-1010, 56-1011, 56-1013, 56-1014, 56-1018, 56-1019, 56-1020, Arizona Code of 1939, and repealing sections 56-1021 and 56-1022, Arizona Code of 1939. Approved March 27, 1941. Effective June 16, 1941.	325
125. S. B. 215.	Making an appropriation to pay indebtedness incurred by state offices, departments, and agencies not payable out of existing appropriations. Approved March 27, 1941. Effective June 16, 1941.	372

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ACTS

ACTS

CHAPTER 1

(House Bill No. 22)

AN ACT

MAKING AN APPROPRIATION FOR THE PAYMENT OF THE CURRENT AND CONTINGENT EXPENSES OF THE FIFTEENTH LEGISLATURE, REGULAR SESSION, AND DECLARING AN EMERGENCY.

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

Section 1. APPROPRIATION. The sum of ninety-two thousand one hundred sixty-six dollars is appropriated to the fifteenth legislature, regular session.

Sec. 2. PURPOSE. The purpose of the appropriation is to provide for the payment of the current and contingent expenses of carrying on the regular session of the fifteenth legislature, and shall be expended for the following objects 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 six dollars and forty cents; 2b. of members of the House of Representatives, one thousand one hundred thirty-nine dollars and sixty cents.

3. For the payment of salaries and wages: 3a. of officers and employees of the Senate, five thousand two hundred fifty dollars; 3b. 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 20, 1941.

CHAPTER 2

(House Bill No. 30)

AN ACT

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

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

Section 1. APPROPRIATION. The sum of seven thousand four hundred fifty-five 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 23, 1941.

CHAPTER 3

(House Bill No. 53)

AN ACT

RELATING TO MOTOR VEHICLES; PRESCRIBING A PENALTY FOR THE OPERATION THEREOF WITHOUT PAYMENT OF FEES, AND AMENDING SECTION 66-236, ARIZONA CODE OF 1939; AND DECLARING AN EMERGENCY.

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

Section 1. Sec. 66-236, Arizona Code of 1939 (Section 1653, Revised Code of 1928, as amended), is amended to read:

66-236. OPERATION WITHOUT PAYMENT OF REGISTRATION FEE. (a) Whenever any vehicle shall be operated upon any highway without payment of the registration or transfer fee, such fee shall be deemed delinquent, and if not paid within thirty days after delinquency, a penalty equal to such fee shall be added thereto and collected; except that, during the year 1941, the penalty shall not be collected if the fee is paid on or before February 15, 1941. The fact of registration of a vehicle in the name of the applicant for the year immediately preceding the year for which application for registration is made shall be prima facie evidence that such vehicle has been operated on the highways during the year for which application for registration is made.

(b) The full annual registration and unladen weight fee, and any other required fee, together with the penalty prescribed in subsection (a), shall accompany any application for the registration of a vehicle, which is filed more than thirty days subsequent to the date on which registration of such vehicle for the next preceding year expired; except, that if it shall be determined, upon hearing and proof satisfactory to the superintendent, that the vehicle was not operated on the highways of this state prior to the filing of said application and the registration of said vehicle, such penalty over and above the regular fee or fees shall be refunded.

(c) Every registration or transfer fee and penalty added thereto shall constitute a lien upon the vehicle upon which the same are due, as and from the due date. The division shall collect such fee and penalty by seizure of such vehicle from the person in possession thereof, if any, and by sale as provided by law.

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: January 24, 1941.

CHAPTER 4

(Senate Bill No. 28)

AN ACT

MAKING AN APPROPRIATION FOR THE USE OF THE ATTORNEY GENERAL IN DEFRAYING THE COSTS AND EXPENSES OF PROSECUTING OR DEFENDING ANY AND ALL SUITS BROUGHT BY OR AGAINST THE STATE OF ARIZONA, OR ANY OFFICIALS THEREOF, IN CONNECTION WITH SEC. 69-119, ARIZONA CODE OF 1939, COMMONLY KNOWN AS THE ARIZONA TRAIN LIMIT LAW; EXEMPTING SUCH APPROPRIATION FROM THE PROVISIONS OF THE FINANCIAL CODE; AND DECLARING AN EMERGENCY.

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

Section 1. APPROPRIATION. There is hereby appropriated out of the general fund of the state from any funds not otherwise appropriated the sum of eight thousand dollars for the use of the attorney general for the following purposes: Reporter's transcript, five thousand dollars; travel and per diem expense, seven hundred fifty dollars; preparation of record and briefs for appeal to the state supreme court, seven hundred fifty dollars; preparation of record and briefs for appeal to the United States supreme court, seven hundred fifty dollars; expense of case filed in Federal court, seven hundred fifty dollars, whether such charges have been heretofore incurred or may hereafter be incurred in prosecuting or defending any suit or suits brought by or against the state of Arizona, or any officials thereof, in connection with Sec. 69-119, Arizona Code of 1939, (Sec. 647, Revised Code of 1928), commonly known as the Arizona Train Limit Law.

Sec. 2. EXEMPTION FROM FINANCIAL CODE. The appropriation provided for under the provisions of this act shall become immediately available and be exempt from the provisions of the state financial code and the balances shall not revert at the end of the fiscal year.

Sec. 3. REPEAL. All laws or parts of laws and all acts and parts of acts in conflict or inconsistent 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: February 4, 1941.

CHAPTER 5

(House Bill No. 87)

AN ACT

RELATING TO AERONAUTICS; PROVIDING FOR THE ESTABLISHMENT AND OPERATION OF AIRPORTS BY COUNTIES, CITIES, AND TOWNS, OR BY OTHER PUBLIC OR PRIVATE AGENCIES UNDER CONTRACT; AMENDING CHAPTER 48, ARIZONA CODE OF 1939, BY ADDING SECTION 48-123, AND DECLARING AN EMERGENCY.

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

Section 1. Chapter 48, Arizona Code of 1939 (Chapter 38, Session Laws of 1929, regular session), is amended by adding Section 48-123:

48-123. CONDITIONAL OR CONTRACTUAL ESTABLISHMENT AND OPERATION OF AIRPORTS. Any county or incorporated city or town shall have power to: 1. accept and hold real property, or any interest therein, by gift, in trust, by purchase, or in any other manner for the purpose of establishing, constructing, operating, or maintaining airports or landing fields, or for uses incidental thereto, subject to such terms, conditions, limitations, restrictions, and agreements as the governing body may deem advisable; and, 2. enter into agreements, upon such terms as the governing body may deem advisable, with agencies of the United States or with any person, firm, or corporation engaged in the air transportation industry, for the establishment, construction, operation, or maintenance of airports or landing fields, or for uses incidental thereto, either by the county, city, or town or by the other contracting party.

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 6, 1941.

CHAPTER 6

(House Bill No. 88)

AN ACT

AMENDING CHAPTER 11, ARTICLE I, ARIZONA CODE OF 1939, BY ADDING A NEW SECTION THERETO TO BE KNOWN AS SECTION 11-107, ARIZONA CODE OF 1939; GIVING TO THE STATE LAND COMMISSIONER, WITH THE APPROVAL OF THE STATE LAND DEPARTMENT, POWER TO ACCEPT REAL PROPERTY OR INTERESTS THEREIN; TO ACCEPT LAND OR INTERESTS THEREIN FOR AIRPORT AND USES INCIDENTAL THERETO AND TO ENTER INTO AGREEMENTS, ARRANGEMENTS AND LEASES FOR ESTABLISHMENT, OPERATION AND MAINTENANCE OF AIRPORTS; AUTHORIZING THE DEDICATION, LEASES AND CONVEYANCE OF STATE LAND FOR AIRPORT AND USES INCIDENTAL THERETO; AND DECLARING AN EMERGENCY.

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

Section 1. THE STATE MAY ACCEPT REAL PROPERTY; MAY ENTER INTO AGREEMENTS FOR ESTABLISHMENT OR MAINTENANCE OF AIRPORTS; MAY DEDICATE, CONVEY OR LEASE LANDS FOR AIRPORTS AND INCIDENTAL USES. The Commissioner, by and with the approval of the State Land Department, may accept transfers in any manner of real property, or any interest therein, to the State of Arizona, whether by way of gift, in trust or otherwise, and containing such terms, conditions and requirements as may be deemed proper, reasonable or necessary by the Commissioner and approved by the Department. In addition to the foregoing, and not by way of limitation thereof, the Commissioner, by and with the approval of the Department, may accept, on behalf of the State, such transfers of real property for the purpose of establishing and maintaining an airport or airports with attendant purposes and uses necessary or incidental thereto, upon such terms and con-

ditions as may be deemed reasonable or necessary, and may enter into arrangements, agreements or leases for the establishment, operation or maintenance thereof, with agencies of the United States Government, or with any person, firm or corporation engaged in, and promoting the development of, the aviation industry. The Commissioner, by and with the approval of the Department, may dedicate, convey, lease or otherwise transfer state lands (subject only to existing constitutional limitations) to such persons, firms and corporations upon such terms and conditions as may be deemed necessary or proper for the purpose of establishing, maintaining or conducting airports and landing fields, and other uses necessary or incidental thereto.

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 6, 1941.

CHAPTER 7

(Senate Bill No. 42)

AN ACT

RELATING TO DECEDENTS' ESTATES; PROVIDING FOR THE SALE OF PROPERTY THEREOF, AND AMENDING SECTION 38-1218, ARIZONA CODE OF 1939.

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

Section 1. Sec. 38-1218, Arizona Code of 1939 (section 4025, Revised Code of 1928), is amended to read:

38-1218. ORDER OF SALE. The order of sale shall describe the lands to be sold and the terms of sale, which may be for cash, or on credit not exceeding three years, payable in gross or installments, with interest, as the court may direct. The land may be sold in one parcel or in subdivisions as the executor or administrator may judge most beneficial to the estate, unless the court otherwise directs. If it appear that any part has been devised and not charged in the devise with the payment of debts or legacies, the

court shall order the remainder to be sold before that so devised. The sale shall be made at public auction, unless the court, if requested in the petition, order the real property, or any part thereof, sold at private sale. If an executor or administrator neglect or refuse to make a sale under the order and as directed therein, the court on motion of any party interested may compel him to do so. If he neglect to apply for an order of sale when necessary, any party interested may apply therefor in the same manner as the executor or administrator, giving notice thereof to the executor or administrator before the hearing.

Approved: February 8, 1941.

CHAPTER 8

(House Bill No. 60)

AN ACT

RELATING TO THE CONTROL OF SPIRITUOUS LIQUORS, AND AMENDING SECTION 72-111, ARIZONA CODE OF 1939.

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

Section 1. Sec. 72-111, Arizona Code of 1939 (section 6, chapter 64, Session Laws of 1939, regular session, as amended), is amended to read:

72-111. FINANCIAL PROVISIONS. (a) All license, registration, and other fees, and all fines, collected pursuant to this article shall be paid promptly, and at least weekly, to the state treasurer, through the state auditor.

(b) One-third of the license fees collected in each county shall be paid monthly by the state treasurer, on the warrant of the state auditor, to the county treasurer of that county. The balance of the moneys received pursuant to this article shall be placed in the general fund.

Sec. 2. EFFECTIVE DATE. This Act shall take effect July 1, 1941.

Approved: February 11, 1941.

CHAPTER 9

(House Bill No. 36)

AN ACT

RELATING TO PARDONS AND PAROLES, AND REPEALING SECTION 47-111, ARIZONA CODE OF 1939; AND DECLARING AN EMERGENCY.

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

Section 1. Sec. 47-111, Arizona Code of 1939 (Section 5320a, Revised Code of 1928, as added by Chapter 30, Session Laws of 1939, regular session), is repealed.

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 15, 1941.

CHAPTER 10

(Senate Bill No. 16)

AN ACT

RELATING TO PROBATE LAW AND PROCEDURE, AND AMENDING SECTION 38-502, ARIZONA CODE OF 1939.

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

Section 1. Sec. 38-502, Arizona Code of 1939 (section 3937, Revised Code of 1928), is amended to read:

38-502. BOND. Every person to whom letters testamentary or of administration are directed to issue shall, before receiving them, execute a bond to the state to be approved by the court or a judge thereof. The bond shall be conditioned that he will faithfully execute the duties of the trust according to law, and shall be in an amount not less than the value of the personal property and the probable value of the annual rents, profits, and issues of the real property belonging the the estate, to be ascertained

by the court. In estates of less than two thousand dollars in value, where the whole of the estate is to be assigned to the surviving spouse under section 38-905 (section 3977, Revised Code of 1928), and where the surviving spouse is applying for letters of administration in person, the court may, at its discretion upon proper showing made as to the value of the estate, order that letters of administration issue to the surviving spouse without being required to give bond.

Approved: February 17, 1941.

CHAPTER 11

(House Bill No. 4)

AN ACT

RELATING TO SALES; PROVIDING FOR THE LOSS OF A LIEN ON GOODS, AND AMENDING SECTION 52-560, ARIZONA CODE OF 1939.

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

Section 1. Sec. 52-560, Arizona Code of 1939 (section 2864, Revised Code of 1928), is amended to read:

52-560. WHEN LIEN IS LOST. (a) The unpaid seller of goods loses his lien thereon: 1. when he delivers the goods to a carrier or other bailee for the purpose of transmission to the buyer without reserving the property in the goods or the right to the possession thereof; 2. when the buyer or his agent lawfully obtains possession of the goods; and, 3. by waiver thereof.

(b) The unpaid seller of goods, having a lien thereon does not lose his lien by reason only that he has obtained judgment or decree for the price of the goods.

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 17, 1941.

CHAPTER 12

(House Bill No. 14)

AN ACT

RELATING TO PUBLIC OFFICERS AND EMPLOYEES; PRESCRIBING THEIR MILEAGE AND TRAVELING EXPENSES, AND AMENDING SECTION 12-713, ARIZONA CODE OF 1939; AND DECLARING AN EMERGENCY.

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

Section 1. Sec. 12-713, Arizona Code of 1939 (section 2803, Revised Code of 1928, as amended), is amended to read:

12-713. MILEAGE AND TRAVELING EXPENSES. (a) Whenever the official duties of a public officer make it necessary for him to travel from the point where he is required by law to maintain his office, he shall be allowed actual mileage and traveling expenses.

(b) Mileage shall be computed as follows: 1. if to a point without the state, a sum equal to the railway and pullman fare, or fare by air; 2. if within the state, a sum equal to the fare by railway, stage, or air; or, 3. if a private conveyance is used, not more than five cents per mile, measured by the most direct regularly traveled route. In the event more than one officer, employee, or other public agent traveling on official business are transported in the same private conveyance, but one mileage only shall be charged or allowed. A member of a county board of supervisors living without the limits of the county seat shall be allowed mileage from his home to the corporate limits of the county seat when attending meetings of the board.

(c) Claims for lodging and meals shall not exceed five dollars per day per person.

(d) No claim for traveling expenses by common carrier, or for lodging, shall be allowed unless accompanied by verified vouchers covering all such items.

(e) The provisions of this section shall apply to any deputy or employee of the state, or of any department, institution, or agency thereof, when traveling under the orders of his superior officer on public business, and to

any member of any board, commission, or other agency of the state when traveling on necessary public business.

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 17, 1941.

CHAPTER 13

(House Bill No. 32)

AN ACT

RELATING TO NURSING AND AMENDING SECTIONS 67-1301, 67-1302, 67-1303, 67-1304 AND 67-1307, ARIZONA CODE OF 1939.

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

Section 1. Sec. 67-1301, Arizona Code of 1939, (Sec. 2562, Revised Code of 1928), is hereby amended to read as follows:

67-1301. BOARD OF NURSE EXAMINERS CREATED; POWERS; DUTIES; OFFICERS AND SALARIES. The governor shall appoint a state board of nurse examiners composed of five registered nurses, who shall be selected from a list of registered nurses submitted by the Arizona State Nurses Association. The members shall be appointed for a term of five years and the term of one member only shall expire each year. They shall annually, in the month of January, elect from their membership, a president, and secretary who shall be the treasurer of the board and inspector of all schools of nursing within the state. The treasurer before entering upon his duties, shall file a bond for such sum as shall be required by the secretary of state. The board shall adopt rules and regulations to govern its proceedings, and a seal; the secretary shall keep a record of all proceedings of the board, including a register of the names of all nurses registered. The board shall cause the prosecution of all persons violating the provisions of this article. The secretary shall receive a salary fixed by the board, and the other members shall receive five dollars for each day actually engaged in

this service. One member shall be elected each January to serve as official delegate to biennials and such national conferences as may be designated by the board. The secretary, board members and official delegate shall receive actual mileage and traveling expenses as prescribed by law for public officers.

Sec. 2. Sec. 67-1302, Arizona Code of 1939, (Sec. 2563, Revised Code of 1928), is hereby amended to read as follows:

67-1302. EXAMINATIONS OF CANDIDATES; CERTIFICATES; RENEWALS; FEES. The board shall meet at least once in every six months, notice of which shall be given in not less than six newspapers of the state and in at least one nursing journal thirty days previous to the time of meeting. At such meeting, the board shall examine all applicants seeking certification, the examinations to be of such character as to determine the fitness of the applicant to practice professional nursing of the sick. If the result of the examination of any applicant shall be satisfactory to a majority of the board, the secretary shall, upon an order of the board, issue to the applicant a license to practice professional nursing in this state from the date of issuance of certificate to the end of the current calendar year. Such license may be renewed annually thereafter for the current calendar year upon the payment to the board of nurse examiners of an annual license fee of one dollar.

Sec. 3. Sec. 67-1303, Arizona Code of 1939, (Sec. 2564, Revised Code of 1928), is hereby amended to read as follows:

67-1303. QUALIFICATIONS AND TRAINING REQUIRED; FEES. An applicant shall furnish satisfactory evidence that he or she is more than twenty years of age, has received such preliminary education as may be determined by the board, and has completed in an accredited school of nursing, a course of instruction including the number of hours of theoretical teaching and actual training in the care of medical and surgical patients (male and female), obstetrical patients and sick children, as required by the board of nurse examiners. The application shall have endorsed thereon a certificate signed by two registered nurses, who are personally acquainted with the applicant, certifying that such applicant is honest, trustworthy and of good moral character and not addicted to the use of intoxicants or narcotics, together with other reasonable information required by

the board. Any applicant who is a graduate of an accredited school of nursing shall pay a fee of fifteen dollars upon filing the application and one dollar for renewal of license yearly thereafter to the board of nurse examiners. Graduate nurses from accredited schools of nursing who are actually engaged in the pursuit of nursing, may practice under permit issued by the board upon the payment of a fee of two dollars to the board of nurse examiners only until such time as the applicant can qualify for registration. An accredited school of nursing is a school for the education and training of nurses attached to or operated in connection with a hospital giving a course of instruction in theoretical teaching and actual experience as determined by the board of nurse examiners.

Sec. 4. Sec. 67-1304, Arizona Code of 1939, (Sec. 2565, Revised Code of 1928), is hereby amended to read as follows:

67-1304. NURSES WHO MAY USE REGISTERED TITLE. All persons who have received licenses hereunder shall be known as registered nurses, and it shall be unlawful for any other person to practice, or to advertise or assume to practice professional nursing as a graduate nurse in the state, or to advertise or assume the title or registered nurse, or to use the abbreviation of "R. N.", or any other words, letters or figures to indicate that the person using the same is a registered nurse.

Sec. 5. Sec. 67-1307, Arizona Code of 1939, (Sec. 2568, Revised Code of 1928), is hereby amended to read as follows:

67-1307. LICENSE WITHOUT EXAMINATION. The board, upon written application, together with such references and proof of identification as it may prescribe, shall issue a license without examination to any person who is registered under the law of any other state or foreign country and who in the opinion of the board meets all other requirements set forth in this article.

Approved: February 19, 1941.

CHAPTER 14

(Senate Bill No. 172)

AN ACT

RELATING TO THE CIVIL SERVICE OF POLITICAL

SUBDIVISIONS, PROVIDING FOR VETERANS' PREFERENCE AS TO AGE AND EXAMINATION GRADES, AND DECLARING AN EMERGENCY.

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

Section 1. AGE LIMITATION FOR VETERANS. Any city, town, county, or other political subdivision of the state which employs the personnel of any branch of its service under a merit system, civil service system, or other system of employment on the basis of merit, by whatever name known, and whether pursuant to ordinance, rule, regulation, or otherwise, shall provide that any veteran of the army, navy or marine corps of the United States, holding an honorable discharge therefrom, who served therein during time of war, shall be eligible to apply for and receive employment under that merit system regardless of his age, if otherwise qualified, subject only to the requirement that he be below the regular retirement age at the time of entering the employment, if a retirement age is prescribed.

Sec. 2. VETERANS' EXAMINATION PREFERENCE. Any veteran of the army, navy or marine corps of the United States, holding an honorable discharge therefrom, who served therein during time of war, and who takes an examination pursuant to an application for employment by any city, town, county, or other political subdivision under a merit system of employment described in section 1, shall, in the determination of his final rating on the examination, be given a preference of five per cent over persons who are not veterans, to be added to the grade earned by him, but only in the event he earns a passing grade without the preference.

Sec. 3. EFFECT OF ACT. The provisions of this Act shall be binding on every city, town, county, and other political subdivision which employs the personnel of any or all branches of its service under a merit system of employment, as described in section 1, whether or not the ordinance, rule, regulation, or other enactment providing for the merit system expressly contains similar provisions.

Sec. 4. VIOLATION. Violation of any provision of this Act is a misdemeanor. Any officer or other person charged with the administration of a civil service or merit system of employment of any city, town, county, or other political subdivision who refuses or fails to observe any provision of this Act in the selection of any public employee, or in the grading of the examination

papers of any person mentioned in section 2, shall, upon conviction thereof, be fined not more than three hundred dollars, imprisoned in the county jail not more than thirty days, or both.

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 24, 1941.

CHAPTER 15

(Senate Bill No. 49)

AN ACT

RELATING TO PUBLIC FINANCE; AUTHORIZING THE ISSUANCE OF TAX ANTICIPATION BONDS, AND REPEALING CHAPTER 5, SESSION LAWS OF 1940, FIRST SPECIAL 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:

"loan commissioners" means loan commissioners of the state of Arizona;

"treasurer" means state treasurer;

"bonds" means tax anticipation bonds issued pursuant to this Act;

"taxes" means state ad valorem and excise taxes levied pursuant to lawful appropriations, which are due or will become due prior to the end of the fiscal year but which remain uncollected, in anticipation of which bonds may be issued.

Sec. 2. WHEN BONDS ISSUED. Whenever the legislature shall have made appropriations for any fiscal year as authorized by law and ad valorem and excise taxes sufficient to produce funds to pay the appropriations have

been levied, and the loan commissioners of the state of Arizona shall ascertain that the proceeds of the taxes levied will not be in the state treasury in time to pay in cash the expenses provided for by such appropriations, the loan commissioners may anticipate the collection of the taxes by issuing and selling bonds designated "state of Arizona tax anticipation bonds".

Sec. 3. ISSUANCE OF BONDS. The bonds shall be signed by the governor, attested by the state auditor, and countersigned by the state treasurer, and shall be payable within six months from date. They shall bear such rate of interest not exceeding three per cent per annum, bear such date, and be payable at such place, as may be determined by the loan commissioners. Each bond shall recite: 1. that it is issued in anticipation of state taxes theretofore levied but remaining uncollected; 2. the fiscal year or years for which the taxes were levied; 3. whether it is payable from the proceeds of ad valorem taxes levied upon taxable property, or from the state's share of excise taxes, or both; and, 4. that it is issued pursuant to this Act.

Sec. 4. TOTAL AMOUNT OF BONDS. The total amount of tax anticipation bonds, including both principal and interest, shall never exceed fifty per cent of the ad valorem taxes, plus fifty per cent of the state's portion of excise taxes as estimated by the state tax commission, for the years recited in the bonds, uncollected and not in the state treasury at the time of the issuance of the bonds.

Sec. 5. RESOLUTION FOR ISSUANCE. The loan commissioners shall by resolution authorize the issuance of the bonds, which resolution shall prescribe their form, the form of coupons representing interest thereon, the manner in which the coupons shall be signed, the particular taxes upon which the bonds are based, and shall fix the manner, terms, and conditions under which the bonds shall be sold.

Sec. 6. SALE AND USE OF PROCEEDS. The bonds shall be sold to the highest bidder who meets the conditions imposed by the loan commissioners, but shall not be sold at less than par. When the issuance and sale of any bonds have been consummated, the treasurer shall immediately call in and pay from the proceeds of the sale all state warrants registered and accumulated at such date. Otherwise, the proceeds of the bonds shall be used solely for the purposes for which the taxes upon which they are based are levied.

Sec. 7. PAYMENT OF BONDS AND INTEREST. When bonds are issued, the taxes upon which they are based and by which they are secured shall, when and as collected, be kept by the treasurer and used solely for the payment of the bonds and interest thereon, until all of the bonds, together with the interest, shall be paid in full. The treasurer may pay the interest out of the general fund. No interest shall be paid on any bond for any period after the date it is payable or after the date the treasurer calls the bond for payment, whichever date shall be later.

Sec. 8. MANDAMUS. The holder of any tax anticipation bond may, in his own name an on his own behalf or on behalf of all the holders of the bonds, by mandamus proceedings in the supreme court, compel the performance of any duty imposed by this Act.

Sec. 9. APPROPRIATION. To provide for the expense of printing and issuing the bonds designated under the provisions of this Act, the sum of two hundred dollars, as appropriated by section 10, chapter 5, Session Laws of 1940, first special session, is reappropriated to the loan commissioners of the state of Arizona.

Sec. 10. REPEAL. Chapter 5, Session Laws of 1940, first special session, is repealed. This section does not negative an implied repeal of any statute which conflicts with this Act.

Sec. 11. 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 25, 1941.

CHAPTER 16

(House Bill No. 57)

AN ACT

RELATING TO STATUTES AND JOURNALS; PROVIDING FOR THE DISTRIBUTION THEREOF, AND AMENDING SECTION 4-202, ARIZONA CODE OF 1939.

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

Section 1. Sec. 4-202, Arizona Code of 1939 (section 24, Revised Code of 1928, as amended), is amended to read:

4-202. DISTRIBUTION OF STATUTES AND JOURNALS. (a) Immediately after publication of the statutes, and upon receipt of any official compilation or revision of the laws or of any official supplement thereof, copies of which are supplied to him by law for distribution, the secretary of state shall supply one copy thereof to: 1. each official of the executive department of the state; 2. each commissioner and each department of the state government; 3. the state highway engineer; 4. each judge and the clerk of the supreme court; 5. the reporter of the decisions of the supreme court; 6. each judge of the superior court; 7. each justice of the peace, each municipal court or police court, the copies for whom shall be distributed by the county recorders of the several counties; 8. each county officer other than members and clerk of the board of supervisors; 9. the board of supervisors; 10. each member of the legislature; 11. the secretary of the senate; 12. the chief clerk of the house of representatives; 13. the general library, the law library, and each professor of law of the university of Arizona; 14. each state teacher's college; 15. each junior college supported in whole or in part by state aid; 16. each judge and the clerk of the United States district court for the district of Arizona, and the United States attorney and the United States marshal for that district; 17. each senator and representative in Congress from this state; and, 18. each public library in the state which applies therefor. The clerk of the board of supervisors of each county shall, within one month after the adjournment of the legislature, supply the secretary of state with the names and addresses of all officers of the county entitled to receive a copy of the statutes.

(b) The secretary of state shall supply to the director of the department of library and archives, for the purpose of exchange with other states, territories, the United States, and foreign countries, such number of copies of the statutes and the journals of the legislature as the director may, in accordance with section 2-508 (section 8, chapter 32, Session Laws of 1937, regular session), make requisition for, and to the law library of the university of Arizona, for the purpose of exchange with law school libraries of other states and territories, such number of copies of the statutes, not to exceed fifty, as the librarian thereof may request.

(c) The secretary of state shall deliver a copy of the journals of the legislature to any officer specified in subsection (a) who applies therefor.

Approved: February 28, 1941.

CHAPTER 17

(House Bill No. 79)

AN ACT

RELATING TO EDUCATION; PROVIDING FOR CONTRACTS FOR FURNISHING TEXTBOOKS, REQUIRING BOND, AND AMENDING SECTION 54-1104, ARIZONA CODE OF 1939.

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

Section 1. Sec. 54-1104, Arizona Code of 1939 (Section 1050, Revised Code of 1928), is amended to read:

54-1104. CONTRACT FOR FURNISHING BOOKS. The state board of education shall enter into a contract with the publisher, who shall give a cash or corporate surety bond payable to the state and approved by the board, in a sum not less than five hundred nor more than twenty thousand dollars, conditioned that: 1. the publisher will faithfully comply with the conditions of the contract, and will furnish to the state the books provided for in the contract at prices not to exceed the lowest prices then granted to any buyer; and, 2. should there be any decrease in the prices given to any person purchasing such books from the publisher, the state shall have the benefit of that decrease in price. The publisher shall file with the board a statement sworn to before some officer in the state, stating the lowest prices for which his series of textbooks are sold anywhere in the United States. If the publisher of any school textbook adopted by the state issues a special edition of any book so adopted, or essentially the same book, the state may substitute that special edition at the net price at which it is sold elsewhere.

Approved: February 28, 1941.

CHAPTER 18

(House Bill No. 16)

AN ACT

RELATING TO COUNTY FINANCE; PROVIDING A METHOD OF SUBMITTING CLAIMS BY COUNTY SUPERVISORS; PRESCRIBING LIABILITY FOR MONEY ILLEGALLY PAID AND PROVIDING FOR THE RECOVERY THEREOF, AND AMENDING SECTIONS 17-324 AND 17-325, ARIZONA CODE OF 1939.

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

Section 1. Sec. 17-324, Arizona Code of 1939 (section 789, Revised Code of 1928), is amended to read:

17-324. CLAIMS BY SUPERVISORS. A claim against the county presented by a member of the board of supervisors shall be verified as other claims, and shall bear the approval in writing of at least one member of the board other than the claimant, and of the county treasurer.

Sec. 2. Sec. 17-325, Arizona Code of 1939 (section 790, Revised Code of 1928), is amended to read:

17-325. LIABILITY FOR AND RECOVERY OF MONEY ILLEGALLY PAID. (a) Whenever a board of supervisors, without authority of law, orders any money paid out of the county treasury, the supervisors and the party in whose favor the order is made shall be jointly and severally liable for the money, with legal interest and twenty per cent additional on the principal amount. In the event the money is paid on a claim presented by a member of the board of supervisors, the supervisor presenting the claim, and the supervisors and the county treasurer approving the claim, shall be jointly and severally liable for the money, with legal interest, and twenty per cent additional on the principal amount.

(b) In the event of an illegal payment of money, as described in subsection (a), the county attorney shall institute an action in the name of the county against the supervisors and others liable, to enjoin the payment of the money, or if the same has been paid to recover it with legal interest and twenty per cent additional on the principal amount, to be paid into the county treasury to the credit of the fund from which the allowance was

made. The board may not dismiss, compromise, nor in any way control such action, and no bond shall be required of a county in such action, or to obtain an injunction, or on appeal.

Approved: March 4, 1941.

CHAPTER 19

(House Bill No. 29)

AN ACT

RELATING TO JURORS; PRESCRIBING THEIR FEES AND MILEAGE, AND AMENDING SECTION 34-130, ARIZONA CODE OF 1939.

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

Section 1. Sec. 34-130, Arizona Code of 1939 (Section 1487, Revised Code of 1928, as amended), is amended to read:

34-130. JURORS' FEES AND MILEAGE. (a) Each juror shall be paid by the county: 1. for each day's attendance on the superior court, four dollars and fifty cents; and, 2. for each mile actually and necessarily traveled from his residence to the court, ten cents, to be computed for one trip and one way only for each separate summons to attend the superior court. When a juror actually and necessarily travels more than twenty-five miles from his residence to the court, the court or judge thereof may allow an additional amount sufficient, with the regular mileage, to compensate the juror for the actual expense of traveling from his residence to the court and return, but in no event shall the mileage paid a juror exceed thirty cents per mile computed as prescribed herein.

(b) Each juror for one day's attendance upon any justice court or upon any inquest shall be paid by the county three dollars.

Approved: March 3, 1941.

CHAPTER 20

(House Bill No. 71)

AN ACT

RELATING TO LOANS MADE BY THE STATE ON FARM LANDS, AUTHORIZING THE REDUCTION OF THE RATE OF INTEREST THEREON.

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

Section 1. REDUCTION OF INTEREST RATE ON FARM LOANS. Immediately upon payment of arrearages of interest on any outstanding mortgage held by the state on farm land (acquired pursuant to sections 108, 109, 110, chapter 5, Laws of 1915, as amended; section 2640, Revised Code of Arizona 1928, as amended), the state treasurer, with the approval of the governor and the secretary of state, shall have the power to reduce the future rate of interest thereon to not less than four per cent per annum. Any reduction of interest allowed pursuant to this Act shall take effect as of the date of approval by the governor and the secretary of state, and shall not be retroactive.

Approved: March 4, 1941.

CHAPTER 21

(House Bill No. 83)

AN ACT

RELATING TO SCHOOL BONDS; PROVIDING FOR THE DISPOSITION OF SURPLUS PROCEEDS OF THE TAX LEVY TO PAY THE SAME; AMENDING ARTICLE 4, CHAPTER 54, ARIZONA CODE OF 1939, BY ADDING SECTION 54-427a.

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

Section 1. Article 4, chapter 54, Arizona Code of 1939 (article 4, chapter 21, Revised Code of 1928), is amended by adding section 54-427a:

54-427a. DISPOSITION OF SURPLUS TAX MONEY. (a) In the event a school bond issue and interest thereon

has been fully paid, and a balance remains in the building fund from taxes collected for payment of the bond issue and interest, the balance may be applied on the payment of other outstanding bonded indebtedness of the school district on property within the district in which the excess tax money was collected or in the event there is no outstanding bonded indebtedness the balance remaining in or accruing to the bond and interest account shall, upon written request of the board of education or trustees of the affected school district, be transferred to the general fund of that district. When a school bond issue and interest thereon has been fully paid, and a tax levy has thereafter been made upon and taxes collected from property the situs of which is in another school district than the original district for which the levy was made, such taxes heretofore collected or which may hereafter be collected shall belong to the school district from which such taxes were collected, and the county treasurer shall credit the same to the general school fund of that school district. Such taxes may be expended by the board of trustees or board of education of that district as other moneys in its general school fund.

(b) In this section, "school district" or "district" includes common school district, high school district, and union high school district.

Approved: March 4, 1941.

CHAPTER 22

(Senate Bill No. 115)

AN ACT

RELATING TO TAXATION, AMENDING SECTION 73-1412, ARIZONA CODE OF 1939, BY RE-APPORTIONING REVENUE DEALT WITH THEREIN.

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

Section 1. Sec. 73-1412, Arizona Code of 1939, is hereby amended to read:

73-1412. DISPOSITION OF REVENUE; APPROPRIATIONS. (a) The commission shall promptly remit all moneys received under the provisions of this Act to the state treasurer, through the state auditor, and the treas-

urer shall place an amount equal to four per cent thereof in a special fund to be known as the "luxury tax administration fund".

(b) For the purpose of carrying out the provisions of this Act, there is hereby appropriated to the state tax commission out of the taxes collected hereunder, an amount equal to four per cent of such taxes collected each month. The necessary expenses of the administration of this Act shall be paid upon claims duly itemized, verified and approved by the state tax commission, which claims shall be presented to and filed with the state auditor, who shall draw his warrant therefor on the state treasurer, and the state treasurer shall pay the same out of the luxury tax administration fund. No expenditures shall be made by the state tax commission in excess of the amount herein appropriated.

(c) There is hereby appropriated to the general fund out of the taxes collected hereunder, the sum of three thousand dollars per month. The sums remaining after deducting the expenses of the commission in administering the Act and the three thousand dollars per month for the general fund are hereby appropriated to the state board of social security and welfare, as a continuing appropriation, to be used for the purposes of relief, relieving unemployment in the state, equipping its offices, printing necessary forms, data, and material, and carrying out the objects set forth in chapters 69, 70, 71, and 72, Sessions Laws of 1937, regular session; provided that, beginning July 1, 1937, there shall be allocated each fiscal year, to and for crippled children services, sixty thousand dollars per annum, or so much thereof as may be necessary to carry on such services and to match federal funds made available to Arizona for said services.

Sec. 2. EFFECTIVE DATE. The provisions of this Act shall take effect the first day of July, 1941.

Approved: March 3, 1941.

CHAPTER 23

(House Bill No. 95)

AN ACT

RELATING TO OPTOMETRY; PRESCRIBING A PEN-

ALTY FOR PRACTICE WITHOUT A CERTIFICATE OF REGISTRATION, AND AMENDING ARTICLE 14, CHAPTER 67, ARIZONA CODE OF 1939, BY ADDING SECTION 67-1408.

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

Section 1. Article 14, Chapter 67, Arizona Code of 1939 (Article 11, Chapter 58, Revised Code of 1928), is amended by adding Section 67-1408:

67-1408. PENALTY. Any person who practices or attempts to practice optometry, without at the time having a valid recorded certificate of registration therefor, or who files or attempts to file for record a certificate issued to another, claiming to be the person entitled thereto, is guilty of a misdemeanor, and for the first conviction shall be fined not less than one hundred nor more than three hundred dollars or imprisoned in the county jail not less than one nor more than six months, or both. Any person convicted of a subsequent misdemeanor pursuant to this section shall be fined not less than two hundred fifty nor more than three hundred dollars or imprisoned in the county jail not less than five months nor more than six months, or both.

Approved: March 4, 1941.

CHAPTER 24

(House Bill No. 89)

AN ACT

RELATING TO EGGS; PROVIDING FOR THE GRADING, SALE, AND INSPECTION THEREOF, AND REPEALING SECTIONS 68-420, 68-421, AND 68-422, ARIZONA CODE OF 1939.

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

Section 1. FRESH EGGS. In this act, "fresh egg" means an egg which meets the following requirements at the time of retail sale:

1. Before the candle: clean shell; air space small, less than three-fourths of an inch in diameter at the base, or not more than one-fourth of an inch in depth; edges

firm; yolk can be dimly seen above the middle of the egg, and moves slowly when the egg is turned; white, or albumen, clean and firm.

2. Out of shell: yolk even in color, firm, and when on a flat surface lies in a relatively rounded form, and is not more than three times as broad as it is deep; yolk membrane does not rupture easily; white, or albumen, firm and thick, flows slowly, and glistens.

3. Has not been processed nor shell-treated in any manner.

Sec. 2. GRADES. (a) All eggs sold at retail shall be graded as large, medium, or small, and shall be sold by those grades.

(b) Large eggs are eggs which average not less than twenty-four ounces per dozen, containing no egg of an individual weight of less than one and five-sixths ounces.

(c) Medium eggs are eggs which average not less than twenty ounces per dozen, containing no egg of an individual weight of less than one and seven-twelfths ounces.

(d) Small eggs are eggs which average not less than sixteen ounces per dozen, containing no egg of an individual weight of less than one and one-fourth ounces.

Sec. 3. DISPLAYING FOR SALE. All eggs meeting the requirements of section 1 shall be sold as "fresh eggs". All other eggs shall be sold as "eggs". All eggs displayed or offered for sale shall be identified by a white placard bearing in black letters not less than one and one-fourth inches in height the words "fresh eggs" or "eggs", as the case may be, together with the grade designation of the eggs, placed in close proximity to the eggs to which it refers.

Sec. 4. ADVERTISING AND SALE. It is unlawful to use the term "local", "local fresh", "fresh", "strictly fresh", "guaranteed", "just laid", "yesterlaid", "fresh ranch", or any other term which implies a fresh egg, in connection with the advertising, selling, or offering for sale of eggs, unless the eggs referred to meet the requirements of section 1.

Sec. 5. DUTIES OF INSPECTOR. The state egg inspector shall inspect and examine eggs being advertised

or offered for sale in the state to determine the condition, quality, and weight thereof, with regard to their freshness and grades. He shall enforce the provisions of this act, and all other laws relating to the sale of eggs. Not later than September 1 of each year the state egg inspector shall make a report to the governor, setting forth his activities, receipts, and expenditures during the preceding fiscal year.

Sec. 6. INSPECTION FEE AND STAMPS. (a) An inspection fee of not more than two mills per dozen shall be paid by the producer on all eggs sold for consumption within the state. After June 30, 1942, the state egg inspector, if it appears that the revenue derived from inspection fees is more than is required for the administration of this act, shall have power to decrease the inspection fee, and at any time thereafter he may increase or decrease the inspection fee, but at no time shall it exceed two mills per dozen eggs.

(b) All eggs, when sold for final consumption, shall have affixed to the container egg inspection stamps of a value equal to the inspection fee in force at that time on all eggs in the container. The presence of the stamps shall be prima facie evidence of the payment of the inspection fee. The seller, when eggs are sold for final consumption, shall cause the proper stamps to be affixed to the container, and shall effectively deface the stamps at the time of sale. No egg inspection stamp shall be used more than once. The stamps shall be procured from the state egg inspector, who shall collect the face value thereof at the time of delivery. The inspector shall keep a detailed record of all stamps purchased, the cost thereof, the money received therefor, and the number and face value of stamps sold to each seller of eggs. Provided, however, that the provisions of this act shall not apply to the sale of eggs to the consumer by the producer.

Sec. 7. INSPECTOR'S AUTHORITY. The state egg inspector, or his authorized agent, shall have power to enter, during its usual hours of business, any store, market, farm, warehouse, or other place where eggs are sold, offered for sale, or stored, and to make such examination as he deems necessary to determine the quality of eggs or whether the proper egg inspection stamps have been affixed to containers.

Sec. 8. STATE EGG INSPECTOR. The state egg inspector shall be appointed by the governor, with the consent of the senate, for a term coterminous with that of

the governor. The inspector shall be experienced in the business of egg production and sale within this state. He shall give a surety company bond to the state in the sum of five thousand dollars, and shall receive a salary of two thousand dollars per annum.

Sec. 9. FINANCIAL PROVISIONS. All moneys collected pursuant to this act shall be paid to the state treasurer, through the state auditor, to be credited to the egg inspection account. All moneys in the egg inspection account are appropriated to the state egg inspector for the purpose of carrying out the provisions of this act, and all salaries and expenses hereunder shall be paid from the egg inspection account. Balances remaining therein at the end of the fiscal year shall not revert to the general fund.

Sec. 10. PENALTY. Any person who violates any provision of this act, or who interferes with the state egg inspector or his authorized agent in the discharge of his duties, is guilty of a misdemeanor, and shall be fined not less than ten nor more than fifty dollars, imprisoned in the county jail not more than ten days, or both, for the first offense; and shall be fined not less than twenty-five nor more than one hundred dollars, imprisoned in the county jail not more than thirty days, or both, for each subsequent offense.

Sec. 11. APPROPRIATION. (a) The sum of two thousand dollars is appropriated to the state egg inspector, to be used for the purchase of egg inspection stamps and necessary preliminary expenses of administering this act.

(b) Fifty per cent of the moneys received from sales of egg inspection stamps shall be deposited in the general fund, until the total amount so deposited equals two thousand dollars. Thereafter all receipts from sales of stamps shall be disposed of as provided in section 9.

Sec. 12. REPEAL. Sections 68-420, 68-421, and 68-422, Arizona Code of 1939, (Chapter 14, Session Laws of 1933, First Special Session), are repealed. This section does not negative an implied repeal of any statute which conflicts with this act.

Approved: March 7, 1941.

CHAPTER 25

(House Bill No. 97)

AN ACT

RELATING TO OLD AGE ASSISTANCE; PRECRIBING ELIGIBILITY REQUIREMENTS THEREFOR, AND AMENDING SECTION 70-202, ARIZONA CODE OF 1939.

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

Section 1. Sec. 70-202, Arizona Code of 1939 (Section 2, Chapter 70, Session Laws of 1937, regular session, as amended), is amended to read:

70-202. ELIGIBILITY FOR ASSISTANCE. Assistance shall be granted under this article to any person who meets the following requirements:

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 resources to provide a reasonable subsistence compatible with decency and health.

5. Is not an inmate of or being maintained by any municipal, state or federal institution at the time of receiving assistance; except as a guest of the home for aged and infirm Arizona pioneers. An inmate of any such institution, except a penal institution, may make application for assistance but the assistance, if granted, shall not begin until after he ceases to be an inmate. This paragraph 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 this article.

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.

Approved: March 7, 1941.

CHAPTER 26

(Senate Bill No. 72)

AN ACT

RELATING TO THE FIREMEN'S RELIEF AND PENSION FUND, PROVIDING FOR THE RAISING AND ADMINISTRATION THEREOF, AND AMENDING SECTIONS 16-1901, 16-1902, 16-1904, 16-1905, 16-1906, 16-1908, 16-1909, 16-1910, 16-1911, 16-1912, AND 16-1913, ARIZONA CODE OF 1939.

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

Section 1. Sec. 16-1901, Arizona Code of 1939, is amended to read:

16-1901. BOARD OF TRUSTEES. (a) The mayor and clerk of every incorporated city or town, or the chairman and clerk of the board of supervisors in the case of legally organized volunteer fire companies for unincorporated towns or settlements, together with the chief and four members elected from the fire department or from the volunteer fire company, as the case may be, shall constitute the board of trustees of the firemen's relief and pension fund for that incorporated city or town or volunteer fire company. The board of trustees shall provide for the disbursement of the fund and designate the beneficiaries thereof as in this article directed.

(b) After the effective date of this amendment the

fire department of each incorporated city or town, and each volunteer fire company, shall elect by ballot from its members four members of the board of trustees, or number of members as, when added to the incumbent members thereof, will constitute four members in addition to the chief. In cases where two members in addition to the chief are already on the board of trustees, two additional members shall be elected to hold office for the same respective terms as the two incumbent members. At the expiration of the two shorter terms, and thereafter biennially, two members shall be elected for terms of four years each.

Sec. 2. Sec. 16-1902, Arizona Code of 1939, is amended to read:

16-1902. OFFICERS AND ANNUAL REPORT. (a) The mayor, or the chairman of the board of supervisors, as the case may be, shall be president of the board of trustees; the city or town clerk, or the clerk of the board of supervisors, as the case may be, shall be secretary; and the city or town treasurer, or the county treasurer, as the case may be, shall be treasurer.

(b) The secretary shall annually report to the board the condition of the fund and the receipts and disbursements, with a complete list of its beneficiaries and the amounts paid.

Sec. 3. Sec. 16-1904, Arizona Code of 1939, is amended to read:

16-1904. RETIREMENT FOR LENGTH OF SERVICE. (a) When any person has served as a full time paid member of the same fire department or fire company in this state for twenty years, the last five years of which shall have been consecutive, then if he either is fifty-seven years of age or over, or becomes physically unable for any cause, while a member of the fire department, to perform the duties of the service, he may, on his application and in the discretion of the board of trustees, be retired on a monthly pension equal to one-half the average monthly salary received by him for the twelve months' period next prior to his retirement, to be paid from the firemen's relief and pension fund for his incorporated city or town or organized fire company. The pension shall in no event exceed one hundred fifty dollars per month.

(b) In the event of the death of a person drawing

or eligible to a pension under this section, there may be paid to his surviving dependents the following sums:

1. If he leaves a widow to whom he was married at least one year prior to his retirement, an amount equal to two-thirds of his monthly pension or the monthly pension to which he was eligible, plus an amount not exceeding ten dollars per month per dependent surviving child under eighteen years of age, to the widow until she remarries.

2. If he leaves a dependent child or children under eighteen years of age, but no surviving widow to whom he was married at least one year prior to his retirement, then twenty-five dollars per month for each such child, to its guardian, until the child attains the age of eighteen years.

(c) In no event shall dependents be paid more per month, pursuant to subsection (b), than the amount the pensioner was receiving or the fireman was eligible to receive prior to his death.

Sec. 4. Sec. 16-1905, Arizona Code of 1939, is amended to read:

16-1905. RETIREMENT OF FIREMEN FOR DISABILITY. (a) Any person duly appointed and serving in the fire department of an incorporated city or town, or a legally organized volunteer fire company, on becoming physically or mentally disabled through performance of his duties in the course of his service as a fireman, if his disabilities do not entitle him to compensation under the workmen's compensation laws, may be retired on a monthly pension to be paid from the firemen's relief and pension fund, for such period as the board of trustees shall deem proper, in the following amounts:

1. If at the time of becoming so disabled he was serving as a full time paid member of his fire department, then during his retirement for disability he shall be paid a monthly pension equal to one-half the average monthly salary received by him for the twelve months' period next prior to his retirement, or for the period of his employment in the event he has been employed for less than one year, but not to exceed one hundred fifty dollars per month.

2. If at the time of becoming so disabled he was serving as a duly appointed member of a volunteer fire

company, but not as a full time member, then during his retirement for disability he shall be paid a pension of not more than sixty dollars per month.

(b) Whenever the disability ceases, the pension shall terminate and the beneficiary shall be returned to active service at a salary not less than that received by him immediately prior to his retirement. Should the disability prove to be permanent, or should the firemen during the period of disability herein provided for become eligible for retirement under section 16-1904, then, in the discretion of the board, he may be allowed the pension provided in section 16-1904.

Sec. 5. Sec. 16-1906, Arizona Code of 1939, is amended to read:

16-1906. EVIDENCE OF DISABILITY. A person shall not be retired for disability as provided in sections 16-1904 and 16-1905 until he has signed and filed with the board a certificate of disability subscribed and sworn to by the city or town physician or by a physician in good standing selected by the board. The board may require other evidence of disability before granting the retirement for disability.

Sec. 6. Sec. 16-1908, Arizona Code of 1939, is amended to read:

16-1908. LOSS OF LIFE IN PERFORMANCE OF DUTIES. (a) When any person duly appointed and serving in the fire department of an incorporated city or town, or in a legally organized volunteer fire company, shall die as a result of an accident or illness sustained or caused in the performance of his duties in such service, leaving a dependent or dependents, and the circumstances of his death are such as not to entitle them to compensation under the workmen's compensation laws, there shall be paid from the firemen's relief and pension fund to his surviving dependents the following sums:

1. If he leaves a widow, an amount equal to one-third of his monthly salary, plus an amount not exceeding ten dollars per month per dependent surviving child under eighteen years of age, shall be paid to the widow until she remarries.

2. If he leaves a dependent child or children under eighteen years of age but no surviving widow, then twenty-five dollars per month for each such child shall be

paid to its guardian until the child shall attain the age of eighteen years.

(b) In no event shall dependents be paid, pursuant to subsection (b), more than one-half the average monthly salary of the deceased immediately prior to the time of his death, nor more than one hundred fifty dollars per month.

"Average monthly salary" shall be deemed to be the average monthly salary for the period of one year next prior to the termination of his service, or for the period of his service if less than one year.

Sec. 7. Sec. 16-1909, Arizona Code of 1939, is amended to read:

16-1909. EXAMINATION OF RETIRED AND NEW FIREMEN. (a) A person retired for disability under this article may be summoned before the board and shall submit himself for examination as to his fitness for duty as often as the board shall require. The decision of the board shall be final. Every person retired hereunder shall report to a physician designated by the board at least once in each year and oftener if required by the board. In case of a great public emergency he shall perform such duties as the chief of his fire department may direct, without compensation.

(b) After the effective date of this amendment, all persons joining or becoming members of a fire department shall pass a physical examination showing their physical fitness before a doctor or doctors designated by the board, and any person who fils so to do shall be deemed to have waived all rights to benefits under this article. The examining doctor or doctors shall report the result of every examination made pursuant to this section to the board of trustees, and the secretary of the board shall preserve the same as a permanent record.

Sec. 8. Sec. 16-1910, Arizona Code of 1939, is amended to read:

16-1910. CESSATION OF BENEFITS. In the event a beneficiary is convicted of a felony, is a habitual drunkard, fails to report for examination, unless excused by the board, or disobeys the requirements of this chapter, the board shall order his pension or allowance to cease. Thereafter his benefit may be paid to his immediate dependents, or to his guardian. In the event a beneficiary

becomes an employee of the United States or any agency thereof, or of this state or any political subdivision or agency thereof, the compensation for which employment is paid in whole or in part from public funds, the board shall order his pension or allowance to cease.

Sec. 9. Sec. 16-1911, Arizona Code of 1939, is amended to read:

16-1911. WITNESSES, EXPENSES, FUNDS, AND CERTIORARI. (a) The board shall have power to compel witnesses to attend and testify upon any matter connected with this article, and its president or any member may administer oaths; and to provide for the payment of its necessary expenses, except that no compensation shall be paid to members of the board for duties performed hereunder.

(b) The board shall invest such funds as are not immediately required for the payment of pensions or benefits under this article in bonds of the United States government or in bonds of the state of Arizona or a political subdivision thereof.

(c) All matters pertaining to the benefits herein granted to firemen and their dependents shall be presented to the board, and any person aggrieved by any decision of the board, may at any time, within thirty days after its decision, review the same by a petition for a writ of certiorari, and the court may on final hearing reverse or affirm, wholly or partly, or may modify, the decision reviewed.

Sec. 10. Sec. 16-1912, Arizona Code of 1939, is amended to read:

16-1912. FIREMEN'S RELIEF AND PENSION FUND. (a) The annual tax of two per cent provided by law on all premiums collected by fire insurance companies in this state, after cancellations and dividends are deducted, is appropriated and set aside for the firemen's relief and pension fund. The corporation commission shall embody in its annual statement, as provided in section 61-328, Arizona Code of 1939, a blank form with the names thereon of the incorporated cities and towns and the legally organized fire companies who are entitled to share in said tax, and it shall require insurance companies to report at the time of making their annual statements the amount of premiums received during the year ended December 31 in insured properties located in each of the

respective incorporated cities and towns and areas served by legally organized fire companies, as named in said blank. Thereafter and before March 1 the corporation commission shall certify to the state treasurer the incorporated cities and towns having organized fire departments and the areas served by legally organized fire companies, the respective amounts of premiums received by fire insurance companies for insurance upon properties located in each incorporated city and town and in each area served by a legally organized fire company, and the amount of tax paid for the preceding year by the fire insurance companies upon such premiums. The corporation commission at the same time shall certify to the state treasurer the amount of premiums received by fire insurance companies for all insurance written in each respective county in areas other than incorporated cities and towns or areas served by legally organized fire departments, and the amount of tax paid for the preceding year by fire insurance companies upon such premiums, and that amount of tax shall then be prorated in each county among the several incorporated cities and towns and legally organized fire companies in proportion to the amount of fire insurance tax collected from insurance on property therein, and shall be paid in to the firemen's pension and relief fund for each such city, town, or fire company.

(b) Each incorporated city or town and each legally organized volunteer fire company shall deduct from the stipulated salaries or compensation of its firemen three and one-half per cent thereof, and shall add the same amount from its own general revenues, and shall pay the total of the two amounts each month into the firemen's pension and relief fund. The treasurer of each board shall keep a record of all salary deductions; and should a fireman die under circumstances not entitling his dependents to any benefits from the firemen's relief and pension fund, or should he become separated from the service voluntarily or involuntarily without having become eligible to retirement benefits thereunder, then all deductions theretofore made from his salary under this article shall become payable, without interest, in the event of his death to his beneficiaries, or otherwise to the fireman.

(c) All payroll deductions made under subsection (b), and in the discretion of the board of trustees such additional sums as it may deem proper, shall be set aside in a permanent reserve fund, and the income from the same, but no part of the principal, shall be used to meet

retirement expenses, except that the portion of the principal which accrued from salary deductions may be drawn upon when necessary in order to meet the refunds provided for in subsection (b).

Sec. 11. Sec. 16-1913, Arizona Code of 1939, is amended to read:

16-1913. DISPOSITION OF TAX. The corporation commission shall keep a separate account of the tax paid by the various insurance companies, and in its report to the state treasurer shall certify the amount each incorporated city or town and each legally organized volunteer fire company is to receive. The state treasurer shall keep the sums so certified in a separate fund to be used only for the purposes of this article. The amount of tax so collected for insurance on property within the respective incorporated cities and towns and within the areas served by the respective volunteer fire companies, together with each organization's pro rata share of the tax on insurance upon properties situated outside those areas, shall be paid to the firemen's relief and pension fund of the respective incorporated cities and towns and legally organized volunteer fire companies.

Sec. 12. REINSTATEMENT AFTER MILITARY TRAINING. Any member of any fire company inducted into the services of the United States for military training, shall upon his discharge from said service, be reinstated with previous rating.

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.

Approved: March 7, 1941.

CHAPTER 27

(House Bill No. 92)

AN ACT

RELATING TO UNEMPLOYMENT COMPENSATION; CREATING THE UNEMPLOYMENT COMPENSATION COMMISSION OF ARIZONA, FIXING THE

SALARIES AND TERMS OF OFFICE OF MEMBERS, AUTHORIZING THE PAYMENT OF MILEAGE AND EXPENSES; DEFINING CERTAIN POWERS AND DUTIES THEREOF, AND AMENDING SECTION 56-1010 ARIZONA CODE 1939.

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

Section 1. Sec. 56-1010, Arizona Code 1939 is amended to read:

56-1010. UNEMPLOYMENT COMPENSATION COMMISSION. (a) There is hereby created a commission to be known as the Unemployment Compensation Commission of Arizona. The commission shall consist of three members who shall be appointed by the governor. Each member shall hold office for a term of two years. Each commissioner shall be paid from the Unemployment Compensation Administration Fund, created by Section 56-1013, Arizona Code 1939, a fixed monthly salary of one hundred dollars per month. The Commissioners are authorized to travel in the performance of their duties, and to receive mileage and such other expenses as may be allowed by law, and such mileage and expenses shall be in addition to any other compensation, and shall be paid out of said Unemployment Compensation Administration Fund.

(b) QUORUM. Any two members of the commission shall constitute a quorum. No vacancy shall impair the right of the remaining commissioners to exercise all of the powers of the commission.

(c) DIVISIONS. The commission shall establish and supervise the conduct of two coordinate divisions: The Arizona State Employment Service Division created pursuant to Section 12 (56-1012) of this act, and the Unemployment Compensation Division. Each division shall be responsible for the discharge of its distinctive functions. Each division shall be a separate administrative unit with respect to personnel, budget, and duties, except insofar as the commission may find that such separation is impracticable. The commission is authorized to appoint, fix the compensation of, and prescribe the duties of the director of the Unemployment Compensation Division, provided that such appointment shall be made on a nonpartisan merit basis, in accordance with the provisions of this act relating to personnel. The director of the Arizona State Employment Service Division created pursuant to Section 12 (56-1012) may, in addition to his other

duties, be appointed director of the Unemployment Compensation Division.

Approved: March 10, 1941.

CHAPTER 28

(Senate Bill No. 112)

AN ACT

RELATING TO CITIES AND TOWNS, AUTHORIZING THE PAYMENT OF INDEBTEDNESS INCURRED IN VIOLATION OF SECTION 73-503, ARIZONA CODE OF 1939; FURTHER AUTHORIZING THE INCURRING OF INDEBTEDNESS IN VIOLATION OF SECTION 73-503, ARIZONA CODE OF 1939 DURING THE YEAR 1941 IN ORDER TO FULLY COOPERATE WITH THE FEDERAL GOVERNMENT IN ITS NATIONAL DEFENSE PROGRAM IN THE ACQUISITION AND DEVELOPMENT OF AIRPORTS AND AIRPORT FACILITIES AND EQUIPMENT; 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 oustanding against it indebtedness incurred in good faith and for value received prior to the effective date of this act, in violation of section 73-503, Arizona Code of 1939 (section 3098, Revised Code of 1928), in order to enable such city or town to acquire property necessary for the establishment, enlargement, development, alteration, or improvement of airports and airport facilities, improvements and equipment, or incurred by or in the establishment, enlargement, development, alteration or improvement of airports and airport facilities, improvements and equipment, is empowered to pay the same and to 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 officers of such city or town shall pay such indebtedness, in the manner provided by law, out of funds so provided.

Sec. 2. INDEBTEDNESS AUTHORIZED. The govern-

ing body of any incorporated city or town is hereby authorized, during the year 1941, to incur indebtedness in violation of section 73-503, Arizona Code of 1939 (section 3098, Revised Code of 1928), in order to enable such city or town to acquire property necessary for the establishment, enlargement, development, alteration or improvement of airports and airport facilities, improvements and equipment, when the incurring of such indebtedness is necessary in order to enable such city or town to cooperate with and aid the federal government in making effective its national defense program, provided that the incurring of such indebtedness shall be in good faith and for value received. Any incorporated city or town incurring indebtedness as authorized herein, 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 officers of such city or town shall pay such indebtedness, in the manner provided by law, out of the funds so provided.

Sec. 3. SEVERABILITY. If any provision of this act shall 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. 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, 1941.

CHAPTER 29

(Senate Bill No. 124)

AN ACT

AUTHORIZING THE HIGHWAY COMMISSION TO ATTRACT TOURISTS TO OR THROUGH ARIZONA BY ADVERTISING THROUGH THE MEDIUM OF THE ARIZONA HIGHWAYS MAGAZINE; VALIDATING UNPAID OBLIGATIONS; AUTHORIZING FUTURE

EXPENDITURES THEREFOR; AND DECLARING AN EMERGENCY.

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

Section 1. HIGHWAY COMMISSION AUTHORIZED TO EXPEND MONEY FOR PURPOSE OF ATTRACTING TOURISTS. For the purpose of augmenting tourist travel to and through this state, the highway commission is hereby authorized to expend moneys from the highway funds for advertising places and matters of scenic or historic interest, climate, possibilities of successful pursuits or industrial enterprises and any other matters or objects, which, in the discretion of said commission, tends to attract travelers or prospective travelers to or through this state. This authorization shall extend only to the subject matter incorporated in the publication known as the Arizona Highways Magazine and to the publication of maps, mats, pamphlets and other informative material designed to carry out the provisions of this act.

Sec. 2. VALIDATION OF CLAIMS. All unpaid obligations which have been incurred, prior to the date this act becomes effective, covering costs of subject matter and publication of Arizona Highways Magazine for such advertising as mentioned herein, are hereby ratified.

Sec. 3. AUTHORIZING FUTURE EXPENDITURES. The state highway department is hereby authorized to expend a sum not to exceed one hundred thousand dollars ($100,000.00) per annum for the purpose of carrying out the provisions of section 1 of this act.

Sec. 4. PAYMENT OF CLAIMS. The state auditor shall audit all claims embraced in section 2 of this act 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 state highway 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 10, 1941.

CHAPTER 30

(Senate Bill No. 118)

AN ACT

RELATING TO WORKMEN'S COMPENSATION; PROHIBITING THE ASSIGNMENT OR ATTACHMENT OF COMPENSATION OR PAYMENT TO ANOTHER, EXCEPT A PERSONAL REPRESENTATIVE OR CONSULAR AGENT, AND AMENDING SECTION 56-962, ARIZONA CODE OF 1939.

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

Section 1. Sec. 56-962, Arizona Code of 1939 (section 1442, Revised Code of 1928), is amended to read:

56-962. ASSIGNMENT OF COMPENSATION OR PAYMENT TO ANOTHER. Compensation, whether determined or not, shall not, prior to the delivery of the warrant therefor, be assignable. It shall be exempt from attachment, garnishment, and execution, and shall not pass to another person by operation of law, except that the amount of compensation payable to a person at the time of his death pursuant to an award of the commission, whether payable in periodic payments or converted to a lump sum, and whether or not the warrant therefor has been issued or delivered, shall, after his death, be paid to his personal representative. Payment to the consular agent, or his representative, of the nation of which a dependent is a resident or subject, of compensation due the dependent residing outside of the United States, any power of attorney to receive or receipt for the same to the contrary notwithstanding, shall be a full discharge of the benefits or compensation, as if made directly to the beneficiary.

Approved: March 10, 1941.

CHAPTER 31

(House Bill No. 191)

AN ACT

RELATING TO PUBLIC HEALTH AND SANITATION; PROVIDING FOR THE ESTABLISHMENT OF SANI-

TARY DISTRICTS, AND PRESCRIBING THEIR POWERS AND DUTIES.

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

Section 1. SHORT TITLE. This act may be cited as the sanitary district act of 1941.

Sec. 2. AUTHORIZATION FOR SANITARY DISTRICTS. A sanitary district may be established in any unincorporated town or settlement, by the board of supervisors of the county in which the proposed district is located, for the purposes of purchasing, establishing, constructing, and operating a sewerage system, including the collection, transportation, pumping, treatment, and disposal of sewage. A sanitary district shall not include any territory situated within an incorporated city or town at the time of the establishment of the district.

Sec. 3. PETITION. (a) A petition addressed to the board of supervisors, requesting the establishment of a sanitary district, may be filed with the clerk of the board of supervisors, if signed by a majority of the persons owning real property or by the owners of fifty-one per cent or more of the real property within the limits of the proposed district.

(b) A petition with the required number of signatures shall not be declared void on account of an alleged defect, but the board of supervisors shall permit the petition to be amended in form and substance to conform to the facts and to the requirements of this act. One or more similar petitions, or copies of the same petition with additional signatures, for the establishment of any sanitary district may be filed prior to the time of the hearing on the first petition, and shall be considered as though filed with the first petition. The petition shall be presumed to have been signed by the persons whose signatures appear thereon, until the contrary is proved.

(c) The petition shall set forth: 1. the name of the proposed sanitary district; 2. the necessity for the proposed district; 3. that the public health, comfort, convenience, necessity, or welfare will be promoted by the establishment of the district and that the property to be included therein will be benefited; 4. the boundaries of the proposed district; 5. a general outline of the proposed improvement; and, 6. such other matters as are required by this act. The petition shall be verified by one of the petitioners, and shall be accompanied by a

plat or sketch indicating the approximate area and boundaries of the district.

Sec. 4. BOND OF PETITIONERS. At the time of filing a petition for the establishment of a sanitary district, or at any time thereafter but before publication of the notice of the hearing on the petition, a bond shall be filed by the petitioners, with security approved by the board of supervisors, sufficient to pay the expenses connected with the proceedings in case the board of supervisors refuses to establish the district. If at any time during the proceedings the board determines the bond to be insufficient, it may order the filing of an additional bond within a time fixed, not less than ten days from the date of its order. Upon failure of the petitioners to file the additional bond, the petition shall be dismissed by the board of supervisors.

Sec. 5. HEARING. (a) Upon receipt of the petition the board of supervisors shall set a date for a hearing thereon, to be not later than thirty days from the date of presentation of the petition. At the hearing all interested property owners may appear and be heard on any matter relating to the establishment of the proposed sanitary district. Any person wishing to object to the establishment of the district may, before the date set for the hearing, file his objections with the clerk of the board of supervisors.

(b) Notice announcing the hearing and stating the boundaries of the proposed district shall be posted in not less than three public places within the proposed district for not less than ten days prior to the date of the hearing, or shall be published twice in a newspaper published in the county and of general circulation within the proposed district. The publications in a newspaper shall be one week apart, and the first publication shall be not less than ten days prior to the date of the hearing.

(c) The state board of health shall be notified by mail of the hearing to be held on a petition for the establishment of a sanitary district, not less than ten days prior to the date set for the hearing. The state board of health shall be represented at the hearing and shall advise with the board of supervisors.

Sec. 6. ESTABLISHMENT OF DISTRICT. (a) Upon the hearing, if it appears after consideration of all objections that the petition is signed by the requisite number of owners of real property, that the proposed work is

necessary, and that the public health, comfort, convenience, necessity, or welfare will be promoted by the establishment of the district, the board of supervisors, by formal order, shall declare its findings, establish the boundaries, and declare the sanitary district organized under a corporate name by which it shall be known in all proceedings. Thereafter the district shall be a body corporate with the powers of a municipal corporation for the purposes of carrying out the provisions of this act.

(b) If the board of supervisors finds that the territory set out in the petition should not be incorporated into a sanitary district, it shall dismiss the proceedings and tax the costs against the signers of the petition, and may collect the costs on the bond of the petitioners. If the district is established, certified bills covering the costs of the board of supervisors and the disbursements of the petitioners shall be presented to the board of directors of the district and paid out of the funds of the district.

(c) In the event it appears to the board of supervisors at the hearing that territory not included in the petition should be included within the sanitary district, the real property owners in the additional territory shall be notified in like manner as provided in connection with the original hearing, and a subsequent hearing shall be held on the question of including the additional territory. In establishing the sanitary district, the board shall eliminate any territory described in the petition which it finds will not be benefited by the establishment of the district.

(d) Additions to and alterations of a sanitary district shall be made in the manner provided for the establishment of the district.

Sec. 7. REVIEW. Any party aggrieved by any act of the board of supervisors in the establishment of a sanitary district may bring an action in the superior court of the county in which the district is located to set aside the action of the board, not later than twenty days after final determination by the board.

Sec. 8. POWERS OF DISTRICT. In addition to the powers specifically granted, a sanitary district, acting through its board of directors, shall have power to:

1. Acquire by gift, purchase, condemnation, or otherwise, in the name of the district, and to own, control, manage, and dispose of, any real or personal property

or interest therein necessary or convenient for the construction and maintenance of, and to construct, maintain, and operate within or without the district, a sewerage system and necessary sewage disposal and treatment plants.

2. Join with any other sanitary district, municipality, or governmental agency in the construction, maintenance, or operation of a sewerage system or sewage disposal or treatment plant, either within or without the district; but no sewage disposal or treatment plant shall be constructed or maintained in any incorporated city or town, nor within one-half mile thereof, without the unanimous consent of the governing body of the city or town.

3. Sell, lease, or otherwise dispose of any property of the district, or interest therein, whenever the same is no longer required for the purposes of the district or the use of which may be permitted without interfering with the use thereof by the district.

4. Sell or otherwise dispose of any water, sewage effluent, fertilizer, or other by-product resulting from the operation of a sewerage system or sewage disposal or treatment plant.

5. Construct, maintain, and operate such pipe lines and other works as may be necessary for a purpose described in paragraph 4 or to conserve and put to beneficial use any water or sewage effluent recovered from the operation of its sewerage system, plant, or works, by sale or disposition thereof for agricultural or industrial purposes, or by discharging or spreading the same in such manner as to percolate into underground gravels and replenish water resources.

6. Pay expenses incidental to the exercise of its powers.

7. Employ such sanitation experts, surveyors, counsel, and other persons as may be necessary in the exercise of its powers.

Sec. 9. SANITATION SURVEY AND REPORT. (a) Upon the establishment of a sanitary district the board of directors shall employ one or more sanitation engineers to make a survey of the problems of the district concerning sanitation, with special reference to sewage collection, treatment, and disposal.

(b) Upon completion of the survey, the engineers

shall prepare and file with the board of directors a report setting forth:

1. A description of existing facilities for sewage collection, treatment, and disposal.

2. A description of the work recommended to carry out the purposes of the district, with plans and specifications therefor.

3. A description of the property proposed to be acquired or damaged in performing the work.

4. A map showing the boundaries of the district and in general the location of the work proposed to be done, property taken or damaged, and other information useful to an understanding of the proposed work.

5. An estimate of the cost of the proposed work.

(c) The expenses of the survey and report shall be a charge against the district.

Sec. 10. APPROVAL OF REPORT. (a) When the engineers' report required in section 9 is filed, the board of directors may reject it and direct that a new report be prepared, or may direct that changes be made. If the report complies with the provisions of section 9, and is satisfactory to the board, the board shall hold a hearing on any objections to the report or to the performance of the proposed work. Notice of the hearing shall be given by the board by publication five times in a daily or twice in a weekly newspaper of general circulation in the sanitary district.

(b) At the conclusion of the hearing the board shall order the report to be changed, or shall approve it as made. In the event changes are ordered, further hearings shall be held thereon until the board approves the report. Upon approval of the report, the report, or a resume thereof, shall be published for distribution to the public.

Sec. 11. BOND ELECTION. After approval of the report the board of directors of the sanitary district shall submit to the qualified electors of the district, at a special election called for that purpose, the proposition of incurring bonded indebtedness to obtain funds with which to acquire the property and perform the work set forth in the report. The resolution calling the election

shall set forth: 1. the purposes of the proposed indebtedness; 2. a reference to the report for particulars; 3. the amount of the proposed indebtedness; 4. the part of the principal to be paid each year; 5. the maximum rate of interest to be paid; 6. the date of the election; and, 7. the election precincts, polling places, and election officers. The resolution shall be published once each week for three successive weeks in a newspaper of general circulation in the district.

Sec. 12. ISSUANCE OF BONDS. (a) In the event a majority of the votes cast at the election are in favor of incurring the bonded indebtedness proposed, then bonds of the district for the amount stated shall be issued and sold.

(b) The board of directors shall, subject to the provisions of this act, prescribe by resolution the form of the bonds, and of the interest coupons attached thereto. The bonds shall be payable serially over a period of not more than twenty years from the date thereof, at a place fixed by the board and designated in the bonds, together with the interest thereon from the date of the bonds until paid. The rate of interest shall not exceed six per cent per annum, and the interest shall be payable semi-annually.

(c) The bonds shall be issued in such denominations as the board of directors may determine, except that no bond shall be of a denomination less than five hundred nor more than one thousand dollars. Each bond shall be signed by the chairman of the board of directors and countersigned by the auditor of the sanitary district, and the seal of the district shall be affixed thereto. The interest coupons of the bonds shall be numbered consecutively, and shall be signed by the chairman of the board of directors and the auditor of the district, by their engraved or lithographed signatures. In case any officer whose signature or countersignature appears on any bond or interest coupon ceases to be such officer, either before or after the delivery of the bond to the purchaser, that signature or countersignature shall be valid for all purposes as if the officer had remained in office.

(d) The validity of the bonds, after their issuance, shall not be questioned in any court except upon the ground that a provision of this act authorizing their issuance is unconstitutional, or that proper notice of the bond election was not given.

Sec. 13. SALE OF BONDS AND DISPOSITION OF PROCEEDS. (a) The board of directors of the sanitary district shall sell the bonds issued pursuant to section 12 at not less than par value, and the proceeds of the sale shall be placed in the county treasury, to the credit of the district. All premiums and accrued interest received shall be paid into the bond fund of the district to be used for the payment of principal of and interest on the bonds, and the remainder of the proceeds shall be paid into the construction fund of the district. The county treasurer shall keep an accurate record of all moneys of the district paid to him.

(b) The construction fund shall be used exclusively for the purposes mentioned in the resolution calling the bond election. Payments from the construction fund shall be made upon claims allowed by the board of directors of the district, prepared, presented, and audited in the same manner as claims upon county funds.

Sec. 14. OTHER BOND ELECTIONS. In the event the proposition of issuing bonds submitted at any election pursuant to this act fails to receive the requisite number of votes to authorize the issuance of the bonds, the board of directors of the sanitary district shall have power, upon the expiration of six months after that election, to call another election on the question of issuing bonds under the terms of this act, either for the same purposes or for any lawful purpose of the district.

Sec. 15. ISSUANCE OF ADDITIONAL BONDS. Whenever bonds have been issued by a sanitary district and the proceeds of the sale thereof have been expended as authorized in this act, the board of directors shall have power, by resolution passed by a vote of not less than two-thirds of its members, to determine that additional bonds for carrying out the purposes of the district should be issued. Thereupon the board of directors shall cause another survey and report to be made, and upon approval thereof as provided in this act for an original report, shall submit to the qualified electors of the district, in the manner prescribed in section 11, the question of issuing additional bonds. If a majority of the votes case thereon are in favor of the issuance of the additional bonds, the bonds may be issued and sold, and the proceeds disposed of, in the manner prescribed in sections 12 and 13.

Sec. 16. LIEN OF BONDS. All bonds issued pursuant to this act shall be a lien upon the property of the district issuing the same, and the lien of the bonds

of one issue shall be a preferred lien to that of any subsequent issue.

Sec. 17. BONDS TAX EXEMPT. Bonds issued pursuant to this act shall not be taxable by the state or by any county, city, town, or other subdivision thereof.

Sec. 18. TAX LEVY TO PAY BONDS. (a) The principal of and interest on bonds issued pursuant to this act shall be paid out of revenue derived from an annual tax on the real property within the sanitary district issuing the same, and all such real property shall remain liable to taxes for payment of the bonds and interest until the same are paid in full.

(b) The board of directors of a sanitary district shall annually, not less than fifteen days before the first day of the month in which the board of supervisors of the county in which the district is located is required by law to levy county taxes, certify to the board of supervisors the amount necessary to pay the interest on the bonds of the district, and such portion of the principal thereof as will become due, during the ensuing year. The board of supervisors, at the time of levying general county taxes, shall levy and cause to be collected, in the manner prescribed by law for county taxes, a tax upon the real property within the sanitary district, based upon the current assessment roll, sufficient to pay the amount so certified by the board of directors. In the event the board of directors of any sanitary district fails to certify to the board of supervisors the amount necessary, the board of supervisors shall ascertain the amount which should have been certified, as provided in this section, and shall levy and cause to be collected a tax sufficient to produce that amount.

(c) The tax, when collected, shall be paid into the county treasury, to the credit of the bond fund of the sanitary district, and shall be used solely for the payment of the principal of and interest on the bonds. The county treasurer shall pay the principal and interest, on the dates and at the places specified in the bonds, in the manner provided by law for the payment of principal of and interest on county bonds.

Sec. 19. TAX LEVY FOR CURRENT EXPENSES. (a) The board of directors of a sanitary district shall have power, at the time of certifying the amount required for payment of the principal of and interest on bonds, to certify to the board of supervisors the amount neces-

sary to maintain, operate, extend, and repair the sewerage system of the district during the ensuing year, and to defray all other expenses incidental to the exercise of the powers granted by this act, together with an estimate of the revenue which will be received from rentals and service charges. The board of supervisors, in such event, at the time of levying general county taxes, shall levy and cause to be collected, in the manner prescribed by law for county taxes, a tax upon the real property within the sanitary district, based upon the current assessment roll, sufficient to pay the amount so certified, less the amount estimated to be received from rentals and service charges.

(b) The tax, when collected, shall be paid into the county treasury to the credit of the operating fund of the sanitary district, and the board of directors thereof shall have power to order the expenditure thereof for the purposes for which levied. Payments from the operating fund shall be made upon claims allowed by the board of directors of the district, prepared, presented, and audited in the same manner as claims against the county.

(c) Not less than twenty nor more than thirty days prior to making the certification to the board of supervisors provided for in subsection (a), the board of directors shall publish an itemized statement of the amounts proposed to be certified in a newspaper of general circulation in the district, which statement shall contain notice of a meeting to be held by the board of directors prior to the time for the certification. At that meeting, any owner of real property within the district may appear and present objections to any item of the amount proposed to be certified.

Sec. 20. RENTALS AND SERVICE CHARGES. The board of directors of a sanitary district shall have power to charge and collect sewer rentals and service charges for any service performed or property furnished by the district. The revenue therefrom shall be paid into the county treasury to the credit of the operating fund of the district.

Sec. 21. PERFORMANCE OF WORK. (a) The board of directors shall employ such qualified sanitation engineers as it may deem necessary to superintend the performance of the work specified in the approved report of the survey made as provided in this act. The work, or any portion thereof, may be performed, under the direction of the engineers employed for that purpose, in

any of the following ways, as ordered by the board of directors:

1. By purchasing the material and performing the work.

2. By purchasing the material and letting a contract for the performance of the work.

3. By purchasing a portion or none of the material and letting a contract for furnishing the balance or all of the material and the performance of the work.

(b) A contract for the performance of the work or for the furnishing of material shall be let to the lowest responsible bidder submitting a sealed bid in response to a call for bids published once each week for two consecutive weeks in a newspaper of general circulation in the county. The call for bids shall include detailed plans and specifications covering the work to be done and the materials to be furnished. In the event material to be purchased without the letting of a contract costs one thousand dollars or more, it shall be purchased from the lowest responsible bidder after publication of a call for bids as above provided.

(c) All work recommended in the report approved by the board of directors shall be performed in conformity with the plans and specifications contained in the report, unless the board of directors by a two-thirds vote adopts a resolution declaring that the interest of the district requires a modification thereof or departure therefrom, which resolution shall specify the modification or departure to be made.

Sec. 22. LATERAL AND COLLECTING LINES. (a) The construction of main lines of the sewerage system of a sanitary district shall be paid for from the proceeds of the sale of bonds of the district, but the construction of lateral and collecting lines shall be paid for by the connecting property owners. Determination by the board of directors of what are main lines shall be conclusive.

(b) Connection of lateral or collecting lines to main lines shall be made at the points and in the manner directed by the engineer of the district, under the instructions of the board of directors, subject to such conditions as the board of directors may prescribe.

Sec. 23. COMPULSORY CONNECTION WITH SYS-

TEM. The board of directors of a sanitary district shall have power to declare the further maintenance or use of cesspools, septic tanks, or other local means of sewage disposal within the district to be a public nuisance, and to abate the same as such, and may require all buildings within the district inhabited or used by human beings to be connected with the sewerage system of the district.

Sec. 24. RIGHTS OF WAY. A right of way in or across any public highway, public street, or public property within a sanitary district is granted to the district wherever found by the board of directors to be necessary or convenient for performing any work authorized by this act.

Sec. 25. DISSOLUTION OF DISTRICT. (a) Any sanitary district organized under the provisions of this act, having no bonded indebtedness, and if all legal indebtedness of the district is first discharged, may be dissolved upon the vote of a majority of the qualified electors thereof at a special election called by the board of directors upon the question of dissolution. If a majority of the votes cast are in favor of the dissolution of the district, the board of directors shall by resolution declare the district dissolved, and thereupon the district shall be dissolved. A certified copy of the resolution shall, within fifteen days after its adoption, be filed with the clerk of the board of supervisors of the county in which the district is situated.

(b) Upon the dissolution of a sanitary district the property belonging to the district and lying within the corporate limits of any city or town shall vest in that city or town. Its other property shall vest in the county. Any funds belonging to the district at the time of dissolution shall be transferred to the incorporated city or town and to the county, in proportion to the assessed valuation of the taxable real property within the city or town and within the county, respectively, as the same appears on the current assessment roll.

(c) In the event that, after the dissolution of a sanitary district, it is found that there remains a legal indebtedness of the district which has not been paid, the board of supervisors of the county in which the district was located shall levy a tax upon the real property within the boundaries of the district, as it existed at the time of dissolution, sufficient to meet the indebtedness and interest thereon, and shall pay the same from the proceeds of the tax.

Sec. 26. BOARD OF DIRECTORS. (a) A sanitary district having an area equal to or greater than one hundred sixty acres shall be governed by a board of directors consisting of such number of directors, not less than three, as may be specified in the petition for establishment of the district. The first directors shall be selected by the board of supervisors at the time of establishment of the district. The directors shall be qualified electors of the district, and shall serve for terms of two years each. The members of the board of directors, after the members first appointed by the board of supervisors, shall be elected by the qualified electors of the district. The dates of the elections and the dates of expiration of the terms of the directors shall be specified in the petition for the establishment of the district.

(b) A sanitary district having an area of less than one hundred sixty acres shall be governed by the board of supervisors of the county in which the district is situated, and the board of supervisors shall, for that purpose, be deemed to be the board of directors of the district.

(c) Each director of a sanitary district shall receive five dollars for each meeting of the board of directors attended by him, plus his necessary traveling expenses; except that members of the board of supervisors, when serving as members of the board of directors of a sanitary district, shall receive no compensation for attending meetings, but shall be reimbursed for their necessary expenses. No director shall receive compensation, other than expenses, for attending more than three meetings of the board during any calendar month.

Sec. 27. ELECTIONS. (a) All elections held pursuant to this act, except as otherwise specified, shall be conducted in the same manner as general county elections. The returns thereof shall be canvassed by the board of directors within ten days after the election is held.

(b) Only registered electors of the state residing within the sanitary district, who pay state and county taxes on real property shall be deemed qualified electors for the purpose of any election held pursuant to this act.

(c) For the purposes of an election the board of directors may consolidate into one precinct several precincts established for general election purposes, and may describe precincts by reference to the general election precincts.

(d) An election board consisting of one inspector, one judge, and one clerk shall be appointed by the board of directors for each precinct.

Approved: March 12, 1941.

CHAPTER 32

(House Bill No. 31)

AN ACT

RELATING TO OLD AGE ASSISTANCE; INCREASING THE AMOUNT OF ASSISTANCE TO BE PAID AND AMENDING SECTION 70-205, ARIZONA CODE OF 1939; ESTABLISHING RELATIVES' RESPONSIBILITY, AND DECLARING AN EMERGENCY.

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

Section 1. Sec. 70-205, Arizona Code of 1939, is amended to read:

70-205. AMOUNT OF ASSISTANCE. The amount of assistance which any person shall receive shall be determined with due regard to the resources and necessary expenditures of the individual and the conditions existing in each case, and shall be sufficient when added to all other income and support of the recipient, to provide such person with a reasonable subsistence compatible with decency and health. In no event shall the amount of assistance paid under the provisions of this act to any recipient exceed the sum of forty dollars for any calendar month.

Sec. 2. RELATIVES' RESPONSIBILITY. If the person receiving aid has within the state a spouse or adult child filing a return under the state or federal income tax act, having a gross income of over three thousand dollars per annum, and pecuniarily able to support said person, the board of social security and welfare shall request the county attorney or other civil legal officer of the county wherein such aid is granted to proceed against the kindred in the order of their responsibility to support, i.e., first the spouse and second the adult child. Upon such demand the county attorney or other civil legal officer of the county wherein such aid is granted shall, on behalf of said county, maintain an ac-

tion in the superior court of the county wherein such aid is granted, against said relatives, in the order named, to recover for said county such portion of the aid granted as said relative is able to pay, and to secure an order requiring the payment of any sums which may become due in the future for which the relative may be liable. Any sum so recovered shall be credited by the county, to the state and to the federal government in proportion to the contributions of each respectively, or in the manner prescribed by the state board of social security and welfare. The granting of or continued receipt of aid shall not be contingent upon such recovery.

Sec. 3. 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. 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 12, 1941.

CHAPTER 33

(House Bill No. 178)

AN ACT

RELATING TO OSTEOPATHY; DEFINING AND REGULATING THE PRACTICE OF OSTEOPATHY; CREATING A BOARD OF EXAMINERS IN OSTEOPATHY; PROVIDING FOR THE ADMINISTRATION AND ENFORCEMENT OF SAID ACT; MAKING AN APPROPRIATION THEREFOR; AND PROVIDING PENALTIES FOR THE VIOLATION OF SAID ACT.

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

Section 1. OSTEOPATHY DEFINED. The word "Osteopathy" as used in this act, shall mean that system of treatment and healing of abnormalities of the human mind and body by manipulation, medicine and surgery,

as taught and practiced in the standard colleges of osteopathy.

Sec. 2. PRACTICE OF OSTEOPATHY WITHOUT LICENSE PROHIBITED. No person shall practice osteopathy, or represent himself to be an osteopath, or as practicing osteopathy, unless he, at such time, holds a valid license issued him and in full force and effect under this act. No license to practice osteopathy in the state of Arizona shall be issued or renewed except as provided in this act.

Sec. 3. PERSONS NOT AFFECTED. The practice of medicine, surgery, chiropractic, and naturopathy, by persons authorized under the laws of this state to practice said professions, shall in no way be affected by the provisions of this act, and nothing in this act shall be construed to prohibit gratuitous services of druggists or others in cases of emergency, or the domestic administration of family remedies, and this act shall not apply to physicians, surgeons or nurses in the discharge of their duties in the United States army, United States navy, United States Indian service, or other federal government service, nor shall this act apply to physicians or surgeons called into this state for consultation, who are legally qualified to practice osteopathy, medicine, surgery, chiropractic or naturopathy in the state where he or she resides.

Sec. 4. CREATION OF BOARD OF EXAMINERS; QUALIFICATIONS AND TERMS OF OFFICE. There is hereby created a state board of Osteopathic examiners. Said board shall consist of three members, to be appointed by the governor. Within thirty days after this act shall take effect, the governor shall appoint three qualified examiners, one of whom shall hold office until the second Monday in January, 1943, one until the second Monday in January, 1945, and one until the second Monday in January of 1947. Thereafter one examiner shall be appointed on the second Monday in January of each odd numbered year, to serve until the second Monday in January of the sixth year after his appointment. Vacancies in said offices shall be filled by appointment by the governor for the unexpired term, and each examiner, unless removed, as hereinafter provided, shall continue in office until his successor has been appointed and has qualified. Each examiner shall be a regularly licensed osteopathic physician in good standing in the state of Arizona, and have been engaged in the practice of such profession in said state for a period of at least four years immediately prior to such appointment, and have been a

resident of said state for four years immediately prior to his appointment. No two persons who are residents of the same county shall be appointed to serve on the board at the same time. Each member of said board shall, before entering upon the duties of his office, take the oath prescribed by the Constitution, and in addition thereto, shall make oath that he is a regularly qualified practitioner of osteopathy in this state and has been qualified as such for at least four years preceding his appointment. Said examiners shall be subject to removal by the governor for neglect of duty or misfeasance or malfeasance in their office or any duty thereof.

Sec. 5. POWERS AND DUTIES OF THE BOARD. It shall be the duty of the board to administer and enforce the provisions of this act and said board shall have full power to make and adopt all rules and regulations necessary or proper for the administration and endorsement of the provisions of this act and not inconsistent herewith. The board shall adopt and use a seal, the imprint of which, accompanied by the signature of the secretary, shall evidence its official acts.

The members of the board, at its first meeting and at meetings to be held on the third Monday of the month of January in each year thereafter, shall elect from its members a president, a vice-president and a secretary, who shall serve as such officers for one year. Any two members of the board may call a meeting of the board at any time, by giving each member thereof five days' written notice of such meeting. A majority of the members of the board shall constitute a quorum at any meeting and have full power to act on behalf of the board. The secretary of the board shall keep a record of all actions of the board and a register of all applications for a license to practice osteopathy, and of all such licenses issued, and shall keep an accurate record of all moneys coming into the possession of the board. On the second Monday in December of each year, the board shall make a report of its work to the governor and furnish therein a detailed statement of all moneys received and disbursed by the board during the year.

Sec. 6. OSTEOPATHIC BOARD FUND CREATED; DISBURSEMENTS PROVIDED FOR; SECRETARY BONDED. All moneys, from whatever source, that come into the possession of the board, shall be paid to the secretary thereof, who shall, at the end of each calendar month, deposit said moneys with the state treasurer, who shall transfer ten per cent of such moneys to the general

fund of the state of Arizona, and the remaining ninety per cent to the Osteopathic board fund, which is hereby created, and which shall be held for the use of the board in the administration and enforcement of this act, and the moneys thereof shall be paid out only on warrants drawn on the state auditor after presentment of a proper claim or voucher approved and signed by the president and secretary of the board and bearing the imprint of the seal of the board.

The secretary of the board, before qualifying as such, shall furnish a bond to be approved by the board, in an amount not less than $1,000.00, running to the state of Arizona, and conditioned upon the faithful performance of his duties and his accounting for all moneys that may come into his possession. The premium for said bond shall be paid out of the Osteopathic board fund.

Sec. 7. COMPENSATION TO EXAMINERS; PAYMENT OF EXPENSES AUTHORIZED. Each member of the board, except the secretary, shall receive ten dollars ($10.00) per day for each day actually engaged in the performance of his duties as an officer or member of the board. The secretary shall receive an annual salary, to be paid in monthly installments, in an amount to be fixed by the board, not in excess of the sum of twelve hundred dollars ($1200.00). Each member of the board shall also receive all expenses necessarily or properly incurred in the performance of his duties as an officer or member of the board, and all of such salaries and expenses shall be paid from said Osteopathic board fund.

Sec. 8. APPLICATIONS FOR EXAMINATION; QUALIFICATIONS OF APPLICANTS. Each applicant for examination provided for in this act shall have the following qualifications and comply with the following requirements:

(a) Make application for such examination on blank forms prepared and furnished by the board, at least two weeks before the date of the examination;

(b) Applicant shall be twenty-one years of age or over, of good moral character, a citizen of the United States, a graduate of a professional school or college of osteopathy legally chartered at the time of graduation, and have the preliminary and professional education and knowledge required by this act, and submit evidence satisfactory to the board of such facts.

(c) The term "school or college of osteopathy" shall be defined as follows: A legally chartered osteopathic school or college requiring for admission to its course of study a preliminary education equal to the requirements for graduation of an accredited high school, (and, to those graduating after the year 1942 A. D., two years of university or college pre-osteopathic study of at least sixty (60) semester units or credits) and further requiring, before granting the degree of Doctor of Osteopathy, an actual attendance at such osteopathic school or college of at least thirty-six (36) months, or four (4) terms of nine (9) months each, no two of which shall be given in any one year; its course of study to include the subjects as follows: Anatomy, Embryology, Chemistry, Toxicology, Histology, Physiology, Pathology, Bacteriology, Hygiene, Hydrotherapy, X-Radiance and Electrical Diagnosis, Pharmacology, Dietetics, Osteopathy, (Principles of Osteopathy) (Osteopathic Technique) Practice of Osteopathy to include diseases of the nervous system, Alimentary Tract, Heart and Vascular System, Genito-Urinary Diseases, Ductless Glands and Metabolism, Respiratory Tract, Bone and Joint Diseases, Corrective Gymnastics, Acute and Infectious Diseases, Pediatrics, Dermatology, Syphilology, Psychiatry, Diagnosis (Physical, Laboratory and Differential), Clinical Practice, Case Recording, Surgical Diagnosis, Principles of Surgery, Minor Surgery, Major Surgery, Fractures and Dislocations, Orthopedics, Proctology, Eye, Ear, Nose and Throat, Gynecology, Obstetrics, and Medical Jurisprudence.

(d) Applicant, at the time of making application for examination, shall pay to the board a fee of twenty-five dollars ($25.00), which shall not be returned to the applicant. If and when a license is issued, after examination, applicant shall pay to the board an additional fee of twenty-five dollars ($25.00).

(e) Said application shall be accompanied by a certificate of registration of applicant in the basic sciences, issued by the Arizona state board of examiners in the basic sciences, together with the affidavits of two reputable osteopathic physicians duly licensed to practice by a state of the United States, attesting the good moral character of the applicant, and two photographs of the applicant, taken within thirty days of the application, and such other data and information as the board may require.

Sec. 9. EXAMINATIONS. At such time and place as the board shall have previously designated, the applicant

shall appear before the board to be examined by it as to his or her fitness to practice osteopathy. The applicant shall be notified in writing as to the time and place of examination, not less than ten days prior thereto. The examination shall be in writing in the English language, and embrace the following subject matter: Anatomy, Physiology, Pathology, Chemistry (Organic and Physiological), Hygiene, Diagnosis, Obstetrics, Gynecology, Surgery, Bacteriology, Pharmacology, Toxicology, Principles and Practice of Osteopathy, and such other subjects as may be required by the board. If the applicant shall answer correctly seventy (70) per cent of the questions asked on said examination, and not less than sixty (60) per cent in any one subject, he shall be considered to have passed said examination. If the applicant fails to make a passing grade in one or more of the subjects examined on, the applicant shall, without losing credit for the subjects passed, and without paying any further examination fee, be permitted to again take an examination on said subjects failed in, within one year from the first examination, and at a time and place set by the board.

Sec. 10. LICENSES TO BE ISSUED BY BOARD AFTER SUCCESSFUL EXAMINATION. The state board of osteopathic examiners shall issue licenses, and certificates evidencing same, to all persons who make satisfactory showing to the board that they possess the required qualifications and have successfully passed said examination. The board shall have the power to reject the application of any applicant for examination and license if it appears to the board that the applicant does not have the required qualifications or is not of good moral character, or that any false statement or information has been furnished to the board by applicant. The determination of the board on any of the matters herein set out shall be final and conclusive.

Sec. 11. WHEN LICENSES MAY ISSUE WITHOUT EXAMINATION. The state board of osteopathic examiners may, in its discretion, issue a license without examination to a practitioner who is a citizen of the United States, and has been licensed in any state or territory of the United States, upon the following conditions:

(a) When the requirements of registration in the state or territory in which the applicant is licensed are deemed by the state board to have been practically equivalent to the requirements of registration in force in this state at the date of such application. Said application shall be

accompanied by a certificate of registration in the basic sciences issued by the Arizona state board of examiners in the basic sciences;

(b) When applicant is an osteopathic physician in good standing, and is a graduate of a legally chartered osteopathic college in good standing and who has passed the examination for admission into the Medical Corps of the United States army, United States navy, United States Indian service, or the United States public health service. Said application shall be accompanied by a certificate of registration in the basic sciences issued by the Arizona state board of examiners in the basic sciences;

(c) When applicant has successfully passed and had issued to him a certificate by the national board of osteopathic examiners. Said application shall be accompanied by a certificate of registration in the basic sciences issued by the Arizona state board of examiners in the basic sciences;

(d) An applicant, under section 11, upon making application for a license, shall pay the board a fee of One Hundred Dollars ($100.00), Seventy-five Dollars ($75.00) of which shall be returned to the applicant in the event his application for license is rejected.

Sec. 12. CERTIFICATES TO PRESENT PRACTITIONERS. Within three months of the date this act takes effect, all osteopathic physicians holding certificates issued by the present Arizona medical board of examiners authorizing them to practice osteopathy, and who are in good professional standing with the present Arizona medical board of examiners, and who have paid their annual renewal license fees to date, may present their osteopathic certificates to the state board of osteopathic examiners and receive a certificate of license from said board upon payment of a fee of five dollars ($5.00). After three months from the day this act becomes a law, all outstanding osteopathic certificates issued by the Arizona medical board of examiners shall become void, and any person using the same to practice osteopathy in the state of Arizona, or for purposes of reciprocity in other states, shall be guilty of a misdemeanor, as provided in section 18 of this act.

Sec. 13. LICENSE MUST BE RECORDED. Every person holding a license authorizing him to practice osteopathy in this state, must, at all times after issuance, have the same recorded in the office of the county recorder

of the county of his residence, and said county recorders shall record same in a book to be kept by them for that purpose. Such license shall be displayed in licensee's office, place of business or employment at all times.

Sec. 14. ANNUAL REGISTRATION FEE REQUIRED. Every person holding a license to practice osteopathy in the state of Arizona shall pay to the state board of osteopathic examiners, before the first day of January of each year after its issuance, a renewal license fee in an amount, not to exceed twelve dollars ($12.00), to be determined by the board. On the first day of November of each year, the secretary of the board shall notify each licensee of the amount of such annual renewal fee and that same is due before the first day of January following. Upon payment of said fee, a receipt shall be issued by the secretary, and said receipt shall at all times be displayed in the office of the person to whom it is issued. No person who fails to apply for renewal of his license and pay said fee prior to the first day of January of each year, shall be granted a renewal of said license without the payment of an additional fee of fifty dollars ($50.00), provided that the board shall have the power to waive said additional fee for good cause shown, and provided further that nothing herein shall be construed to limit the power of the board to revoke a license under section 16 hereof.

Sec. 15. DUTIES AND RIGHTS OF OSTEOPATHIC PHYSICIANS AND SURGEONS. Persons holding a license under this act shall observe and be subject to all state and municipal laws and regulations relative to reporting births and deaths and in all matters pertaining to public health, and have equal rights and privileges with physicians and surgeons of other schools of medicine relative to the treatment of cases and the holding of public office or position, and their reports shall be accepted by the officers of the department to which the same are made, with like force and effect.

Sec. 16. WHEN LICENSE MAY BE REFUSED OR REVOKED; APPLICANT GIVEN TWENTY DAYS' NOTICE. The board shall have the further power to suspend, revoke, or refuse to issue, any license to, or of, an applicant or licensee, for any one or combination of the following causes:

(a) Conviction of a felony, as shown by a certified copy of the record of the court;

(b) Gross malpractice;

(c) Advertising by means of knowingly false or deceptive statement;

(d) Advertising, practicing or attempting to practice osteopathy under a name other than one's own;

(e) Habitual drunkedness, or habitual addiction to the use of morphine, cocaine, or other habit-forming drugs;

(f) Failure to pay the annual renewal license fee as defined in section 14 of this act; provided that the board shall first grant such person a public hearing, after giving him at least twenty days' notice in writing, by registered mail, of the charges, and the time and place of said hearing.

Sec. 17. ADDITIONAL POWERS OF BOARD. The board shall have the power to compel the attendance of witnesses and the production of relevant books and papers for the investigation of matters that may come before them, and the presiding officer of said board may administer the required oaths, and such board shall have the same authority to compel the giving of testimony as is conferred on the courts of justice. The board shall have the right to bring proceedings in any superior court of the state to enforce the provisions of this act, or to enjoin or restrain the violation or threatened violation thereof, and proof of a violation by the defendant of any provision of this act shall be prima facie grounds for the issuance of an injunction or restraining order against such defendant in said action. It shall be the duty of the state attorney general to defend the board and its members in any actions brought against it. The board shall also have the power to retain its own attorney or attorneys to prosecute or defend any suit or proceedings instituted by or against said board, and a reasonable fee, to be fixed by the board, shall be paid such attorney or attorneys for such services, to be paid from the osteopathic board fund.

Sec. 18. VIOLATION OF ACT PUNISHED. Each of the following acts shall be unlawful and punishable by fine and imprisonment as follows:

(a) Any person who shall violate any of the provisions of this act shall be guilty of a misdemeanor and punished by imprisonment in the county jail for a period of not more than ninety days or by a fine not exceeding five

hundred dollars ($500.00), or by both such imprisonment and fine.

(b) Any person who shall practice or attempt to practice osteopathy, or represent himself to be an osteopath, or as practicing osteopathy, unless he at such time holds a valid license issued him and in full force and effect under this act, shall be guilty of a misdemeanor and punished by imprisonment for a period of not to exceed three months, or by a fine not to exceed five hundred dollars ($500.00), or by both such imprisonment and fine.

(c) Every person filing for record or displaying the license of another, falsely claiming or representing himself to be the person named in such license, or falsely claiming or representing himself to be entitled to such license, shall be guilty of a misdemeanor and punished by imprisonment for a period not to exceed three months or by a fine not to exceed five hundred dollars ($500.00), or by both such imprisonment and fine.

Sec. 19. DISTRIBUTION OF FINES. All fines under the foregoing section shall be collected by the clerk of the court, and be distributed by him as follows:

(a) Twenty-five per cent thereof to the county in which the prosecution is had, to be paid to the county treasurer thereof;

(b) Ten per cent thereof to the state of Arizona, to be paid to the state treasurer and deposited in the general fund;

(c) Sixty-five per cent thereof to the osteopathic board fund, to be paid to the state treasurer and deposited in said fund.

Sec. 20. ASSISTANCE IN PROSECUTION. It shall be the duty of the several county attorneys of the state to prosecute all persons violating any of the provisions of this act. The attorney general of the state, when called upon to do so by the board, shall prosecute or assist in the prosecution of any person violating any of the provisions of this act. The board shall have the power to retain or employ its own attorney or attorneys to assist in the prosecution of any person charged with any violation of the provisions of this act, and a reasonable fee to be fixed by the board shall be paid to said attorney or attorneys for such services from the osteopathic board fund.

Sec. 21. INVALIDITY OF PART OF ACT NOT TO AFFECT REMAINDER. Should any section or part of this act be declared invalid or unconstitutional, the remainder of this act shall not be affected thereby, but shall remain in full force and effect. All acts and parts of acts in conflict herewith are hereby repealed.

Approved: March 14, 1941.

CHAPTER 34

(Senate Bill No. 12)

AN ACT

TO AMEND ARTICLE 6 OF CHAPTER 75 OF THE ARIZONA CODE OF 1939 BY THE ADDITION OF A NEW SECTION THERETO, TO BE KNOWN AS SECTION 75-619-A, AND PROVIDING AUTHORITY AND MEANS FOR THE ISSUANCE AND SALE OF REFUNDING BONDS BY ELECTRICAL DISTRICTS, AND DECLARING AN EMERGENCY.

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

Section 1. Article 6 of Chapter 75 of the Revised Code of 1939 is hereby amended by the addition of a new section to be known as Section 75-619-A, and to read as follows:

Section 75-619-A. REFUNDING BONDS: PROCEDURE, FORM, ISSUANCE AND SALE. The Board of Directors of any district organized under this Article may issue refunding bonds to refund the bonded indebtedness of any such district whenever they shall deem it expedient to issue such bonds. The Board of Directors desiring to issue such bonds shall adopt a resolution, entered upon its minutes, stating briefly the principal facts and determining the necessity and advisability of issuing such refunding bonds, the amount of such bonds to be issued, the rate of interest on such bonds, which shall be a rate not exceeding the rate of the original issue, the date of said bonds, the denomination thereof, the maturity date, which shall not be more than thirty years after the date on which the refunded issue matures, and the places of payment, within or outside of the state, of the principal and interest.

The Board of Directors may provide that said bonds may be serial bonds payable in annual or periodical instalments and may reserve the right to call in for payment any part or all of said bonds on any interest payment date, and if optional maturity is reserved by the board it shall be sufficient notice of the exercise of such option if the board enter on their minutes, not less than thirty days, before any interest paying date, their determination to call in certain bonds and publish a brief notice thereof, describing by number the bonds to be called, in one issue of a daily or weekly newspaper published in the county in which the greater part of the district lies. Such publication shall be completed at least thirty days before the call date and thereafter the bonds called shall cease to bear interest.

The bonds shall be negotiable in form and shall be signed by the Chairman of the Board of Directors, sealed with the seal of the District, and attested by the District Secretary. Levy of taxes or service charges for the repayment of the bonds shall be in the same manner as provided for the original issue. The interest shall be payable semi-annually, and be evidenced by semi-annual interest coupons attached to the bonds and bearing the facsimile signatures of the chairman and secretary of the board but without seal.

Such refunding bonds may be exchanged in like amount, for bonds to be refunded, or they may be sold by such board of directors at not less than par and accrued interest and the proceeds applied to the purpose for which the bonds were issued. The Board of Directors shall cause to be kept a record showing the date, number, amount and maturity of each bond, the payments of principal and interest thereon and a record of its destruction when paid or retired. All bonds paid shall be burned or destroyed by the Board.

The Board of Directors shall have full power and authority in the issuance and sale of refunding bonds in all matters not herein provided for and shall make all necessary provisions, rules and regulations, and shall fix the times, methods, and procedures, and take all necessary steps proper for the issuance, effectuation, validity, sale and delivery of refunding bonds.

Section 2. EMERGENCY. To preserve the public peace, health and safety, it is necessary that this Act shall become immediately effective. 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, 1941.

CHAPTER 35

(Senate Bill No. 67)

AN ACT

RELATING TO COMMON TRUST FUNDS, AND TO MAKE UNIFORM THE LAW RELATING THERETO.

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

Section 1. SHORT TITLE. This Act may be cited as the uniform common trust funds Act.

Sec. 2. ESTABLISHMENT OF COMMON TRUST FUNDS. Any bank or trust company qualified to act as fiduciary may establish common trust funds for the purpose of furnishing investments to itself as fiduciary, or to itself and others as co-fiduciaries; and may, as such fiduciary or co-fiduciary, invest funds which it properly holds for investment in interests in such common trust funds, if not prohibited by the instrument, judgment, decree, or order creating the fiduciary relationship, and if, in the case of co-fiduciaries, the bank or trust company procures the consent of its co-fiduciaries to the investment.

Sec. 3. COURT ACCOUNTING. Unless ordered by a court of competent jurisdiction the bank or trust company operating a common trust fund pursuant to section 2 is not required to render a court accounting with regard thereto; but it may, by application to the superior court, secure approval of an accounting on such conditions as the court may establish.

Sec. 4. INTERPRETATION. This Act shall be so construed as to make uniform the law of those states which enact it.

Approved: March 14, 1941.

CHAPTER 36

(House Bill No. 99)

AN ACT

RELATING TO MOTOR VEHICLES; PROHIBITING THE PARKING THEREOF IN CERTAIN PLACES, AND AMENDING SECTION 66-117, ARIZONA CODE OF 1939.

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

Section 1. Sec. 66-117, Arizona Code of 1939 (section 1603, Revised Code of 1928), is amended to read:

66-117. UNLAWFUL PARKING. (a) No person shall permit a vehicle to stand, whether attended or not, upon a highway: 1. in front of a private driveway; 2. within fifteen feet in either direction of a fire hydrant or the entrance to a fire station; nor, 3. within twenty-five feet of the intersection of curb lines, or if none, then within fifteen feet of the intersection of property lines, at an intersection of highways.

(b) No person shall permit a vehicle to stand, whether attended or not, upon the roads or grounds of the university of Arizona or of the Arizona state school for the deaf and blind, unless authorized by the board or body having control of that institution.

Approved: March 14, 1941.

CHAPTER 37

(Senate Bill No. 54)

AN ACT

RELATING TO WILDLIFE-RESTORATION PROJECTS; AMENDING SECTION 57-301, ARIZONA CODE OF 1939, AND AMENDING ARTICLE 3, CHAPTER 57, ARIZONA CODE OF 1939, BY ADDING SECTION 57-307, AND MAKING A CONTINUING APPROPRIATION THEREFOR.

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

Section 1. Sec. 57-301, Arizona Code of 1939 (section

1, chapter 51, Session Laws of 1939, regular session), is amended to read:

57-301. DEFINITIONS. In this article, unless the context otherwise requires:

"commission" means Arizona game and fish commission;

"secretary" means secretary of agriculture of the United States, or any officer or agency of the United States assigned to administer the wildlife restoration act of congress;

"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, 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 therefor, 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 the project.

Sec. 2. Article 3, chapter 57, Arizona Code of 1939 (Chapter 51, Session Laws of 1939, regular session), is amended by adding section 57-307:

57-307. CONTINUING APPROPRIATION. For the thirtieth fiscal year, and for each fiscal year thereafter, there is appropriated out of the general fund of the state to the Arizona game and fish commission, to be used in carrying out the provisions of this article, a sum equal to one-third of the amount apportioned to this state during any such year pursuant to the wildlife-restoration act of congress, but not to exceed twenty-two thousand dollars in any one year.

Approved: March 14, 1941.

CHAPTER 38

(Senate Bill No. 117)

AN ACT

RELATING TO OLD AGE ASSISTANCE; PROVIDING FOR THE DETERMINATION OF THE AGE AND PLACE OF BIRTH OF APPLICANTS, AND AMENDING ARTICLE 2, CHAPTER 70, ARIZONA CODE OF 1939, BY ADDING SECTION 70-208a.

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

Section 1. Article 2, Chapter 70, Arizona Code of 1939 (chapter 70, Session Laws of 1937, regular session) is amended by adding section 70-208a.

70-208a. DETERMINATION OF AGE AND PLACE OF BIRTH OF APPLICANT. In the event the state or county board rejects an application for old age assistance because of insufficient proof of age and place of birth, the applicant may apply to the superior court of the county of his residence for a determination of his age and place of birth. The court shall hear the matter as expeditiously as possible, without a jury, and shall determine the age and place of birth of the applicant. The court shall admit as evidence writings in family Bibles and baptismal records, if satisfied as to the authenticity thereof, and shall consider such other evidence as would be admissible in a civil action in which age or place of birth is a material issue. The court shall certify the age and place of birth of the applicant, as determined by it, to the county board, and the age and place of birth so certified shall be deemed to be the age and place of birth of the applicant, for the purposes of this article.

Approved: March 14, 1941.

CHAPTER 39

(House Bill No. 68)

AN ACT

RELATING TO ESCHEAT OF UNCLAIMED BANK DEPOSITS; PROVIDING A PROCEDURE FOR COL-

LECTION THEREOF, AND AMENDING ARTICLE 5, CHAPTER 51, ARIZONA CODE OF 1939, BY ADDING SECTIONS 51-517a, 51-517b, 51-517c, AND 51-517d.

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

Section 1. Article 5, chapter 51, Arizona Code of 1939 (chapter 8, Revised Code of 1928), is amended by adding section 51-517a:

51-517a. REPORT OF UNCLAIMED DEPOSITS. Not later than June 30 of each year each bank shall make a report to the superintendent showing the status of all deposits in its possession described in section 51-517 (section 266, Revised Code of 1928). Any intentionally false report or willful omission of any such deposit from the report shall subject the bank and its officers to the penalties prescribed in section 51-504 (section 254, Revised Code of 1928, as amended).

Sec. 2. Article 5, chapter 51, Arizona Code of 1939 (chapter 8, Revised Code of 1928), is amended by adding section 51-517b:

51-517b. ACTION BY SUPERINTENDENT AND ATTORNEY-GENERAL. The superintendent shall audit the report made pursuant to section 51-517a, and shall have power to examine the books and records of the bank for the purpose of verifying any item of the report, or, if no report is made, for the purpose of ascertaining if any unclaimed deposit exists. In the event he determines that any deposit, whether listed in the report or not, should escheat to the state, he shall demand payment thereof from the bank. Upon failure or refusal of the bank to make the payment, the superintendent shall notify the attorney-general, in writing, who shall institute an action against the bank for the collection of the deposit.

Sec. 3. Article 5, chapter 51, Arizona Code of 1939 (chapter 8, Revised Code of 1928), is amended by adding section 51-517c:

51-517c. ACTION BY TAXPAYER. In the event the attorney-general for twenty days after notice by the superintendent fails to institute an action for the collection of an escheat of an unclaimed bank deposit, any taxpayer may bring an action in his own name and at his own cost, with the same effect as if brought by the attorney-general. The person instituting the action shall execute a bond

with two or more sureties, payable to the defendant, conditioned that if he fails to prosecute the action with diligence and to effect, the plaintiff will pay all damages sustained by the defendant by reason of the action and all costs incurred therein. If the taxpayer prevails in the action the court shall allow the taxpayer costs and a reasonable attorney's fee, not exceeding forty per cent of the amount recovered.

Sec. 4. Article 5, chapter 51, Arizona Code of 1939 (chapter 8, Revised Code of 1928), is amended by adding section 51-517d:

51-517d. PAYMENT TO GENERAL FUND. All unclaimed bank deposits which escheat to the state, including the amounts recovered pursuant to sections 51-517b and 51-517c, shall be paid to the state treasurer, through the state auditor, for deposit in the general fund.

Approved: March 17, 1941.

CHAPTER 40

(House Bill No. 110)

AN ACT

RELATING TO CORPORATIONS; PROVIDING FOR THE APPOINTMENT AND RESIGNATION OF STATUTORY AGENTS AND PRESCRIBING FEES OF THE CORPORATION COMMISSION; AMENDING SECTIONS 34-102 AND 53-305, ARIZONA CODE OF 1939; AMENDING ARTICLE 3, CHAPTER 53, ARIZONA CODE OF 1939, BY ADDING SECTION 53-305A, AND DECLARING AN EMERGENCY.

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

Section 1. Sec. 34-102, Arizona Code of 1939 (Section 1459, Revised Code of 1928), is amended to read:

34-102. FEES OF CORPORATION COMMISSION. The corporation commission shall receive the following fees:

1. Filing articles of incorporation or certified copy thereof, ten dollars.

2. Filing annual report at the time of payment of registration fee, five dollars.

3. Filing appointment of statutory agent, five dollars.

4. Filing resignation of statutory agent, one dollar.

5. Issuing certificate of filing articles of incorporation, five dollars.

6. Issuing certificate of incorporation of a domestic corporation, ten dollars.

7. Copy of any document not otherwise provided for, twenty cents per folio.

8. Affixing seal and certificate to copy, two dollars.

9. Annual registration fee of corporation, fifteen dollars.

Sec. 2. Sec. 53-305, Arizona Code of 1939 (Section 591, Revised Code of 1928), is amended to read:

53-305. APPOINTMENT OF STATUTORY AGENT. Every corporation shall appoint a person who has been a bona fide resident of this state for at least three years as its agent, who shall be known as its statutory agent, and upon whom all notices and processes, including service of summons, may be served, and which, when so served, shall be lawful personal service on the corporation. A corporation, empowered by its articles to act, may be appointed. The appointment shall be filed with the corporation commission. A public officer of the state may not act as statutory agent. In this section, "public officer of the state" does not include members of the legislature nor county officials, other than judicial.

Sec. 3. Article 3, Chapter 53, Arizona Code of 1939 (Article 2, Chapter 14, Revised Code of 1928), is amended by adding Section 53-305a:

53-305a. RESIGNATION OF STATUTORY AGENT. The statutory agent of any corporation, foreign or domestic, appointed pursuant to Section 53-305, may file with the corporation commission a signed resignation signifying unwillingness to continue to act as statutory agent. Upon the expiration of thirty days from the date of filing the resignation, the capacity of the person or corporation filing the same to act as statutory agent shall terminate. Upon the filing of the resignation, the corporation commission shall forthwith give written notice thereof to the corporation which appointed the resigning agent, by

registered mail addressed to the corporation at its principal place of business, as shown by the records of the commission.

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 17, 1941.

CHAPTER 41

(House Bill No. 172)

AN ACT

RELATING TO PUBLIC LIBRARIES; PROVIDING FOR A TAX LEVY THEREFOR BY CITIES AND TOWNS, AND AMENDING SECTION 16-1201, ARIZONA CODE OF 1939.

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

Section 1. Sec. 16-1201, Arizona Code of 1939, (Section 444, Revised Code of 1928), is hereby amended to read:

16-1201. LEVY OF TAX FOR LIBRARY. Cities and towns may levy annually, in addition to other taxes, a tax on the assessed value of all property in the city or town, for the purposes of establishing and maintaining free public libraries and reading rooms, and of purchasing such books, journals, and other publications, and erecting and maintaining such buildings, as may be necessary therefor. The tax shall not exceed: (1) one-half mill in a city or town having a population of ten thousand or more, nor, (2) one mill in a city or town having a population of less than ten thousand.

Approved: March 17, 1941.

CHAPTER 42

(Senate Bill No. 48)

AN ACT

RELATING TO STATE WARRANTS; PRESCRIBING

THE RATE OF INTEREST ON REGISTERED WARRANTS, AND AMENDING SECTION 4-405, ARIZONA CODE OF 1939; AND DECLARING AN EMERGENCY.

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

Section 1. Sec. 4-405, Arizona Code of 1939 (section 47, Revised Code of 1928), is amended to read:

4-405. WARRANTS. All state warrants shall be paid by the state treasurer, in the order of presentation, if drawn in accordance with law. In the event the treasurer has not in hand the money with which to pay any warrant presented to him, he shall indorse thereon the date of presentation. When the warrant is paid interest shall be added at the rate of not more than three per cent per annum from the date indorsed. The interest rate shall be fixed from time to time by the loan commissioners of the state 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 17, 1941.

CHAPTER 43

(Senate Bill No. 22)

AN ACT

RELATING TO THE CONSERVATION OF SOIL RESOURCES; ESTABLISHING THE THE STATE SOIL CONSERVATION COMMITTEE, PROVIDING FOR THE CREATION OF SOIL CONSERVATION DISTRICTS, AND DEFINING THEIR POWERS AND DUTIES.

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

Section 1. SHORT TITLE. This act may be cited as the soil conservation districts law.

Sec. 2. DECLARATION OF POLICY. It is declared to be the policy of the legislature to provide for the restoration and conservation of agricultural lands and soil

resources of the state and the control and prevention of soil erosion, and thereby to preserve natural resources, control floods, prevent impairment of dams and reservoirs, preserve wildlife, protect the tax base, protect public lands, and in such manner to protect and promote the public health, safety, and general welfare of the people.

Sec. 3. DEFINITIONS. In this act, unless the context otherwise requires:

"district" or "soil conservation district" means a governmental subdivision of this state, and a public body corporate and politic, organized in accordance with the provisions of this act, for the purposes, with the powers, and subject to the restrictions hereinafter set forth;

"supervisor" means a member of the governing body of a district, elected or appointed in accordance with the provisions of this act;

"committee" or "state committee" means the state soil conservation committee created by this act;

"petition" means a petition filed under the provisions of subsection (a), section 5, for the creation of a district;

"nominating petition" means a petition filed under the provisions of section 6 to nominate candidates for the office of supervisor;

"agency of the state" includes the government of the state and any subdivision, agency, or instrumentality, corporate or otherwise, of the state government;

"United States" or "agencies of the United States" includes the United States of America, the United States department of agriculture, and any other agency or instrumentality, corporate or otherwise, of the United States of America;

"government" or "governmental" includes the government of this state, the government of the United States, and any subdivision, agency, or instrumentality, corporate or otherwise, of either of them;

"land owner" or "owner of land" means any person, firm, or corporation who holds title to any irrigated or dry farming lands used for agricultural purposes lying within a district organized or proposed to be organized

under the provisions of this act, and includes a buyer on contract who is the occupant of land;

"qualified elector" means any person who is a land owner and who is a qualified elector of the state;

"due notice" means notice published at least twice, with an interval of at least six days between the two publication dates, in a newspaper or other publication of general circulation within the affected area, or, if there is no publication of general circulation within the area affected, by posting notice in three public places within the area for ten days, and one notice at the front door of the court house in the county in which the proposed district is located; and adjournment of any hearing held pursuant to any such notice, at the time and place designated therein, may be made from time to time without the necessity of renewing the notice;

"agricultural lands" or "lands" means irrigated farming lands, or dry farming lands, devoted to the purposes of agriculture on the date 180 days prior to the date this act takes effect.

Sec. 4. STATE SOIL CONSERVATION COMMITTEE. (a) The state soil conservation committee shall serve as an agency of the state, and shall perform the functions conferred upon it in this act and such other functions as may be prescribed by law. The committee shall consist of the governor, the state land commissioner, and the state water commissioner, or their successors, in the event any such office is changed by law, and the director of the state agricultural extension service. The members of the committee shall serve without compensation, but shall be reimbursed for their necessary traveling and other expenses incurred in the performance of their duties. The committee may invite the secretary of agriculture of the United States to appoint one person to serve with the committee, but in an advisory capacity only. The committee shall adopt a seal, which shall be judicially noticed, and may perform such acts, hold such public hearings, and promulgate such rules and regulations as may be necessary to carry out the provisions of this act.

(b) The state committee may employ a secretary, an administrative officer, and such other agents and employees, permanent and temporary, as it may require, and shall determine their qualifications, duties, and compensation. The committee may call upon the attorney general for such legal services as it may require. It shall

have power to delegate to its chairman, to one or more of its members, or to one or more agents or employees, such powers and duties as it may deem proper. Upon request of the committee, for the purpose of carrying out any of its functions, the supervising officer of any state agency, or of any state institution of learning, shall, in so far as possible under available appropriations, and having regard to the needs of the agency to which the request is directed, assign or detail, to the committee, members of the staff or personnel of the agency or institution of learning, and shall make such special reports, surveys, and studies as the committee may request.

(c) The committee shall, at such times as it may designate, elect a chairman. A majority of the members of the committee shall constitute a quorum, and the concurrence of a majority of the members in any matter within the committee's jurisdiction shall be required for its determination. The committee shall provide for the execution of surety bonds for all employees and officers who may be entrusted with funds or property, and shall provide for the keeping of a complete record of all proceedings and of all resolutions, regulations, and orders issued or adopted.

(d) In addition to its other duties and powers, the state soil conservation committee shall:

1. Offer such assistance as may be appropriate to the supervisors of soil conservation districts, in the carrying out of their powers and programs.

2. Keep the supervisors of each soil conservation district informed of the activities and experience of other districts, and facilitate cooperation and an interchange of advice and experience between districts.

3. Coordinate the programs of the several soil conservation districts in so far as possible, by advice and consultation.

4. Secure the cooperation and assistance of the United States, its agencies, and agencies of this state, in the work of soil conservation districts.

5. Disseminate information throughout the state concerning the activities and program of the soil conservation districts, and encourage the formation of districts in areas where their organization is desirable.

Sec. 5. DISTRICTS TO INCLUDE ONLY AGRICUL-

TURAL LANDS. Only agricultural lands, as defined in this act, shall be included within the boundaries of soil conservation districts organized under this act.

Sec. 6. CREATION OF SOIL CONSERVATION DISTRICTS. (a) Any twenty-five owners of agricultural land, but in no event less than twenty per cent of the owners of land laying within the limits of the territory proposed to be organized into a district, may file a petition with the state soil conservation committee, asking that a soil conservation district be organized to function in the territory described in the petition. Where the total number of land owners in the proposed district be less than twenty-five, the petition may be filed when signed by twenty-five per cent of the owners of the area. In the event more than one petition is filed covering parts of the same territory, the committee may consolidate any or all of the petitions. The petition shall set forth:

1. The proposed name of the district.

2. That there is need, in the interest of preservation of property, health, safety, and public welfare, for a soil conservation district to function in the territory described in the petition.

3. A description of the territory proposed to be organized as a district, which description need not be by metes and bounds or legal subdivisions, but shall be deemed sufficient if generally accurate.

4. A request that the state soil conservation committee define the boundaries for the district; that a referendum be held within the territory so defined on the question of the creation of a soil conservation district; and that the committee determine that the district be created.

(b) Within ninety days after the petition has been formally accepted by the committee, due notice by publication shall be given of a hearing upon the desirability and necessity, in the interest of preservation of property, health, safety, and public welfare, of the creation of the district, upon the appropriate boundaries to be assigned to the district, upon the propriety of the petition and other proceedings taken under this act, and upon all related questions. All owners of land within the limits of the territory described in the petition and of lands within any territory considered for addition to the described territory, and all other interested parties, shall have the

right to attend the hearing and to be heard. If it appears on the hearing that it is desirable to include within the proposed district territory outside the area within which due notice of the hearing has been given, the hearing shall be adjourned and due notice of further hearing shall be given through the entire area considered for inclusion in the district, and the further hearing shall be held. After the hearing, if the committee determines, upon the facts presented at the hearing and upon such other relevant facts and information as may be available, that there is need, in the interest of preservation of property, health, safety, and public welfare, for a soil conservation district to function in the territory considered at the hearing, it shall record its determination, and shall define the boundaries of the district. In making its determination and defining the boundaries, the committee shall consider: 1. the topography of the area considered and of the state; 2. the character of soils therein; 3. the distribution of erosion; 4. the prevailing land use practices; 5. the desirability and necessity of including within the boundaries the particular lands under consideration and the benefits to be received from being included; 6. the relation of the proposed area to existing watersheds and agricultural regions, and to other soil conservation districts already organized or proposed for organization under the provisions of this act; and, 7. such other physical, geographical, and economic factors as are relevant, having regard to the legislative declaration set forth in section 2. In the event the committee determines that there is no need for a soil conservation district to function in the territory considered at the hearing, it shall record its determination and deny the petition.

(c) After the committee has recorded a determination that there is need for the organization of a district in a particular territory and has defined the boundaries thereof, it shall consider the question whether or not the operation of a district within those boundaries is administratively and economically feasible. The committee shall hold a referendum within the proposed district upon the question of the creation of the district, within a reasonable time after finding that there is need for the organization of a district. The question shall be submitted by ballots upon which the words, "For creation of a soil conservation district of the lands below described and lying in the county (ies) of....." and "Against the creation of a soil conservation district of the lands below described and lying in the county (ies) of....." shall be printed with a square after each proposition, and a direction to insert an "X" in the square after the proposition the voter may

favor. The ballot shall set forth the boundaries of the proposed district as determined by the committee. Only owners of land lying within the boundaries of that territory shall be eligible to vote in the referendum.

(d) The committee shall supervise and conduct all hearings and referendums held pursuant to this section, and shall issue regulations governing the conduct thereof. No informality in the conduct of any such referendum or in any matter relating thereto shall invalidate the referendum or the result thereof, if notice thereof shall have been given substantially as herein provided and the referendum shall have been fairly conducted.

(e) The expenses of the issuance of notices, the conduct of hearings and referendums, and of the election of supervisors, shall be a charge against the county or counties in which the district is located.

(f) The committee shall publish the result of the referendum, and if less than sixty-five per cent of the land owners voting at the referendum vote in favor of the creation of the district, the proposed district organization shall be declared defeated; but if sixty-five per cent or more of the land owners of the district, voting at the election, but in no event less than the owners of fifty per cent of the land lying within the proposed district, vote in favor of the creation of the district, the district shall be declared organized.

(g) In the event a district is declared to be organized, the committee shall appoint two temporary supervisors to serve until such time as the three regular supervisors have been elected to act as the governing body of the district. The district shall be a body corporate upon completion of the following proceedings:

1. The two temporary supervisors shall present to the secretary of state an application setting forth: 1a. that a petition for the creation of the district was approved by the state soil conservation committee pursuant to the provisions of this act, and that the committee has appointed them as temporary supervisors; 1b. the name and official residence of each temporary supervisor, together with a certified copy of their appointments; 1c. the name proposed for the district; 1d. the location of the proposed office of the supervisors of the district. The application need contain no details other than the mere recitals. The application shall be subscribed and sworn to by each temporary supervisor before an officer authorized by law to

administer oaths. It shall be accompanied by a statement by the state soil conservation committee, setting forth the boundaries of the district as determined by the committee, and certifying that: 1e. a petition was filed, notice issued, and hearing held as prescribed in this section; 1f. the committee determined that there is need, for the preservation of property, health, safety, and public welfare, for a soil conservation district to function in the proposed territory; 1g. notice was given and a referendum held on the question of the creation of the district; and, 1h. the results of the referendum showed sixty-five per cent of the votes cast to be in favor of the creation of the district.

2. The secretary of state shall examine the application and statement and, if he finds that the name proposed for the district is not identical with that of any other soil conservation district of this state or so nearly similar as to lead to confusion or uncertainty, he shall record them in his office. If the name proposed for the district is identical with that of any other soil conservation district of this state, or so nearly similar as to lead to confusion or uncertainty, the secretary of state shall certify that fact to the state soil conservation committee, which shall thereupon submit a new name. Upon receipt of a new name, free of defects, the secretary of state shall record the application and statement, with the name so modified, in his office. When the application and statement have been made and recorded the district shall constitute a body corporate. The secretary of state shall issue to the temporary supervisors a certificate, under the seal of the state, certifying the organization of the district, and shall record the certificate with the application and statement. The boundaries of the district shall include the territory as determined by the state soil conservation committee, but in no event shall they include any area within the boundaries of another soil conservation district organized under the provisions of this act.

(h) After the expiration of eighteen months from the date of entry of a determination by the state soil conservation committee that operation of a proposed district is not administratively and economically feasible, and denial of a petition pursuant to that determination, subsequent petitions may be filed and action taken in accordance with the provisions of this act.

(i) Petitions for including additional territory within an existing district may be filed with the state soil conservation committee, and thereafter proceedings shall be

had as prescribed for petitions to organize a district. The committee shall prescribe the form for such petition, which shall be as nearly as may be as prescribed for petitions to organize a district. Where the total number of land owners in the area proposed for inclusion is less than twenty-five the petition may be filed when signed by seventy-five per cent of the owners of the area affected, and in such case no referendum need be held. In a referendum upon petitions for inclusion, all owners of land within the proposed additional area shall be eligible to vote.

(j) In any suit, action, or proceeding involving the validity or enforcement of, or relating to, any contract, proceeding, or action of the district, the district shall be deemed to have been established in accordance with the provisions of this act upon proof of the issuance of the certificate of organization by the secretary of state. A copy of the certificate certified by the secretary of state shall be admissible in evidence in any suit, action, or proceeding, and shall be proof of the filing and contents thereof.

Sec. 7. ELECTION OF SUPERVISORS. Within thirty days after the date of issuance by the secretary of state of a certificate of organization of a soil conservation district, nominating petitions may be filed with the state soil conservation committee to nominate candidates for supervisors, who shall be residents of the district. The two temporary supervisors appointed by the committee shall be eligible for nomination. The committee shall have power to extend the time within which nominating petitions may be filed. No nominating petition shall be accepted by the committee unless subscribed by twenty-five or more qualified electors of the district. Any qualified elector may sign more than one nominating petition. The committee shall give due notice of an election to be held for the election of three supervisors for the district. The names of all nominees on behalf of whom nominating petitions have been filed shall be printed, arranged in the alphabetical order of surnames, upon ballots, with a square after each name and a direction to insert an "X" in the square after any three names to indicate the voter's preference. All qualified electors of the district shall be eligible to vote. The three candidates who receive the highest number, respectively, of the votes cast in the election, shall be the elected supervisors for the district. The committee shall supervise the conduct of the election, shall prescribe regulations governing the election and the determination of the eligibility of voters therein, and shall publish the results thereof.

Sec. 8. SUPERVISORS. (a) The three supervisors elected as provided in section 6 shall constitute the governing body of the district.

(b) The supervisors shall, at such times as they may determine, designate a chairman.

(c) The term of office of each supervisor shall be six years, except that the supervisors first elected shall serve for terms of two, four, and six years respectively, according to the highest numbers of votes secured. A supervisor shall hold office until his successor has been elected and has qualified. Vacancies shall be filled for the unexpired term. The selection of a successor to fill an unexpired term or a full term shall be in the manner prescribed in section 7, or, at the discretion of the state soil conservation committee, it may appoint a successor to fill an unexpired term.

(d) The supervisors may call upon the county attorney of the county in which the district is located or the attorney general for such legal services as they may require without compensation. The supervisors may delegate to the chairman, to one or more supervisors, or to one or more agents, or employees, such powers and duties as they may deem proper. The supervisor shall furnish to the state soil conservation committee, upon request, copies of such ordinances, rules, regulations, orders, contracts, forms, and other documents as they may adopt or employ, and such other information concerning their activities as the committee may require.

(e) The supervisors shall provide for the execution of surety bonds for all employees and officers who may be entrusted with funds or property, and for the keeping of a complete record of all proceedings and of all resolutions, regulations, and orders issued or adopted.

(f) The supervisors may invite the legislative body of any municipality or county located near the territory comprised within the district to designate a representative to advise and consult with the supervisors on all questions of program and policy which may affect the property, water supply, or other interests of the municipality or county.

Sec. 9. POWERS OF DISTRICT. (a) A soil conservation district organized under the provisions of this act shall have the following powers, in addition to others granted in this act:

1. To conduct surveys, investigations, and research relating to the character of soil erosions and the preventive and control measures needed, to publish the results thereof, and to disseminate information concerning preventive and control measures. In order to avoid duplication of research activities, no district shall initiate any research program except in cooperation with the government of this state or any of its agencies, or with the United States or any of its agencies.

2. To conduct demonstrational projects within the district, on lands owned or controlled by the state or any of its agencies with the consent and cooperation of the agency having jurisdiction thereof, and on any other lands within the district upon obtaining the consent of the owner thereof or the necessary rights or interests therein, in order to demonstrate by example the means, methods, and measures by which soil and soil resources may be conserved, and soil erosion and soil washing prevented and controlled.

3. To carry out preventive control measures within the district, including, but not limited to, engineering operations, methods of cultivation, the growing of vegetation, changes in use of land, and other measures enumerated in this act, on lands owned or controlled by the state or any of its agencies with the consent and cooperation of the agency having jurisdiction thereof, and on any other lands within the district upon obtaining the consent of the owner thereof or the necessary rights or interests therein.

4. To cooperate, or enter into agreements with, and, within the limits of available appropriations, to furnish financial or other aid to any agency, governmental or otherwise, or any owner of lands within the district, in carrying on erosion control and prevention operations within the district, subject to such conditions as the supervisors may deem necessary to advance the purposes of this act.

5. To obtain options upon and to acquire, by purchase, exchange, lease, gift, grant, bequest, devise, or otherwise, any property, real or personal, or rights or interests therein; to maintain, administer, and improve any properties acquired; to receive income therefrom and expend the same in carrying out the purposes of this act; and to sell, lease, or otherwise dispose of any property or interest therein in furtherance of the purposes of this act.

6. To make available on such terms as it shall prescribe, to land owners within the district, agricultural and engineering machinery and equipment, fertilizer, seed, and such other material or equipment as will assist the land owners to carry on operations upon their lands for the conservation of soil resources and for the prevention and control of soil erosion.

7. To construct, improve, and maintain such structures as may be necessary or convenient for the performance of any operation authorized in this act.

8. To develop, and publish, and bring to the attention of owners of lands within the district, comprehensive plans for the conservation of soil resources and for the control and prevention of soil erosion within the district, which plans shall specify in such detail as may be feasible the acts, procedures, performances, and avoidances necessary or desirable for the effectuation of the plans, including the specification of engineering operations, methods of cultivation, the growing of vegetation, cropping programs, tillage practices, and changes in use of land.

9. To sue and be sued in the name of the district; to have a seal, which shall be judicially noticed; to have perpetual succession unless terminated as provided in this act; to make and execute contracts and other instruments, necessary or convenient to the exercise of its powers; and to make, and from time to time amend and repeal, rules and regulations not inconsistent with this act, to carry into effect its purposes and powers.

10. To accept donations, gifts, and contributions in money, services, materials, or otherwise, from the United States or any of its agencies, or from this state or any of its agencies, and to use or expend the same in carrying on its operations.

(b) No provision of law with respect to the acquisition, operation, or disposition of property by other public bodies shall be applicable to a district organized under this act unless specifically stated therein.

(c) After the formation of any district under the provisions of this act, all participation hereunder shall be purely voluntary, any provision of this act to the contrary notwithstanding.

(d) The exercise of any of the powers conferred upon soil conservation districts by this act which requires the

performance of work or operations upon lands, or the construction, improvement or maintenance of structures, shall be limited to the performance of such work and operations and the construction, improvement and maintenance of structures on lands within the boundaries of soil conservation districts organized under this act.

Sec. 10. COOPERATION BETWEEN DISTRICTS. The supervisors of any two or more districts organized under the provisions of this act may cooperate with one another in the exercise of any power conferred in this act.

Sec. 11. COOPERATION BY STATE AGENCIES. Agencies of this state which have jurisdiction over, or are charged with the administration of, any state owned lands, and of any county or other governmental subdivision of the state which have jurisdiction over, or are charged with the administration of, any county owned or other publicly owned lands, lying within the boundaries of any soil conservation district, may cooperate fully with the supervisors of soil conservation districts in the effectuation of programs and operations undertaken by the supervisors under the provisions of this act.

Sec. 12. DISCONTINUANCE OF DISTRICT. (a) At any time after five years after the organization of a district under the provisions of this act, any twenty-five owners of land lying within the boundaries of the district may file a petition with the state soil conservation committee praying that the operations of the district be terminated and its existence discontinued. The committee may conduct such public meetings and public hearings upon the petition as may be necessary to assist in the consideration thereof. Within sixty days after the filing of the petition, the committee shall give due notice of the holding of a referendum, and shall supervise the same and issue appropriate regulations governing the conduct thereof. The question shall be submitted by ballots upon which the words "For terminating the existence of the..... .....(name of the soil conservation district)" and "Against terminating the existence of the..... .....(name of the soil conservation district)", shall be printed with a square after each proposition and a direction to insert an "X" in the square after whichever proposition the voter may favor. All owners of lands lying within the boundaries of the district shall be eligible to vote in the referendum, and no other person shall be eligible. No informality in the conduct of the referendum or in any matter relating thereto shall invalidate the referendum or the result thereof, if due

notice thereof shall have been given substantially as provided in this act and the referendum shall have been fairly conducted.

(b) When sixty-five per cent of the land owners voting thereon vote to terminate the existence of a district, the state soil conservation committee shall advise the supervisors to terminate the affairs of the district. The supervisors shall dispose of all property belonging to the district at public auction and shall pay over the proceeds of the sale to the state treasury. The supervisors shall thereupon file a verified application with the secretary of state for the discontinuance of the district, together with the certificate of the state soil conservation committee setting forth the determination of the committee that the continued operation of the district is not administratively feasible. The application shall recite that the property of the district has been disposed of and the proceeds paid over as provided in this section, and shall set forth a full accounting of the properties and the proceeds of the sale. The secretary of state shall issue to the supervisors a certificate of dissolution, and shall record the same in his office.

(c) Upon issuance of a certificate of dissolution under the provisions of this section, the ordinances and regulations theretofore adopted and in force within the district shall be of no further effect. All contracts theretofore entered into, to which the district or supervisors are parties, shall remain in force for the period provided in the contracts, and the state soil conservation committee shall be substituted for the district or supervisors as party thereto. The committee shall be entitled to all benefits and subject to all liabilities under such contracts and shall have the same right and liability to perform, to require performance, and sue and be sued thereon, and to modify or terminate the contracts by mutual consent or otherwise, as the supervisors of the district would have had. Dissolution shall not affect the lien of any judgment entered under the provisions of this act, nor the pendency of any action instituted hereunder, and the committee shall succeed to all the rights and obligations of the district or supervisors as to such liens and actions.

(d) The state soil conservation committee shall not entertain a petition for the discontinuance of any district nor conduct a referendum thereon, nor make any determination pursuant thereto, more often than once in five years.

Sec. 13. APPROPRIATIONS. The legislature is au-

thorized to appropriate, for the expenses of the state soil conservation committee, and for the expenses of soil conservation districts organized under the provisions of this act, such sums as it may, from time to time, determine to be necessary.

Sec. 14. 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. 15. EFFECT ON OTHER ACTS. In so far as any provision of this act is inconsistent with the provisions of any other law, the provisions of this act shall be controlling.

Approved: March 17, 1941.

CHAPTER 44

(House Bill No. 3)

AN ACT

RELATING TO THE STATE HOSPITAL; PROVIDING FOR ITS ADMINISTRATION; REPEALING ARTICLE 2, CHAPTER 8, ARIZONA CODE OF 1939; AMENDING SECTION 8-303, ARIZONA CODE OF 1939, 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 state hospital for the insane;

"board" means state hospital board;

"superintendent" means superintendent of the state hospital;

"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, occupational therapy, and other special therapies; 2. facilities for the proper segregation and care of child 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 of the state hospital board, subject to the provisions of this Act.

Sec. 4. ADMISSION. Admission of a patient to the state hospital shall be by commitment of a superior court as prescribed by sections 8-301, 8-302 and 47-217, Arizona Code of 1939 (sections 1769, 1770 and 1772, Revised Code of 1928). If, after following the procedure set forth in said section 8-301, the court cannot definitely determine a person's mental condition, it may order such person to be confined in the state hospital for the purpose of observation. A person thus received at the hospital shall not be detained therein more than thirty days unless the superintendent shall deem such detention necessary, and shall so certify to a judge of the superior court of Maricopa county. The judge shall thereupon hold a hearing to determine the person's mental condition, and shall order such person committed, if found to be insane, or released, if found to be sane. The judge may require such further examination by a qualified examiner as he deems necessary for proper determination of the case.

Sec. 5. DISCHARGE. (a) Upon application of relatives or friends, the superintendent may conditionally discharge a convalescent patient who is not of a suicidal or dangerously criminal tendency. The person to whom the patient is thus conditionally discharged shall give such written obligation as the board may require, guaranteeing the proper care and maintenance of the patient, 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 or conditionally discharged patient when deemed advisable. Any patient who has been conditionally discharged for one year shall be automatically discharged, and the superintendent shall so notify such patient. Upon final or conditional 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 final or conditional discharge of a patient, his guardian, relatives, or friends shall be notified to appear and receive him. In the event such patient is 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. 6. PAYMENT OF 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. 7. 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 by the parent, guardian, or next of kin.

(b) The superintendent, within ten days after admission of a patient by voluntary application, shall forward to the business manager a record of the patient, including a report of an examination made by the medical staff of the hospital. The business manager 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 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 the written order of the superintendent. Unless the patient is indigent, the board shall fix the charge for such patient at an amount which will fully reimburse the state for the expense of housing, board, care and treatment, and shall require satisfactory provision to be made for the prompt payment thereof to the state treasurer, through the state auditor, and credited to the fund for operation and maintenance of the state hospital.

Sec. 8. SUPERINTENDENT. (a) The superintendent shall be appointed by the board, and shall have charge of the state hospital, supervise and direct its activities, subject to the provisions of law and the rules and regulations of the board, and be directly responsible to the board for carrying out the purposes for which the hospital is maintained.

(b) The superintendent shall be a 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 the treatment of mental and nervous diseases. He shall be removed only for cause.

Sec. 9. BUSINESS MANAGER. The business manager shall be appointed by the board, and shall have charge and control, subject to the rules and regulations of the board, of the business management and affairs of the state hospital, and shall serve as secretary of the board. He shall: 1. purchase all supplies, or, in the event provision be made by law for the purchase of state supplies through a central purchasing agency, 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 make 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.

Sec. 10. 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, 1942, 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) 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, in the amount prescribed by law for public officers.

Sec. 11. EMPLOYEES. (a) Except as otherwise provided in this Act, the superintendent shall employ all employees of the state hospital, subject to the approval of the board. The board may employ necessary medical consultants upon the recommendation of the superintendent. The board may permit members of the medical staff to act as consultants in psychiatry.

(b) The superintendent may discharge an employee for cause. An employee so discharged may, upon request, have the cause of his discharge reviewed and determined by the board. The superintendent shall file a written report with the board of each discharge, setting forth the reasons therefor.

(c) Suitable living quarters and board shall be furnished the superintendent and his family, and such other employees as the board may direct.

Sec. 12. DUTIES OF BOARD. The board shall:

1. Hold monthly meetings, and such special meetings as the chairman or any three members may call.

2. Elect, annually, a chairman and a vice-chairman.

3. Adopt rules and regulations for outpatient services.

4. If 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 not inconsistent with the provisions of law.

7. Adopt rules and regulations for the administration of the state hospital and to carry out the purposes of this Act.

Sec. 13. BONDS. The superintendent and the business manager shall each give a surety bond to the state, approved by the board, in an amount not less than ten thousand dollars.

Sec. 14. REPORTS. (a) 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, including: 1. an account of patients received, conditionally discharged, 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. 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 complete picture of the condition and activities of the hospital.

(b) Not later than the fifteenth day of each month the business manager shall prepare in duplicate a financial statement of the affairs of the state hospital, including: 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; 4. estimated expenditures for the current month; and, 5. an inventory report. The original shall be filed with and retained as a record of the board and the duplicate filed with the state auditor.

(c) Not later than July 15 of each year the business manager 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.

(d) 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 manager, and shall contain: 1. an account of the work done; 2. recommendations for improvements; 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 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. 15. EXPENDITURES. (a) This Act shall not be construed to give the board or any 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 purpose 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 business manager, except upon written request 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. 16. REPEAL. Article 2, chapter 8, Arizona Code of 1939 (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. 17. Sec. 8-303, Arizona Code of 1939 (sec. 1771, Revised Code of 1928), is amended to read:

8-303. COST OF MAINTENANCE; GUARDIAN OF PROPERTY. The superior court shall cause inquiry to be made into the ability of any insane person committed by it, to bear the charges and expenses of his examination, commitment and maintenance while in custody, and if the insane person is able by the possession of money or property, to pay such charges or any portion of them, such court shall fix the amount thereof, and appoint a guardian of the property of such person, as in other cases of guardianship. The guardian shall pay the cost of the

examination, and the expenses of commitment and maintenance of said insane person, from the estate of said insane person, and all such costs and expenses shall be paid by the guardian to the state treasurer, through the state auditor, and credited to the fund for operation and maintenance of the state hospital. All charges herein fixed by the court and ordered paid out of the estate of such insane person shall become a lien upon any and all property belonging to said estate. It shall be the duty of the county attorney of each county in the state, upon order of any judge of the superior court, to proceed to enforce said lien and collect said charges from the estate of said insane person if the same shall become delinquent.

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.

Sec. 19. 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 17, 1941.

CHAPTER 45

(House Bill No. 207)

AN ACT

RELATING TO THE STATE PRISON; PROVIDING FOR DOUBLE TIME ALLOWANCE, AND AMENDING SECTION 47-109, ARIZONA CODE OF 1939.

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

Section 1. Sec. 47-109, Arizona Code of 1939, (section 5319, Revised Code of 1928), is amended to read:

47-109. DOUBLE TIME ALLOWANCE. (a) Any prisoner in the state prison, while working on the public highways or the prison farms, as a trusty outside the prison walls, and without requiring armed guards, or holding any other position of confidence and trust either

within or without the prison walls, shall be allowed double time while so employed, and each day so employed shall be counted as two days in computing time on his sentence. In case of a breach of trust in any manner the board or pardons and paroles, upon the recommendation of the superintendent of the prison, may declare the double time forfeited.

(b) At any time within one year after this section takes effect, the superintendent may, in his discretion, grant the double time allowance for each day employed in a position of confidence and trust, as described in subsection (a), to any prisoner incarcerated in the state prison, or on parole therefrom, who was so employed at any time prior to the date this section took effect.

Approved: March 18, 1941.

CHAPTER 46

(House Bill No. 5)

AN ACT

RELATING TO FIREWORKS; REGULATING THE SALE AND USE THEREOF.

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

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

"fireworks" means any combustible or explosive composition, substance, or combination of substances, or any article prepared for the purpose of producing a visible or audible effect by combustion, explosion, deflagration, or detonation and toy cannons in which explosives are used, the type of balloons which require fire underneath to propel the same, firecrackers, torpedoes, skyrockets, Roman candles, Daygo bombs, sparklers or other fireworks of like construction, any fireworks containing any explosive or combustible compound, and any tablet or other device containing any explosive substance, but does not include toy pistols, toy canes, toy guns, nor other devices in which paper caps containing not more than twenty-five hundredths grains of explosive compound are used, if so constructed that the hand cannot come in contact with the cap when in place for the explosion, nor the toy

pistol paper caps which contain less than twenty-hundredths grains of explosive mixture, nor fixed ammunition or primers therefor;

"governing body" means board of supervisors of a county as to the area within the county but without the corporate limits of an incorporated city or town, and means governing body of an incorporated city or town as to the area within its corporate limits;

"person" includes individual, partnership, firm, and corporation.

Sec. 2. FIREWORKS UNLAWFUL. Except as otherwise provided in this Act, it is unlawful for any person to sell, offer or expose for sale, use, explode, or have in his possession any fireworks.

Sec. 3. PUBLIC DISPLAY. Each governing body shall have power to adopt reasonable rules and regulations for the granting of permits for supervised public displays of fireworks, within its jurisdiction, by municipalities, fair associations, amusement parks, and other organizations and groups. Application for a permit shall be made in writing not less than five days prior to the date of the display. Every display shall be handled by a competent operator, and shall be of such character and so located, discharged, and fired, as not to be hazardous to property or endanger any person. Before a permit is granted, the operator and the location and handling of the display shall be approved, after investigation, by the fire chief of the city or town or the sheriff of the county, as the case may be. After a permit is granted, the sale, possession, use, and distribution of fireworks for the display shall be lawful for that purpose only. No permit shall be transferable or assignable.

(b) In the event a community, organization, or group authorized under this Act to obtain a permit for a public display of fireworks desires a permit for a locality more than fifty miles from the county seat, and not within the limits of an incorporated city or town, the application for a permit may be made to the justice of the peace of the precinct in which that locality is situated. The justice shall have power to issue the permit, subject to the conditions prescribed in this Act, in the same manner as the board of supervisors. In such event, the constable shall make the prescribed investigation. The justice of the peace shall promptly report to the board of supervisors any permit issued by him pursuant to this subsection, and shall transmit the bond of the permittee to the board.

Sec. 4. BOND. The governing body shall require each permittee to give a satisfactory bond, in a sum not less than five hundred dollars, conditioned for the payment of all damages which may be caused to persons or property by reason of the permitted display.

Sec. 5. PERMITTED USES. This Act shall not be construed to prohibit: 1. the sale at wholesale by any resident wholesaler, dealer, or jobber of such fireworks as are not herein prohibited; 2. the sale of any fireworks which are to be and are shipped directly out of the state; 3. the use of fireworks by railroads or other transportation agencies for signal purposes or illumination; 4. the sale or use of explosives for blasting or other legitimate industrial purposes.

Sec. 6. MUNICIPAL ORDINANCES. This Act shall not be construed to prohibit the imposition by municipal ordinance of further regulations and prohibitions upon the sale, use, and possession of fireworks within any incorporated city or town; but no such city or town shall permit nor authorize the sale, use, or possession of any fireworks in violation of this Act.

Sec. 7. SEIZURE. The Arizona highway patrol, or any sheriff or other peace officer, shall seize, remove, or cause to be removed, at the expense of the owner, all fireworks or combustibles offered or exposed for sale, stored, or possessed in violation of this Act.

Sec. 8. PENALTY. Any person who violates any provision of this Act shall be guilty of a misdemeanor, and upon conviction shall be fined not more than one hundred dollars, imprisoned in the county jail not more than ninety days, or both.

Approved: March 18, 1941.

CHAPTER 47

(House Bill No. 109)

AN ACT

RELATING TO ADOPTION; PROVIDING FOR THE SERVICE OF NOTICE AND FOR INVESTIGATION; AMENDING SECTION 27-205, ARIZONA CODE OF 1939, AND AMENDING ARTICLE 2, CHAPTER 27,

ARIZONA CODE OF 1939, BY ADDING SECTION 27-205a.

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

Section 1. Sec. 27-205, Arizona Code of 1939 (Section 121, Revised Code of 1928, as amended), is amended to read:

27-205. SERVICE OF NOTICE WHERE CONSENT NOT GIVEN. Upon the filing of the petition, the court shall fix a day for the hearing thereof. If the parent, guardian, or next of kin does not consent to the adoption of a child, a copy of the petition and of the order fixing the day of hearing shall be served upon him as a summons in a civil action, if found in the state; if not found within the state, service upon him shall be made by registered mail as provided in civil actions; if his residence is unknown, notice shall be given by publication of the order fixing the date of hearing once a week for three successive weeks in such newspaper in the county as the court may direct, the last publication to be not less than four weeks prior to the time appointed for the hearing. Like notice shall be published when a child has no parent living, and no guardian or next of kin in this state, unless the guardian or next of kin consents to the adoption. The court may order such further notice as it deems proper.

Sec. 2. Article 2, Chapter 27, Arizona Code of 1939 (Chapter 4, Revised Code of 1928), is amended by adding Section 27-205a:

27-205a. INVESTIGATION. Upon the filing of the petition and the fixing of the day of hearing, the court shall direct a probation officer or other officer of the court, or an agent of the state, county, or city board of public welfare, or some other discreet and competent person, to make a careful and thorough investigation of the matter and report his findings to the court. The investigator shall make inquiry, among other things, as to:

1. Why the natural parents, if living, desire to be relieved of the care, support, and guardianship of the child.

2. Whether the natural parents have abandoned the child or are morally unfit to have its custody.

3. Whether the proposed foster parents are financially

able and morally fit to have the care, supervision, and training of the child.

4. Whether the proposed change of name and guardianship is for the best interest of the child.

5. The physical and mental condition of the child. For the purpose of ascertaining the physical and mental condition the investigator may secure the opinion of a reputable physician or competent mental examiner.

Approved: March 18, 1941.

CHAPTER 48

(House Bill No. 117)

AN ACT

RELATING TO JUSTICE COURTS, PROVIDING FOR THE DISPOSITION OF CERTAIN FUNDS IN THE HANDS OF JUSTICES OF THE PEACE, AND DECLARING AN EMERGENCY.

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

Section 1. DISPOSITION OF FUNDS. On or before the first day of April in each year every justice of the peace who has funds in his possession arising from fees or any other source, which have been in the possession of such justice of the peace for more than two years before the first day of April, shall pay said funds to the county treasurer, and shall provide the county treasurer with an itemized list, showing the name of the person depositing said money with said justice of the peace, the date of such deposit, and the amount. The treasurer shall deposit said money in an account to be known as the "suspension account", and at any time within one year from the depositing of said funds the amount owing any person shall be returned and paid to said person upon warrant issued by the board of supervisors. The board of supervisors shall require strict proof that said amount should be repaid to the person claiming same, and the warrant, if issued, shall be paid out of the suspension fund. At the expiration of one year from the deposit of said money with the county treasurer all money remaining in said suspension account for which no claim has been filed shall be deposited in the general fund of the county.

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 18, 1941.

CHAPTER 49

(House Bill No. 141)

AN ACT

PROVIDING FOR COUNTY SUPPORT OF VOLUNTEER FIRE COMPANIES AND AMENDING SECTION 16-2007, ARIZONA CODE OF 1939.

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

Section 1. Sec. 16-2007, Arizona Code of 1939, is amended to read as follows:

16-2007. COUNTY CONTRIBUTION. ESTIMATE OF EXPENSES AND TAX LEVY. The board of supervisors may ascertain the value of all vehicles registered between January 1 and July 1 of each year from within the boundaries of the territory described in the order of the board authorizing the organization of a volunteer fire company, and on or before July 10 of each year may pay into the volunteer fire company fund of such territory an amount equal to one and two-tenths percent of such value. Not more than ten (10) 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 may 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, less the amount derived from the county as hereinabove provided.

The board shall approve the estimate or modify the same, and shall levy a tax, not to exceed twelve (12) 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.

Sec. 2. REPEAL. All laws or parts of laws and all acts and parts of acts in conflict or inconsistent with this act are hereby repealed.

Approved: March 18, 1941.

CHAPTER 50

(Senate Bill No. 209)

AN ACT

RELATING TO FOOD ORDER STAMPS AND COTTON ORDER STAMPS, DEFINING THEM, PROHIBITING THE UNLAWFUL RECEIPT OR TRANSFER THEREOF; AND DECLARING AN EMERGENCY.

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

Section 1. Food Order Stamps are those stamps issued by the United States Department of Agriculture for food and surplus food.

Sec. 2. Cotton Order Stamps are those stamps issued by the United States Department of Agriculture for cotton and surplus cotton.

Sec. 3. It shall be unlawful for any person to buy, receive sell, give away, dispose of, exchange or barter food order stamps or cotton order stamps for less than the face value thereof at any time subsequent to their issuance by the United States Department of Agriculture or its duly authorized agents.

Sec. 4. Any person violating the provisions of this Act is guilty of a misdemeanor.

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 19, 1941.

CHAPTER 51

(Senate Bill No. 154)

AN ACT

RELATING TO THE PAYMENT OF PREMIUMS ON OFFICIAL BONDS AND AMENDING SECTION 12-307, ARIZONA CODE OF 1939 (CHAPTER 35, SESSION LAWS OF 1922).

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

Section 1. Section 12-307, Arizona Code of 1939, (section 69, Revised Code of 1928; chapter 35, Session Laws of 1922) is amended to read:

12-307. PREMIUM ON BONDS PUBLIC CHARGE. Whenever a public officer or his deputy or assistant gives bond for the performance of the duties of his office, and the surety of such bond is a corporation, the premium for the writing of such bond shall be a public charge of such officer and shall be paid by the state or county, as the case may be, out of the general fund.

Approved: March 19, 1941.

CHAPTER 52

(House Bill No. 44)

AN ACT

FOR THE RELIEF OF FAYETTE FENTRESS, AND DECLARING AN EMERGENCY.

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

Section 1. APPROPRIATION. The sum of two thousand five hundred dollars is appropriated out of funds of the state highway department, for the relief of Fayette

Fentress, a minor, to be paid to the legal guardian of the person and estate of Fayette Fentress, provided that payment for attorney's fees out of the amount appropriated herein, shall not exceed ten per cent.

Sec. 2. BASIS OF CLAIM. Payment of the sum appropriated shall be in full satisfaction of the claim of Fayette Fentress, a minor, against the state for injuries sustained by her as the result of being struck by a highway patrol car belonging to and operated by the Arizona highway patrol at Phoenix, on July 25, 1937, which claim is evidenced by a judgment of the superior court in and for the county of Maricopa, docket February 5, 1938, wherein judgment for the sum of seven thousand dollars and costs was awarded to Fayette Fentress, a minor, and against W. J. Mitchell and Lavon Mitchell, his wife.

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 19, 1941.

CHAPTER 53

(House Bill No. 47)

AN ACT

FOR THE RELIEF OF WALTER A. ORR, AS EXECUTOR OF THE ESTATE OF OLLIE LEWIS ORR, DECEASED, AND DECLARING AN EMERGENCY.

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

Section 1. APPROPRIATION. The sum of five hundred dollars is appropriated, out of funds of the state highway department, for the relief of Walter A. Orr, as executor of the estate of Ollie Lewis Orr, deceased, provided, that payment for attorney's fees out of the amount appropriated herein, shall not exceed ten per cent.

Sec. 2. BASIS OF CLAIM. Payment of the sum appropriated shall be in full satisfaction of the claim of Walter A. Orr, as executor of the estate of Ollie Lewis Orr, deceased, against the state for damages sustained by

the estate in the death of Ollie Lewis Orr, as the result of being struck by a highway patrol car belonging to and operated by the Arizona highway patrol, at Phoenix, on July 25, 1937, which claim is evidenced by a judgment of the superior court in and for the county of Maricopa, docketed February 5, 1938, wherein judgment for the sum of one thousand five hundred dollars and costs was awarded to Walter A. Orr, executor of the estate of Ollie Lewis Orr, deceased, and against W. J. Mitchell and Lavon Mitchell, his wife.

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 19, 1941.

CHAPTER 54

(House Bill No. 77)

AN ACT

RELATING TO ACTIONS TO QUIET TITLE; AMENDING ARTICLE 14, CHAPTER 27, ARIZONA CODE OF 1939, BY ADDING SECTION 27-1404.

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

Section 1. Article 14, chapter 27, Arizona Code of 1939, (Article 8, chapter 93, Revised Code of 1928), is amended by adding section 27-1404.

27-1404. JURISDICTION OF COURT TO ENTER DECREE. In any action which may be brought to quiet title to real property, if the complaint shall set forth that any person or the State of Arizona has or claims an interest in or lien upon the real property, and that said interest or lien or the remedy for the enforcement thereof is barred by limitation, or that the plaintiff would have a defense by reason of limitation to any action to enforce said interest or lien against said real property, the court shall hear evidence thereon and if it shall be proven that said interest or lien or the remedy for the enforcement thereof is barred by limitation, or that the plaintiff would have a defense by reason of limitation to any action to enforce said interest or lien against said real property,

then the court shall have jurisdiction to enter a decree and the plaintiff shall be entitled to have a decree of the court barring and forever estopping the assertion of said interest or lien in or to or upon said real property adverse to the plaintiff.

Approved: March 19, 1941.

CHAPTER 55

(House Bill No. 78)

AN ACT

MAKING A DEFICIENCY APPROPRIATION FOR THE PAYMENT OF TEACHERS' RETIREMENT PENSIONS, AND DECLARING AN EMERGENCY.

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

Section 1. APPROPRIATION. The sum of twelve thousand forty-one dollars and sixty-nine cents is appropriated, from the state school fund, to the state board of education.

Sec. 2. PURPOSE. Two thousand one hundred seventy-two dollars and thirty-seven cents of the sum appropriated shall be used for the payment of back pensions owing to retired teachers for the twenty-eighth fiscal year. Nine thousand eight hundred sixty-nine dollars and thirty-two cents shall be used for the payment of pensions to retired teachers during the twenty-ninth fiscal year, for which insufficient moneys are available.

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 19, 1941.

CHAPTER 56

(House Bill No. 85)

AN ACT

FOR THE RELIEF OF KORRICKS' DRY GOODS CO.

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

Section 1. APPROPRIATION. The sum of one hundred thirty-three dollars and twenty-eight cents is appropriated, out of the general fund of the state, for the relief of Korricks' Dry Goods Co., a corporation.

Sec. 2. BASIS OF CLAIM. Payment of the sum appropriated shall be in full satisfaction of the claim of Korricks' Dry Goods Co., a corporation, for linoleum furnished on June 2, 1939, for Room 108 Capitol Building.

Approved: March 19, 1941.

CHAPTER 57

(House Bill No. 194)

AN ACT

RELATING TO CHILD WELFARE, AND PROVIDING FOR THE LICENSING AND REGULATION OF CHILD WELFARE AGENCIES AND FOR THE PLACEMENT OF CHILDREN.

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

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

"child welfare agency" or "agency" means any agency or institution maintained by a municipality, county, person, firm, corporation, association, or organization to receive dependent, neglected, delinquent, or mentally or physically handicapped children for care and maintenance or for placement in a family home, or any institution that provides care for unmarried mothers and their children;

"department" means state department of social security and welfare.

Sec. 2. AUTHORITY. The state department of social security and welfare shall: 1. exercise supervision over all child welfare agencies; 2. advise and cooperate with the governing boards thereof; 3. assist the staffs of such agencies by means of advice on progressive methods and procedures of child care and improvement of services;

and, 4. assist in the development of community plans for child care.

Sec. 3. STANDARD OF CHILD CARE. The department, in cooperation with the state board of health and with the child welfare agencies under its supervision, shall formulate standards of child care and services for children, including care in foster homes, to which all child welfare agencies shall conform.

Sec. 4. HEALTH ADVICE AND SANITATION INSPECTION. The state board of health or its authorized representative shall have power to visit any child welfare agency and advise it on matters affecting the health of children, and to inspect the sanitation of premises used for their care.

Sec. 5. LICENSE FOR CHILD WELFARE AGENCY. (a) A child welfare agency shall not receive any child for care or maintenance or for placement in a family home unless licensed therefor by the department. Application for a license shall be made on a form prescribed by the department.

(b) Before issuing a license the department shall investigate the activities and standards of care of the agency, and if satisfied as to the need for the agency, its financial stability, its conformity with the standards of care prescribed by the department, the good character of the applicant, and that the equipment of the agency and its services are conducive to the welfare of children, a license shall be issued. A provisional license may be issued to any agency whose services are needed but which is temporarily unable to conform to the established standards of care.

(c) Each license shall specify in general terms the kind of child welfare work the licensee is authorized to undertake, the number of children that can be received, their ages and sex, and, if authorized to place and supervise children in family homes, the area that the agency is equipped to serve.

(d) Every license shall expire June 30 of each year, and may be renewed annually on application by the agency, except that provisional licenses may be issued for not more than three years.

Sec. 6. REVOCATION. The department shall have power to revoke the license of any child welfare agency

or the certificate of any unsupervised foster home for willful violation of any provision of this act or failure to maintain the standards of care prescribed by the department. Notice in writing of the grounds of the proposed revocation shall be given the holder of the license or certificate. Upon request of the holder, a public hearing shall be held before the state board of social security and welfare, after not less than thirty days' written notice, at which the holder shall have the right to present testimony and confront witnesses.

Sec. 7. OPERATION WITHOUT LICENSE. Whenever the department has reason to believe that any person is conducting or maintaining a child welfare agency without a license, it shall cause an investigation to be made, and if the person is so conducting a child welfare agency the department shall either issue a license or take action to prevent continued operation of the agency. The superior court shall have jurisdiction to issue an injunction restraining the operation of a child welfare agency without a license.

Sec. 8. APPROVAL OF INCORPORATION. Before issuing a charter for the incorporation of any organization for the purpose of receiving children for care or for placement in family homes, the corporation commission shall transmit a copy of the petition for incorporation, together with all information in its possession pertaining to the proposed corporation, to the state department of social security and welfare. The charter shall not be issued until the department certifies to the corporation commission that it has investigated the need for the services proposed and the merits of the proposed corporation and recommends the issuance of the charter. Application for the amendment of the existing charter of any such corporation shall be similarly referred and shall be granted only upon the approval of the department.

Sec. 9. RECORDS AND REPORTS. Each child welfare agency shall keep such records regarding the children in its care as the department may prescribe, and shall report to the department, upon request, such facts as it may require. All records and information in the possession of the department or any child welfare agency regarding children and their parents or relatives shall be deemed confidential, and shall be disclosed only pursuant to rules prescribed by the department.

Sec. 10. ACCEPTANCE OF CHILDREN BY AGENCY.

A licensed child welfare agency may accept any child, of a class, age, and sex specified in its license, from the child's parent, guardian, or relative, or a child which is lawfully committed thereto, and shall care for and control the child until discharged to its parent, relative, or guardian, transferred to another child welfare agency, or otherwise lawfully committed to another. A licensed child welfare agency may assume the care, custody, and guardianship of the person or estate of a child, or both, during its minority, upon the order of a court having jurisdiction.

Sec. 11. PLACEMENT IN FAMILY HOME. (a) A licensed child welfare agency, if so authorized in its license, shall have power to place a child in a family home for care or for adoption. The agency shall maintain careful supervision of all children placed by it in family homes, and its representatives shall visit the homes as often as may be necessary to promote the welfare of the children. The responsibility of the agency for a child placed in a family home shall be defined in writing and accepted by the person receiving the child. Any child so placed may be taken from the family home whenever the responsible child welfare agency is satisfied that the child's welfare requires it. A child welfare agency shall not receive from any person legally adopting a child any compensation therefor; and a person receiving a child from a child welfare agency for the purpose of adoption shall not receive any compensation for the care, clothing, or medical attendance of the child.

(b) Except as otherwise provided in this section or by law, no person other than its parent, guardian, or relative within the second degree of consanguinity or affinity shall place any child under the care and control of any other person.

Sec. 12. CONSENT TO ADOPTION. Whenever a child welfare agency licensed to place children for adoption has the permanent care, custody, and guardinanship of a child, and the rights of the parents of the child have been terminated by order of a court or by a legally executed relinquishment of parental rights, the child welfare agency may give legal consent to the adoption of the child. The parents or the surviving parent of a child, or the mother of a child born out of wedlock, may relinquish the child to a child welfare agency licensed to place children for adoption by a written statement signed before two witnesses and acknowledged before a representative of the child welfare agency. No such relinquishment shall be valid unless a copy be approved by and filed with the

state department of social security and welfare. Except in proceedings for adoption, or except as provided in this section, a parent shall not voluntarily assign nor otherwise transfer to another his rights and duties with respect to the permanent care, custody, and control of his child under sixteen years of age.

Sec. 13. UNSUPERVISED FOSTER HOME. Any family home not under the supervision of a child welfare agency in which one or more children under sixteen years of age, separated from parent or guardian and not related by consanguinity or affinity to the person maintaining the home, are received, cared for, or maintained, for compensation or otherwise, shall be deemed to be an unsupervised foster home. A person shall not conduct an unsupervised foster home without being certified therefor by the department.

Sec. 14. CERTIFICATE FOR UNSUPERVISED FOSTER HOME. An unsupervised foster home shall not be certified until an investigation of the home and its standards of care has been made by the department or by a licensed child welfare agency serving as its representative. Any home that conforms to the established standards of care prescribed by the department shall receive a certificate, which shall be in force until revoked by the department as provided in section 6. The certificates shall show the name of the persons certified to conduct the home, its location, and the number of children that may be received and cared for at one time.

Sec. 15. SUPERVISION OF FOSTER HOME. The department or its authorized representative shall visit every certified foster home as often as may be necessary to assure that proper care is given to the children therein. Every certified foster home shall maintain a record of the children received, which record shall include such facts in regard to the children and their care, in such form and manner, as may be prescribed by the department.

Sec. 16. REMOVAL FROM FOSTER HOME. Whenever the department determines that a child in a certified foster home or an unsupervised foster home, or in any foster home under the supervision of a child welfare agency, is subject to undesirable influences or lacks proper care and management, it shall notify the county board of social security and public welfare of the county in which the home is located, or the child welfare agency, as the case may be, to take the necessary action to remove the child and arrange for its care.

Sec. 17. VIOLATIONS; PENALTIES. Any agency, society, association, institution or person whether incorporated or unincorporated and the individual or individuals acting for or in its name who shall hereafter carry on the work of caring for children or children and adults or of placing children for care without having first procured a license as a child welfare agency as provided for in this act, or shall wilfully fail or refuse to report as required by the foregoing provision of this act, or who shall wilfully obstruct or hinder the child welfare division of the state department or its agents in inspection or investigation of the agency societies, associations, institutions or persons under its control or charge, or any person knowingly or wilfully violating any of the other provisions of this act shall be guilty of a misdemeanor.

Approved: March 19, 1941.

CHAPTER 58

(House Bill No. 196)

AN ACT

FOR THE RELIEF OF THE MARICOPA COUNTY FARM BUREAU.

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

Section 1. APPROPRIATION. The sum of two hundred and fifty dollars is appropriated for the relief of the Maricopa County farm bureau.

Sec. 2. BASIS OF CLAIM. Payment of the sum appropriated shall be in full satisfaction of the claim of the Maricopa County farm bureau for expenses incurred, through the Kyrene farm bureau, a subsidiary, and G. R. Finch, a member of the tax committee of the Kyrene farm bureau, at the instance of the Maricopa County farm bureau, in defending the interests of the state in litigation relating to certain school land.

Approved: March 19, 1941.

CHAPTER 59

(Senate Bill No. 158)

AN ACT

FOR THE RELIEF OF R. S. BLACK

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

Section 1. APPROPRIATION. The sum of seven hundred seventy-three dollars and thirty-six cents is appropriated out of the state highway fund, for the relief of R. S. Black.

Sec. 2. BASIS OF CLAIM. Payment of the sum appropriated shall be in full satisfaction of the claim of R. S. Black for steel purchased and labor performed in connection with a subcontract for the construction of bridges on the Rice-Springerville highway, during the period from October, 1929, to April, 1930, which steel was taken and used by the state highway department.

Approved: March 19, 1941.

CHAPTER 60

(Senate Bill No. 197)

AN ACT

RELATING TO THE ARIZONA STATE FAIR: PROVIDING FOR THE ADMINISTRATION BY THE ARIZONA STATE FAIR COMMISSION OF THE STATE FAIR AND FAIR GROUNDS: AMENDING SECTIONS 8-701 AND 8-703, ARIZONA CODE OF 1939 AND AMENDING ARTICLE 7, CHAPTER 8, ARIZONA CODE OF 1939, BY ADDING SECTIONS 8-704 AND 8-705.

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

Section 1. Sec. 8-701, Arizona Code of 1939 (section 2943, Revised Code of 1928, as amended), is amended to read:

8-701. STATE FAIR COMMISSION. (a) The Arizona state fair commission shall consist of seven members appointed by the governor. Three members shall be appointed for terms ending the first Monday in January, 1942, and two each for terms ending one and two years thereafter. Upon the expiration of any term a successor shall be appointed for a full term of three years. Appointment to fill a vacancy resulting otherwise than from expiration of term shall be for the unexpired portion of the term. A commissioner may be removed by the governor for malfeasance or misfeasance in office.

(b) Each member of the commission shall take the the oath of office, and shall give a surety company bond to the state, to be approved by the governor and filed with the secretary of state, in the sum of two thousand five hundred dollars.

(c) The commission shall hold an annual meeting on the second Tuesday in February, at which it shall elect a chairman, and shall hold such other meetings as may be necessary.

(d) Not later than September 1 of each year, the commission shall make a report to the governor, under oath of the chairman and one member, covering the preceding fiscal year, showing all funds received and disbursed and assets and liabilities, and containing statistics and information which may be of value to the industries of the state.

Sec. 2. Sec. 8-703, Arizona Code of 1939 (section 2945, Revised Code of 1928, as amended), is amended to read:

8-703. POWERS AND DUTIES. The Arizona state fair commission shall:

1. Have exclusive custody and direction of all state fair property, construct and maintain necessary improvements in connection therewith, and assist in raising funds therefor.

2. Direct and conduct state fairs, exhibits, contests, and entertainments for the purposes of promoting and advancing the pursuits and interests of the several counties and of the state, and of producing revenue.

3. When deemed advisable, charge entrance fees and gate money, temporarily lease stalls, stands, booths, and sites, and give prizes or premiums for exhibits and contests.

4. Employ a secretary, who shall not be a member of the commission, and such other employees, and make such other expenditures, as may be proper in carrying out the provisions of this article. The secretary shall give a surety company bond to the state, to be approved by the governor and filed with the secretary of state, in the sum of twenty-five thousand dollars. He shall handle the financial transactions of the commission, and perform such other duties as it may require.

5. When necessary in connection with business of the commission, appoint fair or ground marshals with the authority of peace officers.

6. Have power to lease the state fair grounds for rodeos, civic exhibitions, fireworks displays, and such other purposes as it may deem proper.

7. Have power to accept donations of money or other property from any source, and expend the same in accordance with the directions of the donor. Moneys received pursuant to this paragraph shall not be placed in the general fund.

Sec. 3. Article 7, chapter 8, Arizona Code of 1939 (article 5, chapter 70, Revised Code of 1928, as amended), is amended by adding section 8-704:

8-704. CONTRACTS WITH FEDERAL AGENCIES. The Arizona state fair commission shall have power to apply to and contract with the government of the United States or any department or agency thereof to obtain moneys appropriated by the United States for public works. No such contract shall obligate the state to advance any moneys other than from the state fair fund, and moneys so obtained shall be expended only for improvement of the state fair grounds.

Sec. 4. Article 7, chapter 8, Arizona Code of 1939 (article 5, chapter 70, Revised Code of 1928, as amended), is amended by adding section 8-705:

8-705. STATE FAIR FUND. All moneys coming into the hands of the commission shall be deposited promptly with the state treasurer, who shall credit such deposits to the state fair fund, which fund is created hereby and shall be under the full control and jurisdiction of the commission. Vouchers for authorized expenditures shall be signed by the chairman of the commission and attested by the secretary of the fair commission. All expenditures shall be made upon claims approved by the commission and presented to the state auditor, who thereupon shall draw his warrant against the state treasurer to be by him paid out of the said state fair fund. Balances remaining in the state fair fund at the end of a fiscal year shall not revert to the general fund.

Approved: March 19, 1941.

CHAPTER 61

(Senate Bill No. 202)

AN ACT

RELATING TO JUVENILES; PROVIDING FOR THE

DETENTION, EDUCATION, CARE, TREATMENT AND DISCHARGE OF MENTALLY DEFICIENT CHILDREN; AMENDING SECTIONS 54-1401, 54-1404, 54-1407, 54-1409, AND REPEALING SECTIONS 54-1408 AND 54-1411, ARIZONA CODE OF 1939, AND MAKING AN APPROPRIATION THEREFOR.

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

Section 1. Sec. 54-1401, Arizona Code of 1939 (section 1117, Revised Code of 1928, as amended), is amended to read:

54-1401. CARE OF MENTALLY DEFICIENT CHILDREN. There shall be maintained an institution for the care and education of mentally defective children in the state, to be known as Arizona Children's Colony. The board of directors of state institutions for juveniles is hereby charged with the care and training of mentally deficient children who are susceptible of mental improvement, education and vocational adaptability.

Sec. 2. Sec. 54-1404, Arizona Code of 1939 (section 1120, Revised Code of 1928, as amended), is amended to read:

54-1404. ELIGIBILITY FOR ADMISSION. (a) A minor child may be deemed eligible for admission to the Arizona Children's Colony if:

1. His parent or guardian has resided in the state not less than three years prior to the date of petition for admission, or the child is dependent and a public charge or ward of the state or a political subdivision thereof.

2. He is so mentally deficient that he is incapable of managing himself or his affairs, and his welfare requires the special care, training, and education provided at the colony.

3. His intelligence or ability to manage himself and his affairs, in the judgment of the board of examiners, will develop with proper care, training, and education.

4. His estate or his parent, relatives, or guardian are able to pay quarterly, in advance, a sum sufficient to maintain, train, and educate the child; or, if an indigent, the county in which the child resides pays quarterly, in advance, a sum sufficient to maintain the child.

(b) The board of examiners shall use standard mental

and psychological tests and physical examinations to determine the child's ability to profit by proper care, training, and education. The board shall not admit any child to the colony whose examination indicates inability to profit by care, training, and education, nor any child who is insane or requires hospitalization.

Sec. 3. Sec. 54-1407, Arizona Code of 1939 (section 1123, Revised Code of 1928, as amended), is amended to read:

54-1407. EXAMINATION AND ADMISSION. Upon the filing of a petition for admission, the board of directors of state institutions for juveniles shall set a date for examination of the child by the board of examiners, to determine whether or not the child is admissible to the Arizona Children's Colony. All examinations shall be held at the colony. The board shall have power to admit to the colony any child if deemed eligible.

Sec. 4. Sec. 54-1409, Arizona Code of 1939 (section 1125, Revised Code of 1928, as amended), is amended to read:

54-1409. PAY FOR CARE. In the event it appears to the board, upon investigation of the petition for admission, that a child or its parents or guardian can pay for its maintenance, training, and education in the Arizona Children's Colony, the board shall require payment quarterly, in advance, of a sum sufficient to maintain, train, and educate the child. The cost of maintenance of a dependent or indigent child shall be paid by the county in which the child resides at the time of admission.

Sec. 5. APPROPRIATION. To carry out the purposes of this act there is hereby appropriated out of the general fund of the state to the board of directors of state institutions for juveniles the sum of ten thousand dollars for the construction of a girls' cottage and classroom, five thousand eight hundred eighty-five dollars for a boys' cottage, two thousand one hundred fifteen dollars for a water system and cesspool and two thousand dollars for furniture and equipment. All of the above construction shall be made on the Arizona Children's Colony land near Mesa.

Sec. 6. REPEAL. Sections 54-1408 and 54-1411, Arizona Code of 1939 (sections 1124 and 1127, Revised Code of 1928, as amended), are repealed. This section does not negative an implied repeal of any statute which conflicts with this act.

Approved: March 19, 1941.

CHAPTER 62

(Senate Bill No. 204)

AN ACT

MAKING AN APPROPRIATION FOR 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 twenty-seven thousand fifty dollars and fifty cents is appropriated 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 shall be used for the following purposes: 1. purchase and installation of vacuum pump for heating, one thousand five hundred dollars; 2. insulation of steam pipes and return pipes, five hundred dollars; 3. repair and installation of steam traps, one hundred ninety-three dollars and fifty cents; 4. improvements to water heating system, including coils and steam connections, three hundred fifty-seven dollars; 5. repair and replacement of plumbing, twelve thousand dollars; 6. drilling a well and deepening present wells, and purchase and installation of chlorination plant and pump, eight thousand dollars; and 7. purchase and installation of compressor, with thirty horsepower motor, complete, four thousand five hundred dollars.

Sec. 3. REAPPROPRIATION. The sum of four thousand sixty-eight dollars and fifty-six cents, being the unexpended balance of the sum appropriated by chapter 75, Session Laws of 1939, regular session, is reappropriated to the board of directors of state institutions, for the use of the state hospital for the insane, to be placed in the operation account thereof.

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 19, 1941.

CHAPTER 63

(Senate Bill No. 217)

AN ACT

MAKING AN APPROPRIATION FOR REPLACING THE ROOF OF THE GYMNASIUM AT THE ARIZONA STATE TEACHERS' COLLEGE AT FLAGSTAFF, AND DECLARING AN EMERGENCY.

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

Section 1. APPROPRIATION. The sum of three thousand dollars is appropriated to the Arizona state teachers' college at Flagstaff.

Sec. 2. PURPOSE. The purpose of the appropriation is to enable the Arizona state teachers' college at Flagstaff to replace the roof of the gymnasium.

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 19, 1941.

CHAPTER 64

(Senate Bill No. 219)

AN ACT

MAKING AN APPROPRIATION TO THE STATE TEACHERS' COLLEGE AT TEMPE, FOR THE CONSTRUCTION OF A CEILING OVER THE QUARTERS OCCUPIED BY THE INDUSTRIAL ARTS DEPARTMENT, AND DECLARING AN EMERGENCY.

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

Section 1. APPROPRIATION. The sum of three thousand dollars is appropriated to the Arizona state teachers' college at Tempe.

Sec. 2. PURPOSE. The purpose of this appropriation

is to enable the state teachers' college at Tempe to purchase material for and cause to be constructed a permanent ceiling, or roof over the quarters, in Goodwin stadium, housing the industrial arts department of the college.

Sec. 3. EXEMPTION. This Act shall not be subject to the provisions of section 10-203, Arizona Code of 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: March 19, 1941.

CHAPTER 65

(Senate Bill No. 33)

AN ACT

RELATING TO STATE INSTITUTIONS; ABOLISHING THE BOARD OF DIRECTORS OF STATE INSTITUTIONS AND TRANSFERRING ITS POWERS AND DUTIES TO THE GOVERNOR; PROVIDING FOR A PURCHASING AGENT; AMENDING SECTION 8-103, ARIZONA CODE OF 1939, AND REPEALING SECTIONS 8-101, 8-102, ARIZONA CODE OF 1939, AND CHAPTER 8, FOURTH SPECIAL SESSION, LAWS 1938, AND DECLARING AN EMERGENCY.

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

Section 1. TRANSFER OF POWERS AND DUTIES. The jurisdiction, authority, and duties heretofore by law vested in and imposed upon the board of directors of state institutions and its secretary are transferred to, vested in, and imposed upon the governor. The governor shall have charge and control of the home for aged and infirm Arizona pioneers, the state prison and prison farm, the state hospital for disabled miners, the capitol buildings and grounds, and of all other state institutions for which no management is otherwise provided by law.

Sec. 2. Sec. 8-103, Arizona Code of 1939 (section 2920, Revised Code of 1928), is amended to read:

8-103. PURCHASING AGENT. (a) The purchasing agent shall be appointed by the governor and shall serve at the pleasure of the governor.

(b) The purchasing agent shall receive a salary of three thousand dollars per annum. He shall furnish a surety company bond in an amount fixed by the governor.

(c) The purchasing agent, under rules and regulations prescribed by the governor, shall purchase all supplies for the state fair, the hospital for the insane, the industrial school and school for girl offenders, the home for aged and infirm Arizona pioneers, the state prison farm and prison, the capitol building and grounds, all charitable reformatory or penal institutions established and maintained by the state and of such other state institutions for which no management is otherwise provided by law. Any purchase exceeding five hundred dollars in amount shall be made only after the advertisement in accordance with the rules and regulations, from the lowest responsible bidder. An emergency purchase not exceeding five hundred dollars may be made without advertising. Under the direction of the governor the purchasing agent shall coordinate the purchasing of supplies for the institutions, and estimates of needed supplies shall be furnished to the purchasing agent by the chief executive officer of each institution at such times as the governor may require. The purchasing agent shall perform such other duties as the governor may prescribe.

(d) The governor shall appoint such clerical assistants to the purchasing agent as may be necessary, and shall fix their compensation, within the limits of available appropriations.

Sec. 3. TRANSFER OF EFFECTS. Upon the taking effect of this act, the board of directors of state institutions shall turn over to the governor all records, reports, property, and effects in its possession or under its control.

Sec. 4. APPROPRIATION. All unexpended and unencumbered balances of sums heretofore and which hereafter may be appropriated to the board of directors of state institutions are reappropriated to the governor, and shall be expended solely for the specific purposes for which originally appropriated.

Sec. 5. REPEAL. Sections 8-101, 8-102, Arizona Code of 1939 (sections 2918 and 2919, Revised Code of 1928),

and Chapter 8, fourth special session, Laws 1938, are repealed. This section does not negative an implied repeal of any statute which conflicts with this act.

Sec. 6. 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, 1941.

CHAPTER 66

(House Bill No. 49)

AN ACT

RELATING TO ASSISTANCE TO THE NEEDY BLIND, AND AMENDING SECTIONS 70-302 AND 70-303, ARIZONA CODE OF 1939.

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

Section 1. Sec. 70-302, Arizona Code of 1939 (section 2, chapter 71, Session Laws of 1937, regular session), is amended to read:

70-302. ELIGIBILITY FOR ASSISTANCE. Assistance shall be granted under this article to any person who meets the following requirements:

1. Has no vision, or whose vision, with correcting glasses, is so defective as to prevent the performance of ordinary activities for which his eyesight is essential.

2. Is sixteen years of age, or older.

3. Lost his eyesight while a resident of the state or shall have 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 resources 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. An inmate of an institution may make application for assistance, but the assistance, if granted, shall not begin until after he ceases to be an inmate.

6. Has not, within the five years prior to the filing of his application, made an assignment or transfer of property with the intent of rendering himself eligible for assistance under the provisions of this article.

7. Is not because of physical or mental condition in need of continuing institutional care.

8. Does not, during the period of receiving assistance, solicit alms.

9. Is not receiving old age assistance.

Sec. 2. Sec. 70-303, Arizona Code of 1939 (section 3, chapter 71, Session Laws of 1937, regular session), is amended to read:

70-303. AMOUNT OF ASSISTANCE. The amount of assistance to any recipient shall be determined with due regard to the resources and necessary expenditures of the individual and the conditions existing in each case, and shall be sufficient, when added to all other income and support of the recipient, to provide him with a reasonable subsistence compatible with decency and health. In no event shall the amount of assistance paid under this article to any recipient exceed the sum of forty dollars for any calendar month.

Approved: March 22, 1941.

CHAPTER 67

(House Bill No. 59)

AN ACT

RELATING TO LIENS, AND PROVIDING FOR LIENS OF PERSONS PERFORMING SERVICES FOR FARMERS.

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

Section 1. RIGHT OF LIEN. Any person who may labor or furnish labor, or the use of machinery and equipment in improving and preparing agricultural lands for the planting of crops, and to whom wages or money is due and owing therefor, shall have a lien upon such crops produced on such lands for all such sums as are unpaid.

Sec. 2. CLAIM OF LIEN. Any person claiming a lien under this Act shall, within ten days after the close of the labor or the furnishing of the use of machinery and equipment, file for record with the county recorder of the county in which the agricultural land is located a claim substantially in the form and containing the information prescribed in section 62-202, Arizona Code of 1939 (section 2021, Revised Code of 1928), in so far as applicable, which claim shall be verified as provided therein. The lien may be enforced in civil action.

Sec. 3. PROTECTION OF VENDEE. In the event farm products are removed from the premises upon which grown and sold to a shipper, wholesale dealer, or manufacturer upon the open market in the ordinary course of trade before the filing of any lien provided for in this Act, the shipper, wholesale dealer, or manufacturer shall not be liable for any such lien unless notice has been given him of persons claiming the same. The shipper, wholesale dealer, or manufacturer shall demand a written statement, under oath, from the vendor, giving the names of and the amounts due to persons entitled to liens under this Act. Any vendor who fails to make the statement when demanded, or who makes any false or misleading statement therein, is guilty of a misdemeanor, and, in addition to the penalty prescribed in section 9, shall be liable to any person thus deprived of his lien for double the full value thereof, and for reasonable attorney's fees in the event an action is instituted to recover the amount due.

Sec. 4. DURATION OF LIEN. A lien provided for in this Act does not bind any crop for a longer period than six calendar months after the claim has been filed, unless a civil action be commenced within that time to enforce the lien.

Sec. 5. ENFORCEMENT AGAINST WHOLE OR PART OF PROPERTY. Any person who brings a civil action to enforce a lien provided for in this Act, or any person having a lien who is made a party to any such civil ac-

tion, may demand that his lien be enforced against the whole or any part of the crop.

Sec. 6. JOINDER OF ACTIONS AND COSTS. Any number of persons claiming liens against the same property under this Act may join in the same action, and when separate actions are commenced, the court may consolidate them. The court shall, as part of the costs, allow the moneys paid for filing and recording the claim and a reasonable attorney's fee for each claimant party to the action.

Sec. 7. ENFORCEMENT OF JUDGMENT. In a civil action pursuant to this Act the judgment shall be rendered in favor of each person having a lien for the amount due him. The court or judge thereof shall order any property subject to the lien to be sold by the sheriff as personal property is sold on execution, either before or at the time judgment is rendered, and shall apportion the proceeds of the sale for the payment of the pro rata share of each judgment.

Sec. 8. ACTION FOR DEBT. This Act shall not be construed to impair nor affect the right of any person to whom any debt may be due for work done or material furnished to maintain a personal action to recover the debt against the person liable therefor.

Approved: March 22, 1941.

CHAPTER 68

(House Bill No. 104)

AN ACT

RELATING TO BUILDING AND LOAN ASSOCIATIONS; PROVIDING FOR THEIR INCORPORATION AND ARTICLES OF INCORPORATION, AND AMENDING SECTION 51-602, ARIZONA CODE OF 1939.

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

Section 1. Sec. 51-602, Arizona Code of 1939, (Section 613, Revised Code of 1928), is hereby amended to read:

51-602. INCORPORATION AND ARTICLES. Any number of persons, not less than five, a majority of whom shall be citizens of this state, may incorporate a building and loan association. They shall make and file articles of incorporation as provided for the organization of private corporations, which shall include:

1. The name of the association, which shall not too closely resemble that in use by any existing corporation of this state. The words "building and loan association" or "savings and loan association" shall form a part of the name, and no person, not organized hereunder, shall use a name embodying either of the above combinations of words, except associations now existing.

2. The principal office or place of business of the association, which shall be within this state.

3. The amount of the par value and the kinds of stock that the association will issue.

4. The time of its duration.

5. A statement that the association is organized under this article for the purposes herein expressed.

6. The names and residences of the incorporators.

Approved: March 22, 1941.

CHAPTER 69

(House Bill No. 105)

AN ACT

RELATING TO THE REGISTRATION OF NAMES, MARKS OR DEVICES ON LINEN SUPPLIES USED IN RENTAL SERVICE.

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

Section 1. INDICIA OF OWNERSHIP. Any person, firm, corporation, or association engaged in the business of supplying clean laundered garments, towels, table linen or other articles, the property of the supplier, in a regular service, exchanging periodically clean articles for soiled for a fixed compensation, may adopt and use a name

or other mark or device woven, impressed or produced thereon, as indicia of ownership, and may file in the office of the secretary of state and also in the office of the county recorder of the county in which the principal place of business of the supplier is located, or if such place of business is located outside of the state, then in the office of the county recorder of any county of the state, a description of the names, marks or devices so used, as a mark or brand, and also cause such description to be printed once a week for three successive weeks in a newspaper published in the county in which said description may have been filed. The registrant shall pay to the secretary of state a filing fee of three dollars for each such registration and to the county recorder a filing fee of one dollar for each such registration.

Sec. 2. UNLAWFUL USE OF REGISTERED MARK. It is unlawful for any person, firm, corporation or association except the owner or registrant of a brand registered as provided in this act, to sell, buy, rent, launder or clean, give, take or otherwise traffic in any supplies so marked with or by any name, mark or device a description of which shall have been filed and published as provided in Section 1, or to erase, obliterate or otherwise cover up, conceal or remove such name, mark or device thereon, without the written consent of the registrant of such brand, unless the same shall have been purchased from the person, firm, corporation or association whose mark shall be or shall have been thereon.

Sec. 3. PURCHASE OF MARKED ARTICLES. Any person, firm, corporation or association, or any member of any firm, corporation or association acquiring supplies so marked by purchase or other lawful means and having the written consent provided for in Section 2 of this act, shall not be required again to file and publish said description but shall, as to the supplies described in said written consent, acquire as a part of said purchase all such rights and benefits as the vendor has under this act.

Sec. 4. RESTORATION TO OWNER. It shall be the duty of any person, firm, corporation or association who finds or receives in the regular course of business or in any other manner, any supplies marked with a brand registered under the provisions of this act, to make diligent effort to find the owner thereof and restore or return said property.

Sec. 5. ACCEPTANCE OF DEPOSIT NOT TO CONSTITUTE SALE. The acceptance by the supplier of any

sum of money as a deposit to secure the safekeeping and return of such articles or supplies, shall not constitute a sale of such property either optional or otherwise, in any proceeding under this act.

Sec. 6. POSSESSION PRIMA FACIE EVIDENCE OF UNLAWFUL USE. The use of any of the supplies defined in Section 1, by any person other than the person, firm, corporation or association whose name, mark or device shall be upon such supplies, without the written consent of the registrant of such name, mark or device; or the possession of such supplies so marked by any junk dealer or dealer of second-hand articles shall be prima facie evidence of unlawful use of or traffic in such supplies.

Sec. 7. PENALTY FOR VIOLATION. Any person, firm, corporation or association who violates any provision of this act shall be guilty of a misdemeanor and upon conviction punished, for the first offense, by a fine of not less than ten nor more than fifty dollars, and for the second and each subsequent offense not less than twenty nor more than one hundred dollars, imprisonment in the county jail not less than thirty nor more than ninety days, or both.

Approved: March 22, 1941.

CHAPTER 70

(House Bill No. 142)

AN ACT

DIRECTING THE BOARD OF SUPERVISORS OF MARICOPA COUNTY TO PAY A CLAIM OF WALTER NORRIS.

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

Section 1. DIRECTION TO BOARD OF SUPERVISORS. The board of supervisors of Maricopa County is directed to pay to Walter Norris the sum of two hundred eighty-nine dollars and forty-four cents.

Sec. 2. BASIS OF CLAIM. Payment of the sum specified shall be in full satisfaction of the claim of Walter Norris for expenses incurred by him in 1935 in returning the prisoners William Vogel and John Warbington

to Arizona from Missouri and Arkansas, respectively, in the performance of his official duties as adult probation officer of the superior court of Maricopa County, pursuant to the order of that court.

Approved: March 22, 1941.

CHAPTER 71

(House Bill No. 147)

AN ACT

RELATING TO PUBLIC OFFICERS; PRESCRIBING THEIR OFFICE HOURS; AMENDING SECTION 12-410, ARIZONA CODE OF 1939, AND DECLARING AN EMERGENCY.

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

Section 1. Sec. 12-410, Arizona Code of 1939, (Section 100, Revised Code of 1928), is amended to read:

12-410. OFFICE HOURS. Unless otherwise provided by law, and except on holidays, every state officer shall keep his office open for the transaction of business from nine o'clock a. m. until five o'clock p. m. each day from Monday through Friday, and from nine o'clock a. m. until one o'clock p. m. each Saturday.

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 22, 1941.

CHAPTER 72

(House Bill No. 188)

AN ACT

MAKING AN APPROPRIATION FOR THE RELIEF OF THE CONVENT OF THE GOOD SHEPHERD.

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

Section 1. Four thousand two hundred forty-five dollars and ninety cents ($4,245.90), or so much thereof as may be necessary is hereby appropriated from the general fund to the Board of Directors of State Institutions for juveniles for the relief of the Convent of the Good Shepherd.

Sec. 2. PURPOSE. This appropriation shall be applied only to and in satisfaction of those claims of the Convent of the Good Shepherd based upon caring for girl juvenile offenders, and for which the appropriations for that purpose for the fiscal years ending June 30, 1939, and June 30, 1940, were insufficient.

Approved: March 22, 1941.

CHAPTER 73

(Senate Bill No. 110)

AN ACT

RELATING TO MOTOR VEHICLES AND REGULATING THE SIZE OF VEHICLES AND LOADS, AND AMENDING SECTION 66-127, ARIZONA CODE OF 1939.

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

Section 1. Sec. 66-127, Arizona Code of 1939, is amended to read:

66-127. SIZE OF VEHICLES AND LOADS. No vehicle shall exceed a total outside width, including any load thereon, of eight feet, except that the width of a farm tractor shall not exceed nine feet; nor exceed a height of fourteen feet and six inches; nor a length of * * * thirty-five * * * feet, and no combination of vehicles coupled together shall exceed a total length of sixty-five feet; nor carry any load extending more than three feet beyond the front thereof. No passenger vehicle shall carry any load extending beyond the line of the fenders on the left side of such vehicle, nor extending more than six inches beyond the line of the fender on the right side thereof. The limitation as to size shall not apply to the implements of husbandry temporarily moved upon the public highway.

Sec. 2. REPEAL. All acts or parts of acts in conflict herewith are hereby repealed.

Approved: March 22, 1941.

CHAPTER 74

(Senate Bill No. 127)

AN ACT

RELATING TO WEIGHTS AND MEASURES; PROVIDING FOR CITY SEALERS, AND AMENDING SECTION 76-106, ARIZONA CODE OF 1939.

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

Section 1. Sec. 76-106, Arizona Code of 1939 (section 3613, Revised Code of 1928), is amended to read:

76-106. CITY SEALER. (a) There shall be a city sealer of weights and measures in each city or town of a population of seven thousand five hundred or over, to be appointed by the governing body for one year, at a salary of not less than nine hundred dollars per annum.

(b) Two or more cities or towns may combine with one set of standards and one sealer, upon the written consent of the state inspector.

(c) The city sealer, within his jurisdiction, shall have the same powers and duties as prescribed in this chapter for the state inspector, except as to state institutions therein. His annual and monthly reports shall be made to the governing body of the city or town and to the state inspector, and his bond shall be in the amount of one thousand dollars. The fees shall be the same as those allowed to the state inspector, collected subject to the same provisions, and shall be paid monthly to the city treasurer with an itemized list thereof.

Approved: March 22, 1941.

CHAPTER 75

(Senate Bill No. 155)

AN ACT

RELATING TO BEAUTY CULTURE; PROVIDING FOR

THE REGULATION OF THE BUSINESS THEREOF AND AMENDING CHAPTER 52, SESSION LAWS OF 1935, REGULAR SESSION.

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

Section 1. Sec. 2, chapter 52, Session Laws of 1935, regular session, is amended to read:

2. PRACTICING WITHOUT CERTIFICATE PROHIBITED. On and after the date this Act takes effect, it shall be unlawful, without a certificate of registration issued as provided herein, to: 1. practice beauty culture, or manicuring; 2. practice as a fingerwaver in a barber shop; 3. instruct in a beauty culture school; 4. own, manage, operate or control a beauty culture school or beauty culture shop; and unless the said school, or shop, shall be at all times operated under the personal supervision and management of a registered beauty culturist; 5. issue coupons or certificates of any kind for beauty culture or the application of beauty preparations; 6. practice beauty culture in any place other than in a licensed establishment as herein provided for, except when a registered operator practicing under the provisions of this Act is requested by a customer without solicitation to go to any place other than a licensed establishment and is sent from a licensed establishment.

Sec. 2. Sec. 3, chapter 52, Session Laws of 1935, regular session, is amended to read:

3. BEAUTY CULTURE DEFINED. (a) Any one or any combination of the following practices when performed upon the head, face, neck, shoulders, arms or hands for cosmetic purposes, shall constitute the practice of beauty culture: 1. to massage, cleanse, stimulate, manipulate, exercise, or beautify, or apply oils, creams, antiseptics, clays or lotions or other preparations either by hand or mechanical or electrical appliances; 2. to style, arrange, dress, curl, wave, permanent wave, cleanse, singe, bleach, dye, tint, color, or similarly treat the hair of a person; 3. to give necessary trimming of the hair in connection with permanent waving of hair only; 4. to arch eye-brows; 5. to remove superflous hair from the face, neck, shoulders or arms of a person by the use of depilatories; 6. to cleanse, dress or polish the nails of a person, herein referred to as manicuring.

(b) Beauty culture shall be construed to include manicuring, although manicuring may be practiced sep-

arately from other practices of beauty culture, under a certificate as a manicurist.

(c) Such practices above enumerated, when done solely for the treatment of physical or mental ailments or disease, shall not constitute beauty culture.

Sec. 3. Sec. 19, chapter 52, Session Laws of 1935, regular session, is amended to read:

19. GROUNDS FOR REFUSAL TO ISSUE, RENEW, OR REVOKE CERTIFICATE. The board shall refuse to issue or renew or shall suspend or revoke, a certificate for any one or more of the following causes:

1. Conviction of a felony as shown by a certified copy of the judgment of the court of conviction.

2. Malpractice or incompetency.

3. When the applicant or registrant is or becomes afflicted with an infectious, contagious or communicable disease.

4. Advertising by means of knowingly false or deceptive statements.

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

6. Habitual drunkenness, or habitual addiction to the use of morphine, cocaine or other habit-forming drug.

7. The commission of any of the offenses described in subdivisions 1, 2, 3, 4, 5 and 6, section 2.

8. The violation of any of the sanitary regulations promulgated by either the board of beauty culturist examiners or the state board of health for the regulation of beauty culture shops and beauty culture schools.

9. To continue to be employed or to practice in a beauty culture shop or barber shop wherein the sanitary regulations of the board of beauty culturist examiners, the board of barber examiners, the state board of health, or any other lawfully constituted board, promulgated for the regulation of beauty culture shops, beauty culture schools, barber shops, or barber schools, are known by the registrant to be violated.

Sec. 4. Sec. 21, chapter 52, Session Laws of 1935, regular session, is amended to read:

21. ACTS PROHIBITED; PENALTY FOR VIOLATION. Any of the following acts shall constitute a misdemeanor, punishable upon conviction by a fine of not less than twenty-five nor more than two hundred dollars, or by imprisonment not to exceed thirty days, or both:

1. The violation of any of the provisions of subdivisions 3, 4, 5, and 8, section 19 and section 2.

2. For any employer to permit a person in his employ or under his supervision or control to practice as an apprentice without a certificate of registration thereof.

3. Obtaining or attempting to obtain a certificate of registration by the use of money other than the required fee, or for any other thing of value, or by fraudulent misrepresentation.

4. Willful failure to display a certificate of registration as required by section 16.

5. Practicing or attempting to practice by fraudulent misrepresentation or practicing during the pendency of an appeal.

6. The use for beauty culture of any room or quarters also used for business purposes, except for the sale of hair tonics, lotions, creams, toilet articles, or other commodities pertinent to beauty culture shops, or as a laundry delivery agency.

7. The use for beauty culture, manicuring, or finger waving, of any room or quarters also used for residential purposes, unless said quarters have an outside entrance and are separated from the remainder of the building by solid walls reaching from floor to ceiling.

8. For a beauty culturist knowingly to continue the practice of beauty culture, or for any student knowingly to continue as a student in any school or college of beauty culture while having an infectious, contagious or communicable disease.

9. To own, manage, operate or control any beauty shop or beauty culture school in which hot and cold running water is not continuously provided.

10. To own, manage, operate, or control any beauty culture school, part or portion thereof, whether connected therewith or in a separate building, wherein the practice of beauty culture is engaged in or carried on unless all entrances to the place wherein the practice of beauty culture is carried on shall display a sign indicating that the work therein is done by students exclusively.

11. To own, manage, control or operate a beauty culture shop unless there is displayed thereon a sign, clearly visible at the main entrance thereto, indicating that it is a beauty culture shop.

12. For a registered beauty culturist to render beauty culture services in a beauty culture school except such as are incidental to instruction.

13. To own, manage, operate, or control a beauty culture school, or a part or portion thereof, while displaying a list of prices or service charges where the same can be seen from the outside of such school or establishment, unless such school shall display placards in clear and legible type within the school, place or establishment, and street or window signs in letters not less than eight inches in height, to clearly indicate to the public that the school, place or establishment is a beauty culture school.

14. The violation of any of the provisions of this Act or of said chapter 52 shall also be a misdemeanor and punishable as above provided.

Sec. 5. Chapter 52, Session Laws of 1935, regular session, is further amended by adding section 30:

30. UNFAIR TRADE PRACTICES. (a) The board shall have power to establish minimum prices to be charged for beauty culture, 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 beauty culturists and registered establishments for beauty culture in any district, to establish minimum prices for beauty culture 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 beauty culturist and registered establishment 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 registered beauty

culturist or registered establishment 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 as it may deem proper, including a change of the boundaries of the district, and shall issue an appropriate order. Thereafter no beauty culturist or establishment or apprentice in the district shall charge or collect any price less than that ordered by the board for any beauty culture work.

(c) The board, upon its own initiative, or upon application of seventy-five per cent of the registered beauty culturists and establishments affected, may order a new investigation and hearing regarding the minimum 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 beauty culture 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 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 shops are located.

(f) Schools of beauty culture shall be subject to the provisions of this Act, provided however that if students of such schools perform the work therein, when a charge is made for such work by such students, said charge shall be not less than seventy-five per cent of the minimum price set for shops or licensed operators.

Sec. 6. Chapter 52, Session Laws of 1935, regular session, is amended by adding section 31:

31. COURT REVIEW. Any person aggrieved by an order of the board establishing minimum prices for any beauty culture work as herein provided for 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.

Approved: March 22, 1941.

CHAPTER 76

(House Bill No. 26)

AN ACT

RELATING TO DELINQUENT TAXES; PROVIDING FOR EXEMPTION OF INTEREST THEREON, AND AMENDING SECTION 2, CHAPTER 62, SESSION LAWS OF 1939, REGULAR SESSION, AS AMENDED.

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

Section 1. Sec. 2, chapter 62, Session Laws of 1939, 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, 1940, shall be exempt from all interest if paid on or before the first Monday in December, 1941. 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, 1940, and all taxes for which exemption of interest is herein provided but which remain unpaid after the first Monday in December, 1941, 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 24, 1941.

CHAPTER 77

(House Bill No. 101)

AN ACT

RELATING TO MOTOR VEHICLES, PROVIDING FOR THE DISTRIBUTION OF THE LICENSE TAX THEREON, AN DECLARING AN EMERGENCY.

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

Section 1. DISTRIBUTION OF VEHICLE LICENSE TAX. (a) The license tax upon vehicles operated upon the highways, imposed by section 11, article IX, Constitution of Arizona (as amended by a majority vote of the qualified electors voting thereon at the general election held November 5, 1940), shall be collected by the county assessor and promptly deposited with the county treasurer of the county in which the vehicle is registered.

(b) Except as provided in section 2, the county treasurer, not later than the fifteenth day of each month, shall distribute the moneys deposited with him pursuant to subsection (a) during the preceding calendar month as follows:

1. In a county containing no incorporated city or town; 1a. twenty-five per cent to the state treasurer, to be placed in the general fund of the state; 1b. thirty-seven and one-half per cent to the general fund of the county; and, 1c. thirty-seven and one-half per cent to the board of supervisors, to be distributed, with the advice of the county school superintendent, among the several common and high school districts of the county, with special reference to the needs of one and two room and accommodation schools.

2. In a county containing one or more incorporated cities or towns; 2a. twenty-five per cent to the state treasurer, to be placed in the general fund of the state; 2b. twenty-five per cent to the general fund of the county; 2c. twenty-five per cent to the board of supervisors, to

be distributed, with the advice of the county school superintendent, among the several common and high school districts of the county, with special reference to the needs of one and two room and accommodation schools; and, 2d. twenty-five per cent to the several incorporated cities and towns of the county, apportioned in proportion to the population of each, as shown by the most recent United States census. Provided, however, that if any incorporated city or town shall not have a federal enumeration, the supervisors shall appoint a census taker to take an accurate census of the said incorporated city or town, and the supervisors shall certify the results to the county treasurer. Whereupon the said incorporated city or town shall share in the distribution as provided herein.

Sec. 2. INTERSTATE MOTOR CARRIERS. (a) Moneys received from the license tax upon motor carriers engaged in interstate commerce, imposed by section 11, article IX, Constitution of Arizona, shall be transmitted by the county treasurer to the state treasurer, at the time of making the distribution prescribed in section 1. The state treasurer shall promptly distribute the same as follows: 1. twenty-five per cent to the general fund of the state; 2. twenty-five per cent to the treasurers of the several counties, to be placed in the county general fund; 3. twenty-five per cent to the several common and high school districts, with special reference to the needs of one and two room and accommodation schools; 4. twenty-five per cent to the several incorporated cities and towns; and, 5. provided, however, all money collected from the interstate motor carriers shall be expended upon highway maintenance and construction.

(b) The amount paid to the treasurer of each county shall be that proportion of the total distributed under item 2. subsection (a), which the total mileage of state and United States highways within that county bears to the total mileage of state and United States highways within the state, as certified to the state treasurer by the state highway engineer annually, and within ten days after any change of mileage.

(c) The amount distributed to school districts under item 3, subsection (a), shall be paid by the state treasurer to the several boards of supervisors. in the proportions prescribed in subsection (b). It shall be distributed by the board, with the advice of the county school superintendent, among the several common and high school districts of the county, with special reference to the needs of one and two room and accommodation schools.

(d) The amount distributed to cities and towns under item 4, subsection (a), shall be paid by the state treasurer to the several boards of supervisors, in the proportions prescribed in subsection (b), except that he shall withhold, from the board of supervisors of any county which contains no incorporated city or town, the amount which would otherwise be paid to that board for cities and towns. The board shall distribute the amount paid to it for cities and towns to the several incorporated cities and towns of the county, in proportion to the population of each, as shown by the most recent United States census. The total amount withheld from counties containing no incorporated city or town shall be paid by the state treasurer to the several county treasurers in the proportions prescribed in subsection (b), for deposit in the county general fund.

Sec. 3. AUDIT. The state auditor shall have power at any time to audit the books and records of any county assessor or county treasurer pertaining to the collection and distribution of moneys collected pursuant to subsection (a), section 1.

Sec. 4. SEVERABILITY. If any provision of this act be held invalid, its 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. 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 24, 1941.

CHAPTER 78

(House Bill No. 119)

AN ACT

RELATING TO STATE LANDS; PROVIDING FOR MINERAL CLAIMS THEREON AND MINERAL LEASES THEREOF, AND REPEALING SECTION 11-314, ARIZONA CODE OF 1939.

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

Section 1. LOCATION OF MINERAL CLAIM. Any citizen of the United States, partnership or association of citizens, or corporation organized under the laws of the United States or any state or territory thereof, who discovers valuable mineral deposits on any state lands, may enter upon and locate the same as a mineral claim. A claim shall not embrace more than twenty acres, and shall be located in conformity with the lines of the public land survey.

Sec. 2. MANNER OF LOCATING. The claim shall be located in the manner provided by law for the location of mineral claims upon the public domain of the United States; except that one copy of the location notice shall be filed for record in the office of the recorder of the county in which the claim is situated, and one copy, together with the recorder's certificate of recordation, shall be filed in the office of the state land commissioner, and a monument shall be erected at each angle corner of the claim with a memorandum at each corner stating the name of the locator, the name of the claim, and designating the corner by reference to cardinal points, within thirty days after the date of location.

Sec. 3. PREFERRED RIGHT TO LEASE. The locator of a mineral claim on state lands pursuant to this Act shall have a preferred right to a mineral lease of his claim, within ninety days after the date of location, upon submission to the state land commissioner of satisfactory proof that he has theretofore performed the discovery work required by law.

Sec. 4. RENTAL AND ROYALTY. (a) The rental of a mineral lease of state lands shall be fifteen dollars per annum, payable in advance at the beginning of each year.

(b) Every mineral lease of state lands shall provide for payment to the state by the lessee of a royalty equal to five per cent of the net smelter or mint returns received from ores or mineral substances produced from the claim. The net smelter or mint returns shall be deemed to be the gross values found and accounted for by the smelter, mint, or other place of customs treatment and sale, less the actual cost of transportation from the source of production to the place of treatment and sale, less smelter and other customs treatment charges and penalties, and less taxes, if any, levied and paid upon the production of minerals. Royalties paid during any calendar year shall be credited on the rental for the ensuing

year, and only the difference between the royalties paid, if any, and the annual rental shall be paid at the beginning of the ensuing year.

Sec. 5. TERMS OF LEASE. (a) Every mineral lease of state lands shall be for a term of twenty years. The lease shall confer the right: 1. to extract and ship ores and mineral substances from the claim, located within planes drawn vertically downward through the exterior boundary lines thereof; 2. to use so much of the surface as may be required for purposes incident to mining; and, 3. of ingress to and egress from other state lands, whether or not leased for purposes other than mining.

(b) Every mineral lease of state lands shall provide for:

1. The performance of annual labor, as required by the laws of the United States, upon each claim, commencing at the expiration of one year from the date of location, and for the furnishing of proof thereof to the state land commissioner.

2. The fencing of all shafts, prospect holes, adits, tunnels, and other dangerous mine workings for the protection of livestock.

3. The construction of necessary improvements and the installation of necessary machinery and equipment, with the right to remove the same upon the expiration, termination, or abandonment of the lease, if all moneys owing to the state under the terms of the lease have been paid.

4. The cutting and use of timber and stone upon the claim, not otherwise appropriated, for fuel, construction of necessary improvements, or for drains, roadways, tramways, supports, or other necessary purposes.

5. The right of the lessee and his assigns to transfer the lease.

6. Termination of the lease by the state land commissioner upon written notice, specifically setting forth the default for which forfeiture is declared, and preserving the right to cure the default within a stated period, to be not less than thirty days.

Sec. 6. PLACER DEPOSITS. Placer deposits upon state lands shall be subject to location and lease upon the

terms provided in this Act for the location and lease of deposits of mineral in place, except that no discovery work shall be required.

Sec. 7. SUSPENSION OF ROYALTY RIGHTS OF STATE. The state land commissioner shall have power, if he deems it to be in the interest of the state, to subordinate the royalty rights of the state under this Act, or suspend the operation thereof or of any lease executed hereunder or under the provisions of section 11-314, Arizona Code of 1939 (section 2973, Revised Code of 1928), in favor of the United States, or any agency thereof, for the purpose of facilitating the extension of financial aid under the laws of the United States in the development or operation of any mine located upon state lands.

Sec. 8. REVIEW BY DEPARTMENT. All questions arising between a locator or lessee and the state land commissioner under this Act shall be subject to review by the state land department as in other cases involving state lands, and the locator's or lessee's right of possession and operation of his claim shall continue until the question in finally determined.

Sec. 9. EXISTING LEASES. Every mineral lease in effect under the provisions of section 11-314, Arizona Code of 1939 (section 2973, Revised Code of 1928), on the date this Act takes effect, shall remain in effect for the unexpired term for which granted, without right of renewal, or, at the option of the lessee, may be superseded by a lease under the provisions of this Act.

Sec. 10. REPEAL. Sec. 11-314, Arizona Code of 1939 (section 2973, Revised Code of 1928), is repealed. This section does not negative an implied repeal of any statute which conflicts with this Act.

Approved: March 24, 1941.

CHAPTER 79

(House Bill No. 126)

AN ACT

RELATING TO EDUCATION; PROVIDING FOR SCHOOL DISTRICT BUDGETS AND TAX LEVIES; PROVIDING FOR APPORTIONMENT OF STATE SCHOOL

FUNDS AND AMENDING SECTIONS 54-301, 54-601, 54-602, 54-603, 54-604, 54-605, 54-606, AND 54-608, ARIZONA CODE OF 1939.

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

Section 1. Sec. 54-301, Arizona Code of 1939, is amended to read:

54-301. QUALIFICATIONS—POWERS AND DUTIES. No person shall be eligible to election as county school superintendent who does not hold a regular certificate to teach in the schools of Arizona. The superintendent shall apportion the school money to each district of his county, and notify the county treasurer, in writing, of the amount apportioned to each district, and notify, in writing, the trustees of each school district in his county of the amount apportioned to their districts. On the voucher of the governing board of any district, he shall draw his warrant on the county treasurer for all necessary expenses against the school fund of any such district. No warrant shall be drawn for any teacher's salary unless the voucher shall state the monthly salary of the teacher and the name of the school month for which said salary is due. The warrants must be drawn in the order in which the vouchers therefor are filed in his office; provided that no warrant shall be drawn for any expenditure for a purpose not included in the budget of such school district, nor for any expenditure in excess of the amount budgeted and not theretofore expended, except for expenditures authorized by the board of supervisors in accordance with subsection (b) of section 54-608. He shall keep a register of warrants showing the funds upon which the warrants have been drawn, the number thereof, in whose favor, and for what purpose drawn, and also a receipt from the person to whom the warrant was delivered. He shall preside over teachers' institutes held in his county, and secure the attendance thereat of lecturers competent to instruct in the art of teaching; enforce the course of study and the use of the adopted text books; conduct examinations of applicants for teachers' certificates in accordance with such rules and regulations as may be prescribed; distribute all laws, reports, circulars, instructions and blanks which he may receive for the use of school officers. He shall keep in his office the reports of the superintendent of public instruction, school trustees, and teachers received by him; record all official acts in a book provided for the purpose through the office of the superintendent of public instruction, and keep his office at the county seat. He shall appoint trustees of

school districts to fill all vacancies; make reports, when directed by the superintendent of public instruction, showing such matters relating to public schools in his county as may be required of him, on the blanks furnished by the superintendent; notify immediately the board of school trustees of the several districts in his county, upon the receipt of notice from the state board of education, of any meeting to be held by them for the purpose of examining or inquiring into the expediency of a change of textbooks; visit and examine each school in his county at least twice in each year, except schools employing a principal or a city superintendent of schools, unless he deem it necessary; he may deputize some competent person, residing in the vicinity of a school located fifty miles or more from the county seat, to visit such school. He shall attend annual meetings of the county school superintendents called by the superintendent of public instruction. In addition to the salary already allowed by law, he shall receive his mileage and traveling expenses.

Sec. 2. Sec. 54-601, Arizona Code of 1939, is amended to read:

54-601. STATE SCHOOL FUND. The state school fund shall consist of all the money appropriated by the general appropriation Act, and all income and money dedicated by the enabling Act and the Constitution of the state to the purpose of common and high school education, which shall be placed to the credit of the state board of education to be dealt with as provided by law.

Sec. 3. Sec. 54-602, Arizona Code of 1939, is amended to read:

54-602. APPORTIONMENT OF FUNDS AND PAYMENT TO COUNTIES. (a) After making the necessary allowance for the payment from the state school fund of all amounts authorized for the state board in the general appropriation bill, the board shall allocate the remainder of such fund for the purpose of high school education and for the purpose of common school education, respectively, in the proportions which the average daily attendance during the preceding year in the high schools times ninety-five, and the average daily attendance in the preceding year in the common schools times sixty-five, bear to the sum of the two products so obtained. The amount so allocated to each such purpose shall be apportioned by the board amongst the several counties in the state on the basis of the average daily attendance in the high schools and common schools, respectively, in each county as shown

by the records of the state superintendent for the preceding year.

(b) Common schools, as used herein, shall be defined to include the first to eighth grades, inclusive. High schools, within the meaning of this statute, shall be defined to include the grades nine to twelve, inclusive. No state appropriation or apportionment shall be made for any attendance by high school pupils or adults at schools conducted at night, nor for attendance of nonresident alien children or wards of the United States for whom tuition is paid.

(c) A minimum school day's attendance for pupils of first, second and third grades of the common schools shall be not less than two hundred and forty minutes, including recreational periods, but not including the luncheon period; a minimum school day's attendance for pupils of grades four to six, inclusive, of the common schools, shall not be less than three hundred minutes including recreational periods, but not including the luncheon period, and for pupils of grades seven, eight and higher designations shall not be less than three hundred sixty minutes, including recreational periods but not including the luncheon period. The school day for the common schools shall be divided into two sessions. The attendance of any child shall not be counted unless he is actually and physically present during one or both of said sessions. Attendance at one session only shall be counted as one-half day's attendance.

(d) The attendance of a high school pupil shall not be counted a full day unless such pupil is actually and physically in attendance, enrolled and actually carrying four regular or major subjects, or the equivalent thereof, as defined by the state board of education, in a high school recognized as such by the state board of education. The attendance of pupils carrying less than the load prescribed above shall not be counted as a full day's attendance, but shall be prorated. Such apportionments shall be made on the second Monday in July, October, January and April of each fiscal year and shall be, as nearly as may be determined, equal to one-fourth of the amount to be apportioned each fiscal year. The superintendent shall furnish the county treasurer and the county school superintendent with an abstract of such apportionment, and shall certify such apportionment to the state auditor who, upon receipt of such certificate, shall forthwith draw his warrants on the state treasurer in favor of the county treasurer of each county for the amount due that county.

The county treasurer shall immediately upon receipt of such warrant notify the county superintendent that such amount, together with any other amounts to the credit of the county school fund, is subject to apportionment.

(e) The funds received from the state per capita apportionment, the forest reserve and school land funds and other sources shall constitute the county school fund.

Sec. 4. Sec. 54-603, Arizona Code of 1939, is amended to read:

54-603. SCHOOL DISTRICT BUDGETS. Not later than June 1st of each year the governing board of each common or high school district shall furnish to the county school superintendent a proposed budget, showing in itemized form the amount of money which, in the board's opinion, is needed for defraying the expenses of the schools within the district for the ensuing year. The superintendent shall prepare a notice fixing a time not later than June 15th, and a public place within each district when a meeting will be held at which the governing board will present, for the consideration of the residents and taxpayers of the district, the proposed budget. The notice shall be posted in a conspicuous and generally frequented place in each district and shall be published not less than five days before the meeting in a newspaper of general circulation throughout the county by the county school superintendent. At the time and place fixed in the notice the members of the governing board shall hold the meeting and lay before the residents and taxpayers of the district in attendance thereat the proposed budget. Upon the request of any person the governing board shall explain the budget, and any resident or taxpayer may protest the inclusion or exclusion of any item. Thereafter, the governing board shall adopt the budget, making such deductions therefrom as it may see fit, but no additions thereto, and shall, not later than June 25th of each year, file the same as finally adopted with the county school superintendent who shall then transmit to the boards of supervisors the budgets of common school districts, high school districts and union high school districts, and no expenditure shall be made for a purpose not included in such budget, and no debt, obligation or liability shall be incurred or created in any year in excess of the total amount of such budget as finally adopted, except such as may be authorized by the board of supervisors in accordance with subsection (b) of section 54-608.

Section 5. Sec. 54-604, Arizona Code of 1939, is amended to read:

54-604. SPECIAL COUNTY SCHOOL RESERVE FUND. The county treasurer of each county shall transfer from the county school fund to a fund to be known as the special county school reserve fund such amount each fiscal year as the county school superintendent shall estimate to be required for such fund. The estimate of the county school superintendent of the amount to be required for the special county school reserve fund shall be made and submitted by him to the county treasurer and the board of supervisors not later than July 5th of each year. In making up his estimate he shall include the amounts needed for payment of necessary expenses in newly formed school districts, for the transportation of school children to and from one and two-room rural schools, for the transportation of school children in unorganized territory to organized districts, and the amount in excess of the estimated per capita apportionment from the county school fund to one and two-room schools which will provide each school district maintaining a one-room school for a minimum term of eight months not more than one thousand two hundred fifty dollars, and each school district maintaining a two-room rural school for a minimum of eight months not more than two thousand five hundred dollars, and the amount necessary to establish schools in unorganized territory. In school districts having little or no assessed valuation, the governing boards may petition the county school superintendent for an additional amount, over and above the maximum amounts herein provided for such schools, not to exceed two hundred fifty dollars for a one-room school, nor five hundred dollars for a two-room school, which additional amount, if approved by the county school superintendent, shall also be included in the estimate for the special county school reserve fund.

Sec. 6. Sec. 54-605, Arizona Code of 1939, is amended to read:

54-605. SCHOOL DISTRICT LEVY FOR COMMON AND HIGH SCHOOL EDUCATION. NO COUNTY LEVY EXCEPT AS SPECIFIED. (a) The county school superintendent, not later than July 5th of each year, shall file with the board of supervisors his estimate in writing, based on the budgets adopted by the governing board of each school district, of the amount of school funds needed by each district for the ensuing year. Such estimate shall also contain a statement of the average daily

attendance in the common and high schools, respectively, of each school district during the preceding year, the number of one-room and the number of two-room rural schools in each school district, and the average daily attendance in such one and two-room rural schools of each such district during the preceding year. It shall also contain an estimate of the total amount to be received for the year by each such district from the county school fund and the special county school reserve fund. The county school superintendent shall determine whether or not the estimated amount to be received by each school district, from the county school fund and the special county school reserve fund, together with any other anticipated revenue of such district except special school district taxes, will produce the amount of money budgeted by the governing body of such school district for such year, and if not he must include in his estimate the additional amount needed for each such district and certify the same to the board of supervisors in writing at the time of filing his estimate.

(b) The board of supervisors of each county shall annually at the time of levying other taxes, levy a special school district tax on the property in any district in which such additional amount is required, which tax shall be at a rate sufficient to provide such additional amount. Such tax shall be added to and collected in the same manner as other county taxes on the property within such district. The amount of such special school district tax levied upon the property in a particular school district shall be paid into the school fund of such district.

(c) No county levy shall be made for common and high school education except that in the event the state apportionment is less than sixty-five dollars per capita per annum for common school education or less than ninety-five dollars per capita per annum for high school education, the county shall levy such tax as may be necessary to make up the deficiency, but not to exceed forty dollars per capita.

Sec. 7. Sec. 54-606, Arizona Code of 1939, is amended to read:

54-606. DUTIES OF COUNTY TREASURER RELATIVE TO SCHOOL FUNDS. The county treasurer shall: (a) Receive and hold as special funds all public school money for common school and high school education, and keep separate accounts thereof, and when it is apportioned among the school districts, he shall keep a separate ac-

count for each district and for the special county school reserve fund;

(b) Notify the county school superintendent on the first of each calendar month of the amount of the county school funds and special district funds on hand in the treasury to the credit of such funds;

(c) Pay over, on the warrants of the county school superintendent, duly endorsed by the person entitled to receive the same, any or all money; provided that the county treasurer shall not pay any warrant for an expenditure which is in excess of the total amount budgeted for the school district against which such warrant is drawn, unless such expenditure has been authorized by the board of supervisors in accordance with section 54-608.

(d) On or before the first day of August of each year make a report to the state superintendent showing the amount of money received from state school funds, special school district taxes and from other sources; also the total expenditures for school purposes and the balance on hand to the credit of each school district at the close of the school year.

Sec. 8. Sec. 54-608, Arizona Code of 1939, is amended to read:

54-608. APPORTIONMENT OF SCHOOL FUNDS—INCREASE AND DECREASE OF ESTIMATES. (a) The county school superintendent shall apportion all moneys to the credit of the county school fund for any year. After deducting from the amount to the credit of the county school fund the amount fixed for the special county school reserve fund he shall allocate the remainder of such fund for the purpose of high school education and for the purpose of common school education, respectively, in the proportions which the average daily attendance in the preceding year in the high schools of the county times ninety-five, and the average daily attendance in the preceding year in the common schools of the county times sixty-five bear to the sum of the two products so obtained. The amount so allocated to each such purpose shall be apportioned by the county school superintendent amongst the several school districts in the county on the basis of the average daily attendance in the high schools and common schools, respectively, of each such school district as shown by the records of the county school superintendent for the preceding year. For the purpose of this section, in computing the average daily attendance

only the six months of school showing the highest average daily attendance shall be considered.

(d) Whenever it appears that a common or high school which has been maintained for four months, has an average daily attendance greater than it was during the preceding year, or in the event of the destruction of or damage to the facilities of such school, the governing board of the district in which such school is located may present a petition to the county superintendent requesting authority to incur liabilities in excess of the budget of such district, in such amount as the board shall deem necessary to properly provide for such increased attendance, or to defray the necessary expense to the district resulting from the destruction or damage of such facilities. The county superintendent shall forward such petition, with his recommendation, and a copy of the budget of the district for that year, to the board of supervisors. The board of supervisors shall hold a hearing on such petition within twenty days after its receipt and shall determine whether the petition shall be allowed, allowed after revision, or denied, but in no event shall an allowance be made on account of increased school attendance which will increase the per capita expenditure per school child allowed by the budget of such district for that year. If the petition is allowed in whole or in part, the governing board shall be authorized to incur liabilities in accordance therewith, and the county school superintendent, on presentation of proper vouchers, shall draw his warrants against such additional allowance. The liability so incurred shall be included as a separate item in the estimate of such district for the succeeding year. A copy of the order of the board of supervisors authorizing the incurring of such liabilities shall be certified by the clerk of the board and by him filed with the county treasurer.

(e) The special county school reserve fund shall be used for paying necessary expenses in newly formed school districts; for the transportation of children to and from one and two-room rural schools; for the transportation of children in unorganized territory to organized districts, and the amount in excess of the per capita apportionment from the county school fund necessary for the establishment of schools in unorganized territory; and for paying the costs of maintaining one and two-room rural schools in any school district in excess of the amount available for such schools from the county school fund, but not to exceed the additional amount required and estimated for such purpose by the county school superintendent in

fixing the amount of the special county school reserve fund under the provisions of section 54-604. The apportionment of such fund may be delegated by the board of supervisors to the county school superintendent. If at the end of any school year any part of the reserve fund remains unexpended, such amount shall be shown in the estimate of the county superintendent for the succeeding year, as a balance of county school funds on hand.

Approved: March 24, 1941.

CHAPTER 80

(House Bill No. 177)

AN ACT

RELATING TO JUVENILES; PROVIDING FOR A JUVENILE CODE, AND REPEALING CHAPTER 46, ARIZONA CODE OF 1939.

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

Section 1. SHORT TITLE. This act may be cited as the juvenile code.

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

"juvenile court" means the superior court when exercising its jurisdiction over neglected, dependent, incorrigible, or delinquent children, or children accused of crime under the age of eighteen years;

"judge" means judge of the juvenile court;

"child" means a person under the age of eighteen years;

"neglected child" includes: 1. a child abandoned by its parents, guardian, or custodian; 2. a child who lacks proper parental control by reason of the fault or habits of the parent, guardian, or custodian; 3. a child whose parent, guardian, or custodian neglects or refuses to provide proper or necessary subsistence, education, medical and surgical care, or other care necessary for its health, morals, or well-being; 4. a child whose parent, guardian, or custodian neglects or refuses to provide special care

made necessary by its mental condition; 5. a child who is found in a disreputable place or who associates with vagrant, vicious, or immoral persons; 6. a child who engages in an occupation, occupies a position, or invites conditions dangerous to life or limb or injurious to the health or morals of himself or others, and, 7. any child who is subjected to cruel and inhuman treatment and shows the effect of being physically mistreated;

"dependent child" includes a child who is homeless or destitute, or without proper support or care through no fault of his parent or guardian, and a child who lacks proper care by reason of the mental or physical condition of his parent, guardian or custodian;

"delinquent child" includes: 1. a child who has violated any law of the state or any ordinance or regulation of a political subdivision thereof; 2. a child who, by reason of being incorrigible, wayward, or habitually disobedient, is uncontrolled by his parent, guardian, or custodian; 3. a child who is habitually truant from school or home; and, 4. a child who habitually so deports himself as to injure or endanger the morals or health of himself or others.

Sec. 3. JURISDICTION OF JUVENILE COURT. The superior court shall have exclusive original jurisdiction in all proceedings and matters affecting neglected, dependent, incorrigible, or delinquent children, or children accused of crime under the age of eighteen years, and when exercising that jurisdiction shall be known as the juvenile court. In a county having more than one judge of the superior court, the judges shall designate, for a period of not less than one year, one of their number to serve as judge of the juvenile court.

Sec. 4. RECORDS. The records of the proceedings of the juvenile court shall be kept in a docket separate from other proceedings, and shall not be opened for inspection or copy by anyone other than the parties in interest, the representatives of the court, and probation officers having an interest therein, except upon order of the court expressly permitting inspection or copy. No part of the record shall be published by any newspaper or other agency disseminating news or information, nor shall any newspaper or agency publish the name of any child charged in the juvenile court with being delinquent, neglected, or dependent.

Sec. 5. VENUE. The venue of proceedings in the ju-

venile court shall be determined by the county of the residence of the child, or the county where the neglect, dependency, or delinquency obtains or is committed. Where the residence of the child and the situs of the neglect, dependency, or delinquency are in different counties, the invoking of proceedings in one county shall bar proceedings in the others.

Sec. 6. COMMISSIONER. In the absence of a judge from his county, the court commissioner shall make necessary orders for the temporary care, custody, and control of children.

Sec. 7. PROCEDURE. (a) Any person may, and any peace officer or probation officer shall, give to the juvenile court any information in his possession that a child is delinquent, neglected, or dependent. Thereupon the court shall make preliminary inquiry to determine whether the interest of the public or of the child requires further action. Whenever practicable, the inquiry shall include a preliminary investigation of the home and environment of the child, his previous history, his physical, mental, and moral well-being, and the circumstances of the offense committed, if any. If the court determines that formal jurisdiction should be acquired, it shall authorize a petition to be filed invoking its jurisdiction in such form as it may prescribe. The powers of the court may be exercised upon the filing of a petition by any resident of the county, or any peace officer or probation officer, alleging that a child is neglected, dependent, or delinquent, and needs the care and protection of the court, without alleging the facts.

(b) Whenever a child under the age of eighteen years is charged with the commission of a crime or the violation of an ordinance before any magistrate or justice of the peace, the magistrate or justice of the peace shall certify that the child is so charged, and shall transmit the records of the case to the clerk of the superior court, and thereupon the juvenile court shall exercise jurisdiction.

(c) When the jurisdiction of the juvenile court has attached, the court may make all necessary orders for compelling the production of the child and the attendance of the parent, guardian, and other persons having custody or control of the child. If a person other than the parent or guardian of the child be cited to appear, the parent or guardian, or both, shall be notified of the pendency of the case and of the time and place appointed

by personal service, except as otherwise provided in this section.

(d) The clerk of the court shall issue all necessary subpoenas and process to compel the attendance of necessary witnesses at a hearing involving a child. The process may be served by any officer of the court, probation officer, or officer authorized to serve process in a civil action. No attendance or mileage fee shall be paid any such witness, unless expressly authorized by the judge, in which event the fees allowed shall be as prescribed in civil actions. If the judge is satisfied that it is impracticable to serve personally a citation or other notice to appear, he may order service by registered mail or by publication, or both, and service in either manner twenty-four hours prior to the time fixed in the citation for the return thereof, if so ordered by the judge, shall be sufficient.

(e) In the event any person cited or subpoenaed fails to appear, without reasonable cause, he may be proceeded against for contempt of court.

(f) In case the citation cannot be served, or the parties served fail to obey the same, or in any case when it appears to the judge that the service will be ineffectual or the welfare of the child requires that he shall be brought forthwith into the custody of the court, an attachment may be issued against the parent or guardian or against the child himself.

(g) Pending final disposition, the child shall be subject to the order of the court and may be permitted to remain in the control of its parents, guardian, or person having its custody, or of the probation officer, or it may be detained in a place provided by state or county authorities, or by any association or agency, public or private, for the care of delinquent, neglected, or dependent children.

Sec. 8. PROBATION OFFICERS. (a) The judge having regular charge of the juvenile court shall have power to appoint a chief probation officer, a deputy probation officer, and such additional deputy probation officers, not exceeding one for each fifty persons on probation, as he may deem necessary. In counties of the first class the judge may appoint necessary office assistants. The probation officers, deputies, and assistants shall be discreet persons of good moral character.

(b) In a county having a population of fifty thousand or more, a person shall not be appointed chief probation officer until he has passed a competitive examination touching child welfare, juvenile delinquency and dependency, and other subjects associated with social science, prescribed and given by a committee of three members, to be appointed by the judge of the juvenile court. The members of the committee shall be persons engaged in and acquainted with educational and welfare work and practices.

(c) The probation officer shall have the authority of a peace officer. He shall: 1. look after the interests of neglected, delinquent, and dependent children of the county; 2. make investigations and file petitions; 3. be present in court when cases are heard concerning children and represent their interests; 4. furnish the court such information and assistance as it may require; 5. assist in the collection of sums ordered paid for the support of children; and, 6. perform such other acts as may be ordered by the court.

(d) The salaries of the chief probation officer, his deputies, and office assistants shall be fixed by the appointing judge, with the consent of the board of supervisors, but shall not exceed the following: chief probation officer, three thousand dollars per annum; deputy probation officer, two thousand dollars per annum; office assistant, one thousand eight hundred dollars per annum. The probation officer shall give bond for the faithful performance of his duties, in such sum as the court may determine, and the cost thereof shall be paid by the county.

Sec. 9. DUTIES OF PEACE OFFICER. Any peace officer, other than the probation officer, who arrests any child under the age of eighteen years shall forthwith notify the probation officer, and shall make such disposition of the child as the probation officer may direct. This act shall not be construed to prohibit any peace officer from taking into custody any child who is found violating anv law or ordinance, who is reasonably believed to be a fugitive from his parents or from justice, or whose surroundings are such as to endanger his health, morals, or welfare unless immediate action is taken.

Sec. 10. DISPOSITION OF CHILD. (a) The hearing of any matter involving a child shall be informal, and the judge shall, in chambers, without the intervention of a jury, inquire into the facts, order a medical or mental

examination, if advisable, and make a record of the name, age, and place of birth of the child and the names of parents.

(b) The judge shall make such order for the commitment, custody, and care of the child as the child's own good and the interests of the state require. He may commit the child: 1. to the care of its parents, subject to the supervision of the probation officer; 2. directly to a probation officer, subject to such conditions as the judge may impose; 3. to a suitable institution; 4. to an association willing to receive it; 5. to a reputable citizen of good moral character; 6. to an appropriate public or private agency authorized to care for children; 7. to a suitable school; 8. to the state industrial school; or, 9. to a school or institution provided for girl juvenile offenders. In any case the juvenile court may make an order directing the parent of a child to contribute to its support such sum as the judge may determine, or may allow a reasonable sum for the support of the child at the expense of the county. When the court commits a child to any institution or agency, it shall transmit with the order of commitment a summary of its information concerning the child.

(c) The juvenile court may permit the removal from the state of any neglected, dependent, or delinquent child, by the person to whom its care may be temporarily awarded, upon such recognizance, with or without sureties, as may satisfy the court, obligating the person to produce the child whenever required by the court.

Sec. 11. REFEREE. (a) Whenever, in a proceeding affecting a neglected, dependent, or delinquent child, it appears to the juvenile court that the interests of the child will be served by an examination and hearing before a referee, the judge may direct that the proceeding be so heard, and shall appoint a referee to hear the matter and report his conclusions and recommendations to the court, in writing, together with all papers relating to the case.

(b) A hearing before the juvenile court upon the report of a referee shall be allowed to the parent, guardian, or custodian of the child concerned, upon the filing of a request therefor within two days after the conclusion of the hearing before the referee. In case no hearing by the court is requested, the conclusions and recommendations of the referee, when confirmed by an order of the court, shall become the judgment of the court.

Sec. 12. PHYSICAL AND MENTAL CARE. (a) Whenever a child concerning whom a petition has been filed in the juvenile court appears to be in need of medical or surgical care, the court shall have power to order the parent, guardian, or custodian to provide treatment for the child in a hospital or otherwise. If the parent, guardian, or custodian fails to provide the care as ordered the court may, after notice, enter an order therefor, and the expense, when approved by the court, shall be a county charge. The court may adjudge that the person required by law to support the child pay part or all of the expenses of treatment.

(b) In the event it appears that any child concerning whom a petition has been filed in the juvenile court is mentally defective or mentally disordered, the court may commit the child to an institution authorized by law to receive and care for such children.

Sec. 13. REPORT OF CUSTODIAN. When a child is committed to the care of any person, the case shall be assigned by the juvenile court to a probation officer, who shall require a report quarterly, or oftener if the court so orders, from the person to whom the child has been committed, reporting the child's condition and welfare. The report shall be filed with the court.

Sec. 14. EFFECT OF PROCEEDING. An adjudication by the juvenile court upon the status of any child shall not operate to impose any civil disability, nor shall any child be deemed a criminal by reason thereof. An adjudication by the juvenile court shall not be deemed a conviction, nor shall any child be charged with or convicted of a crime in any court, except where the juvenile court refuses to suspend criminal prosecution. The disposition of a child or of any evidence given in the juvenile court shall not be admissible as evidence against the child in any proceeding in any other court, nor shall any such disposition or evidence disqualify a child in any civil service examination, appointment, or application.

Sec. 15. DESTRUCTION OF RECORD. Upon the expiration of the period of probation or following the expiration of two years after the discharge of a child from the institution to which he may have been committed, the judge of the juvenile court shall order the clerk to destroy the records of the proceeding, unless it appears that prior to the expiration of the prescribed period the child has been convicted of an offense under the laws of this or another state. The superintendent of the institu-

tion shall notify the clerk of the court which committed the child when two years have expired after his discharge.

Sec. 16. GUARDIANSHIP. When the juvenile court awards a dependent child to the care of an association, board, or institution, public or private, or to an individual, the child shall, unless otherwise ordered, become the ward and be subject to the guardianship of that association, board, institution, or individual. The association, board, institution, or individual shall have authority to place the child in a family home, with or without indenture, and may be made party to any proceedings for the legal adoption of the child, and may appear in court where the proceedings are pending and consent to adoption. Its consent shall be sufficient to authorize the court, in its discretion, to include the guardianship of the estate of the child.

Sec. 17. COMMITMENT. (a) When jurisdiction has been obtained by the juvenile court in the case of any child, the child shall continue under the jurisdiction of the court until he becomes twenty-one years of age, unless sooner discharged. No commitment shall divest the court of jurisdiction for the purpose of enforcing its judgments and orders. No commitment of any child shall extend beyond the minority of the child, and commitments to the state industrial school or a school or institution for girl juvenile offenders shall be for the term of the child's minority, unless sooner discharged.

(b) The court, in making orders for the commitment or adoption of a child, shall place it, as far as possible, in the custody of persons having the same religious belief; and shall provide, as far as possible, that the care and discipline of the child shall be as nearly as possible that which should be given by its parents. Whenever possible the child shall be placed in an appropriate family home and become a member of the family by adoption or otherwise.

Sec. 18. WHEN CHILD MAY NOT BE COMMITTED TO INDUSTRIAL SCHOOL. A delinquent child under the age of twelve years shall not be committed to the state industrial school nor to a school or institution for girl juvenile offenders, unless, after the care given it by probation, the court finds that the interests of the child and the welfare of the community demand its commitment. A neglected or dependent child shall not be committed to any such school. Neither the state industrial school nor any school or institution for girl juvenile of-

fenders shall receive any child except upon commitment by the juvenile court.

Sec. 19. SEPARATE CUSTODY. The board of supervisors shall maintain a detention home separate and apart from any jail or lockup in which adults are confined, to be under the charge of a person of good moral character, wherein all children within the provisions of this act shall, when necessary before or after trial, be detained. No child, pending a hearing, shall be placed in any apartment, cell, place of confinement, court room, or vehicle or transportation in company with adults charged with or convicted of crime.

Sec. 20. SUPERVISION OF DETENTION HOME. The juvenile court shall supervise the detention home, and shall appoint the person to have charge thereof. The court shall appoint a visiting board of three members, to serve without pay, to inspect the detention home not less than once every ninety days. The visiting board shall make a report to the court of the condition and operation of the detention home, with such recommendations as it deems advisable, which report shall be filed with the clerk of the court.

Sec. 21. BOARD MAY RELEASE CHILD. When it appears to the board of directors of state institutions for juveniles that there is a reasonable probability that a child committed to the state industrial school, or to a school or institution for girl juvenile offenders, would, if at liberty, observe the law, and that its release would not be incompatible with the welfare of society or detrimental to its own good, the board may, with the approval of the court which committed the child, issue to the child an absolute release from confinement. No other petition or form of application for the release of a child shall be entertained by the board. When any person is so discharged by the board it shall promptly notify the committing court, and the probation officer shall keep a record thereof.

Sec. 22. BOARD MAY PLACE CHILD WITH FAMILY. The board of directors of state institutions for juveniles may, with the approval of the committing court, place any child in a school under its control under the care of any resident of the state who is the head of a family and of good moral character, on such conditions as the board may impose. If the child thereafter absents itself, without leave, from the person to whose care it has been committed, it may forthwith, and without fur-

ther process, be returned to the school and shall forfeit all credits gained on account of previous good conduct.

Sec. 23. COOPERATION. Every county, city, and town official and department shall render all assistance and cooperation within his or its power which may further the objects of this act. Any institution or agency to which the juvenile court sends a child shall give the court or any officer appointed by it such information concerning the child as the court or the officer may require.

Sec. 24. CONTEMPT. Any person who willfully violates or neglects or refuses to obey or perform any order of the juvenile court may be proceeded against for contempt.

Sec. 25. CONSTRUCTION. This act shall be liberally construed to accomplish its purposes.

Sec. 26. 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. 27. REPEAL. Chapter 46, Arizona Code of 1939 (article 1, chapter 40, Revised Code of 1928), is repealed. This section does not negative an implied repeal of any statute which conflicts with this act.

Approved: March 24, 1941.

CHAPTER 81

(House Bill No. 208)

AN ACT

RELATING TO AGRICULTURAL AND VEGETABLE SEED; PROVIDING FOR THE LICENSING AND REGULATION OF THE SALE AND HANDLING THEREOF, AND REPEALING ARTICLE 5, CHAPTER 49, ARIZONA CODE OF 1939.

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

Section 1. SHORT TITLE. This act may be cited as the Arizona seed law.

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

"person" includes individual, partnership, corporation, company, society, and association;

"agricultural seed" means the seed of any grass, forage, cereal, or fiber crop, or any other kind of seed commonly recognized as agricultural or field seed, and includes any mixture thereof;

"vegetable seed" means the seed of any crop grown in gardens or on truck farms and generally known and sold under the name of vegetable seed;

"weed seed" means the seed of any plant generally recognized as a weed, and includes noxious weed seed;

"noxious weed seed" includes primary noxious weed seed and secondary noxious weed seed;

"primary noxious weed seed" means the seed of any perennial weed which not only reproduces by seed, but also spreads by underground roots or stems, and which, when established, is highly destructive and difficult to control by ordinary cultural practice, and includes, subject to the provisions of paragraph 5, section 7, the seeds of: nut grass (cyperus rotundus, c. esculentus); bindweed (convolvulus arvensis); Russian knapweed (centaurea repens); Canada thistle (cirsium arvense); leafy spurge (euphorbia esula); hoary cress (lepidium draba, l. repens, hymenophysa pubescens); horse nettle (solanum eleagnifolium, s. carolinense); perennial sow thistle (sonchus arvense); camels thorn (alhagi camelorum); and Johnson grass (sorghum halapense), when it occurs in seeds of sudan grass or of small seeded legumes;

"secondary noxious weed seed" means the seed of such weeds as are objectionable in fields, lawns, or gardens, but can be controlled by good cultural practice, and includes, subject to the provisions of paragraph 5, section 7, the seeds of: wild oats (avena fatua); wild mustards (brassica arvense, b. nigrum, b. juncea); tansy mustards (sisymbrium irio, s. sophia, s. altissimum); dodders (cuscuta spp.); rag weeds (franseria tenuifolia, f. discolor, ambrosia psilostachya); poverty weed (iva axillaris); alkali mallow (sida hederaceae); blue sunflower (helianthus ciliaris); squirrel tail grass (hordeum jubatum); wild barley (hordeum murinum); buckhorn plantain (plantago lanceolata); Russian thistle (salsola kali var. tenuifolia); bur grass (cenchrus pauciflorus); puncture vine

(tribulus terrestris); whorled milk weed (asclepias galioides); and Johnson grass (sorghum halapense), except as specified under primary noxious weeds;

"labels" includes all labels, and other written, printed, or graphic representations, in whatever form, including invoices, accompanying and pertaining to any seed, whether in bulk or in containers;

"advertisement" means any representation, other than on a label, disseminated in any manner or by any means, relating to seed.

Sec. 3. LICENSE OF SEED DEALER. (a) Any dealer who sells or distributes, or processes or mixes for the use of another, any agricultural or vegetable seed shall obtain a license from the state entomologist authorizing him to sell, distribute, process, or mix agricultural seed or vegetable seed. A dealer shall not be entitled to a license unless he has an established plant, warehouse, or place of business.

(b) Every application for a license shall be accompanied by a fee of fifty cents. Each license shall be renewed annually, not later than July 1, and the application for renewal shall be accompanied by a fee of fifty cents.

(c) "Established plant, warehouse, or place of business" means any permanent office headquarters maintained by an importer, broker, seller, or authorized manufacturer's agent, or any permanent warehouse, building, or structure, in or from which a legitimate permanent business is carried on in good faith and not for the purpose of evading this act, during the usual and customary business hours, and which is recognized, and where required is licensed and taxed, as such by the proper public authorities, at which stocks of agricultural seeds or vegetable seeds regulated by this act are sold, distributed, processed, mixed, stored, or kept in quantities reasonably adequate and usually carried for the requirements of the business, and available for regular inspection by the state entomologist or his inspectors; but does not include temporary residences, tents, temporary stands, itinerant trucks or transportation vehicles, or other temporary quarters, occupied pursuant to any temporary arrangement to evade this act.

(d) The provisions of this section do not apply to a farmer growing and marketing his own crops. Any indi-

vidual who harvests the producer's crop and receives part of the crop as payment for services rendered in harvesting, such portion of crops received by the harvester shall be exempted from the provisions of this act.

Sec. 4. LABELING OF AGRICULTURAL SEED. Each container of agricultural seed which is sold, offered for sale, or exposed for sale for sowing purposes shall bear thereon or have attached thereto in a conspicuous manner a plainly written or printed label in the English language, giving the following information:

1. Commonly accepted name of kind or of kind and variety of each agricultural seed component in excess of five per cent of the whole, and the percentage by weight of each in the order of its predominance. Where more than one component is required to be named, the word "mixture" or "mixed" shall appear conspicuously on the label.

2. Lot number or other lot identification.

3. Origin, if known, of alfalfa, red clover, and field corn (except hybrid corn). If the origin is unknown, that fact shall be stated.

4. Percentage by weight of all weed seeds.

5. The name and approximate number of each kind of secondary noxious weed seed, per ounce in items 5a and 5b and per pound in items 5c and 5d, when present singly or collectively in excess of: 5a. one seed or bulblet in each five grams of agrostis spp. poa spp., Rhodes grass, Bermuda grass, timothy, orchard grass, fescues (except meadow fescue), alsike and white clover, reed canary grass, Dallis grass, or other agricultural seed of similar size and weight, or any mixture thereof; 5b. one seed or bulblet in each ten grams of rye grass, meadow fescue, foxtail millet, alfalfa, red clover, sweetclovers, lespedezas, smooth brome, crimson clover, brassica spp. flax, agropyron spp., or other agricultural seed of similar size and weight, or any mixture thereof or with any seed included in item 5a; 5c. one seed or bulblet in each twenty-five grams of proso, sudan grass, or other agricultural seed of similar size and weight, or any mixture not specified in item 5a, 5b, or 5d; 5d. one seed or bulblet in each one hundred grams of wheat, oats, rye, barley, buckwheat, sorghums (except sudan grass), vetches, or other agricultural seed of similar or greater size and weight, or any mixture thereof. All determinations of noxious

weed seeds are subject to tolerances and methods of determination to be prescribed in the rules and regulations of the state entomologist.

6. Percentage by weight of agricultural seeds other than those required to be named on the label, and the name and approximate number per ounce of Bermuda (cynodon dactylon) seed and sour clover (melilotus indica) seed, when present in seeds of grasses or small seeded legumes.

7. Percentage by weight of inert matter.

8. For each named agricultural seed: 8a. percentage of germination, exclusive of hard seed; 8b. percentage of hard seed, if present; and, 8c. the month and year the test was completed to determine the percentages. Following the statements of the percentage of germination and the percentage of hard seed, an additional statement of total germination and hard seed may be stated.

9. Name and address of the dealer who labeled the seed, or who sells it or offers or exposes it for sale within this state.

Sec. 5. LABELING OF VEGETABLE SEED. Each container of vegetable seed which is sold, offered for sale, or exposed for sale for sowing purposes shall bear thereon or have attached thereto in a conspicuous manner a plainly written or printed label in the English language, giving the following information:

1. Name of kind and variety of seed.

2. For seeds which germinate less than the standard last established by the state entomologist under this act: 2a. percentage of germination, exclusive of hard seed; 2b. percentage of hard seed, if present; 2c. the month and year the test was completed to determine the percentages; and, 2d. the words "below standard" in not less than eight point type.

3. Name and address of the dealer who labeled the seed, or who sells it or offers or exposes it for sale within this state.

Sec. 6. DUTIES OF STATE ENTOMOLOGIST. The state entomologist shall enforce the provisions of this act. He may perform any duty or exercise any power imposed

or conferred by this act either individually or through his authorized agent. The state entomologist shall:

1. Sample, inspect, make analyses of, and test agricultural and vegetable seeds transported, sold, or offered or exposed for sale for sowing purposes, at such times and places and to such extent as he may deem necessary to determine whether the seeds are in compliance with the provisions of this act, and shall notify the persons affected in case any violation is discovered.

2. Prescribe, after public hearing, of which notice shall be given by publication in a newspaper of general circulation throughout the state, rules and regulations governing: 2a. the sampling, inspecting, analysis, and testing of agricultural and vegetable seed; 2b. the tolerances to be followed in the administration of this act, which shall be in general accord with officially prescribed practice in interstate commerce; and, 2c. such other matters as may be necessary to secure the efficient enforcement of this act.

Sec. 7. POWERS OF STATE ENTOMOLOGIST. The state entomologist shall have power to:

1. Enter upon any public or private property during business hours in order to have access to seeds subject to this act.

2. Provide for and maintain such seed testing facilities, employ such qualified persons, and make such expenditures, within the limits of funds available therefor, as may be necessary to carry out the provisions of this act.

3. Provide for making purity and germination tests of seeds for farmers and dealers on request, and fix and collect charges therefor.

4. Cooperate with the United States department of agriculture in seed law enforcement.

5. Add to or subtract from the list of seeds included in the definitions, in section 2, of primary noxious weed seed and secondary weed seed, upon determining, after public hearing, that the addition or subtraction is appropriate, within the intent of this act.

Sec. 8. SEED TESTING LABORATORY. The Arizona commission of agriculture and horticulture shall provide for a seed testing laboratory, at the Arizona agricultural

experiment station or at such other place as it may designate, where a qualified analyst shall test samples of agricultural and vegetable seed.

Sec. 9. TESTING FEES. Any citizen of the state may submit to the seed testing laboratory samples of agricultural or vegetable seed for analysis. Not more than five samples shall be tested free of charge in any calendar year, nor more than one in any calendar month, for any individual. Samples in excess of the above amounts shall be tested upon payment of a minimum fee of seventy-five cents for germination or for purity, and of one dollar and fifty cents for both germination and purity. The fees shall be proportionately higher when more than the usual amount of time is required. The fees may be increased or decreased by the state entomologist as may be required to meet the expenses incurred in the enforcement of this act.

Sec. 10. STOP SALE ORDER. The state entomologist shall have power to issue and enforce a stop sale order to the owner or custodian of any lot of agricultural or vegetable seed which is in violation of any provision of this act, which order shall prohibit further sale of the seed until proof is furnished that the law has been complied with. No stop sale order shall be issued or attached to any lot of seed without first giving the owner or custodian an opportunity to comply with the law or to withdraw the seed from sale. In respect to seed which has been denied sale under a stop sale order, the owner or custodian shall have the right to appeal from the order to the superior court of the county in which the seeds are found. This section shall not be construed to limit the power of the state entomologist to proceed as authorized by other provisions of this act.

Sec. 11. SEIZURE. Any lot of agricultural or vegetable seed not in compliance with the provisions of this act shall be subject to seizure upon complaint of the state entomologist to the superior court of the county in which the seed is located. In the event the court finds, in a summary proceeding, that the seed does not comply with this act, it shall order the condemnation thereof, and the seed shall be denatured, processed, destroyed, relabeled, or otherwise disposed of as ordered by the court. Upon application of the owner or custodian of the seed, the court shall have power to permit the applicant to process or relabel the seed to bring it into conformity with this act.

Sec. 12. UNLAWFUL ACTS. (a) It is unlawful for any person to sell, expose for sale, or offer for sale or

transportation any agricultural or vegetable seed: 1. unless the test required by this act to determine the percentage of germination shall have been completed within the nine months, exclusive of the calendar month in which the test was completed, immediately prior to the sale, exposure for sale, or offer for sale or transportation; 2. not labeled in accordance with the provisions of this act, or having a false or misleading label; 3. pertaining to which there has been a false or misleading advertisement; or, 4. containing any primary noxious weed seed, subject to the tolerances and methods of determination prescribed in the rules and regulations of the state entomologist.

(b) It is unlawful for any person: 1. to detach, alter, deface, or destroy any label provided for in this act or the rules and regulations of the state entomologist, or to alter or substitute seed in a manner calculated to defeat the purposes of this act; 2. to disseminate any false or misleading advertisement concerning agricultural or vegetable seed in any manner or by any means; 3. to hinder or obstruct in any way any authorized person in the performance of his duties under this act; or, 4. to fail to comply with a stop sale order.

Sec. 13. PENALTY. Any person who violates any provision of this act is guilty of a misdemeanor, and shall be fined not more than one hundred dollars for the first offense, nor more than two hundred fifty dollars for each subsequent offense.

Sec. 14. PROSECUTION. (a) A prosecution under this act shall not be instituted until the suspected offender has been given an opportunity to appear before the state entomologist, in person or by agent or attorney, at a private hearing. If, after the hearing, or without the hearing if the suspected offender or his agent or attorney fails to appear, the state entomologist is of the opinion that the evidence warrants prosecution, he may institute appropriate court proceedings to have the suspected offender convicted, or may file with the proper county attorney or the attorney-general such evidence as he may have. The county attorney or attorney-general, as the case may be, shall promptly institute a prosecution against the person charged with the violation, if in his judgment the information submitted warrants the action.

(b) After judgment by the court in any case arising under this act, the state entomologist shall have power to publish any information pertinent to the issuance of the judgment in such media as he may designate.

Sec. 15. EXEMPTIONS. (a) The provisions of sections 4, 5, and 12 do not apply: 1. to seed or grain not intended for sowing purposes; nor, 2. to seed in storage in, or consigned to, a seed cleaning or processing establishment for cleaning or processing, except that any labeling or other representation made with respect to the unclean seed shall be subject to sections 4, 5, and 12.

(b) The provisions of paragraph 1, section 4, do not apply to seed imported from without the state to be grown under a contract for repurchase, if the imported seed is new to or is not generally available in this state.

(c) The provisions of sections 4, 5, and 12 relating to the germination requirements do not apply to sugar beet seed.

(d) A person shall not be subject to the penalties of this act for having sold, or offered or exposed for sale, any agricultural or vegetable seed, which was, unknown to him, incorrectly labeled or represented by another as to kind, variety, or origin, which seed cannot be identified by examination thereof, unless he has failed to obtain an invoice or grower's declaration giving kind, or kind and variety, and origin, if required, and to take such other precautions as may be necessary to insure the identity of the seed to be that stated.

Sec. 16. ARIZONA SEED LAW FUND. All moneys collected pursuant to this act shall be paid to the state treasurer, through the state auditor, for deposit in the Arizona seed law fund. All moneys in the Arizona seed law fund are appropriated to the Arizona commission of agriculture and horticulture, to be expended, under the direction of the state entomologist, for carrying out the provisions of this act.

Sec. 17. REPEAL. Article 5, chapter 49, Arizona Code of 1939 (article 3, chapter 5, Revised Code of 1928), is repealed. This section does not negative an implied repeal of any statute which conflicts with this act.

Sec. 18. EFFECTIVE DATE. This act shall take effect July 1, 1941.

Approved: March 24, 1941.

CHAPTER 82

(House Bill No. 240)

AN ACT

RELATING TO APPRENTICESHIP, AND PROVIDING FOR THE SUPERVISION THEREOF BY THE STATE APPRENTICESHIP COUNCIL AND STATE AND LOCAL JOINT APPRENTICESHIP COMMITTEES.

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

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

"trade" or "craft" means any occupation requiring a learning period of four thousand hours or more of reasonably continuous employment;

"apprenticeship" means the learning period of a trade or craft;

"apprentice" means a person beginning an apprenticeship at not less than sixteen and preferably under twenty-one years of age, who has entered into a written apprenticeship agreement with an employer, an organization of employers, or an organization of employees;

"council" means state apprenticeship council.

Sec. 2. APPRENTICESHIP AGREEMENT. For the purposes of this act an apprenticeship agreement is: 1. an individual written agreement between an employer or organization of employers and an apprentice; 2. a written agreement between an organization of employees and an apprentice; or, 3. a written agreement between the state apprenticeship council or a local or state apprenticeship committee and an apprentice describing conditions of employment. All forms of apprenticeship agreements shall be approved by the council. A copy of each agreement made shall be filed with the council, and any suspension, cancellation, termination, or completion of an agreement shall be reported to the council.

Sec. 3. STANDARDS FOR APPRENTICESHIP AGREEMENTS. Every apprenticeship agreement shall set forth:

1. The trade or craft involved.

2. The processes in the trade or craft in which the apprentice should be given work experience and the approximate amount of time to be spent at each process.

3. The number of hours to be spent by the apprentice in work and the number of hours to be spent in related or supplemental instruction, which instruction shall be not less than one hundred forty-four hours per year.

4. A statement that apprentices shall be not less than sixteen years of age.

5. A progressively increasing scale of wages to be paid the apprentice.

6. Provision for a period of probation during which the state or local joint committee may terminate an apprenticeship agreement at the request in writing of any party thereto. After the probationary period an apprenticeship agreement shall not be terminated without approval of all parties concerned, except following a hearing of the case by the state or local joint committee involved.

7. Provision that the services of the council may be utilized for consultation regarding the settlement of differences arising out of any apprenticeship agreement where the same cannot be adjusted locally or in accordance with the established trade procedure.

8. Provision that if an employer is unable to fulfill his obligation under the apprenticeship agreement he may transfer the obligation to another employer, or, if necessary, terminate his obligation by written notice to the state or local joint committee involved.

9. Such additional standards as may be prescribed by the council.

Sec. 4. STATE APPRENTICESHIP COUNCIL. (a) The state apprenticeship council shall consist of three representatives of employer groups and three representatives of employee groups, who shall be appointed by the governor and shall be voting members. A representative of the state board of vocational education, the director of the state employment service, and a member of the industrial commission of Arizona, to be designated by it, shall be members ex-officio of the council, without the right to vote. One representative each of employers and employees shall be appointed for terms ending February 1, 1942, and one representative each of employers and em-

ployees for terms ending one and two years thereafter. Upon the expiration of any term a successor shall be appointed for a full term of three years. Appointment to fill a vacancy resulting otherwise than from expiration of term shall be for the unexpired portion of the term.

(b) After the appointment of the first members of the council, appointment to fill a vacancy in the voting membership shall be made by the governor from a list of three nominees of the employer group or employee group, as the case may be, having the greatest number of apprentices recorded under this act that represents a trade or craft not represented on the council for the period for which the appointment is to be made.

(c) The council shall elect a chairman and a secretary from its voting membership.

(d) Members of the council shall receive no compensation for their services.

(e) The council shall issue such rules and regulations as may be necessary to carry out the purposes of this act. It shall make a report of its activities and findings to each regular session of the legislature, which report shall be made available to the public.

Sec. 5. STATE AND LOCAL JOINT APPRENTICESHIP COMMITTEES. (a) A state or local joint apprenticeship committee may be established by the council in any city or trade area, for any trade or group of trades, whenever required by the apprentice training needs of the trade or group of trades.

(b) A state or local joint apprenticeship committee shall be composed of an equal number of employer and employee representatives, recognized by the council as properly representing the trade or craft involved. In a trade or group of trades in which there is no bona fide employer or employee organization, the state apprenticeship council may act as the joint committee therefor.

(c) Subject to review by the council and in accordance with the standards prescribed by this act and by the council, a joint apprenticeship committee shall devise standards for apprenticeship agreements and give such aid as may be necessary in the operation thereof, in the trade and locality over which it has jurisdiction.

Sec. 6. ELECTIVE COVERAGE. The provisions of

this act shall apply to a person, firm, corporation, organization, or trade or craft only after he or it has voluntarily elected to conform to the provisions hereof.

Approved: March 24, 1941.

CHAPTER 83

(Senate Bill No. 17)

AN ACT

RELATING TO GARNISHMENT; PROVIDING FOR DELIVERY OF PROPERTY BY GARNISHEE IN CERTAIN CASES, AND AMENDING SECTION 25-213, ARIZONA CODE OF 1939.

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

Section 1. Article 2, section 25-213, Arizona Code of 1939, is amended to read:

25-213. GARNISHEE TO DELIVER PROPERTY TO OFFICER. Should it appear from the answer of the garnishee, or otherwise, that the garnishee has in his possession, or had when the writ was served, any property of the defendant liable to execution, the court shall render judgment requiring the garnishee to deliver to the sheriff or any constable presenting an execution in favor of the plaintiff against the defendant, such property or so much thereof as may be necessary to satisfy such execution, which judgment may be enforced as a contempt.

Sec. 2. AMOUNT OF INDEBTEDNESS. In all cases involving less than fifty dollars, should it appear from the answer of the garnishee that the garnishee is indebted to the defendant in money only, or was so indebted when the writ was served, the justice of the peace shall order the garnishee to pay such sum into court, or enough thereof to satisfy the demand of the plaintiff plus one dollar costs; and such amount when paid into court shall immediately be turned over to the plaintiff upon giving bond to the defendant in double the amount of the demand conditioned that the plaintiff will pay such sum of money to the defendant, should the final judgment of the court be against him and in favor of the defendant in said action.

Approved: March 24, 1941.

CHAPTER 84

(Senate Bill No. 55)

AN ACT

RELATING TO WATER RIGHTS; GRANTING THE RIGHT OF APPROPRIATION, AND AMENDING SECTION 75-102, ARIZONA CODE OF 1939.

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

Section 1. Sec. 75-102, Arizona Code of 1939 (section 3281, Revised Code of 1928), is amended to read:

75-102. RIGHT OF APPROPRIATION. Any person may appropriate any unappropriated water for domestic, municipal, irrigation, stock watering, water power, wildlife (including fish), or mining uses, for his personal use or for delivery to consumers. The person first appropriating shall have the better right. To effect the beneficial use, the person so appropriating may construct and maintain reservoirs, dams, canals, ditches, flumes, and other necessary waterways. In the event it becomes necessary for the commissioner to determine the relative values to the public of proposed uses of water, wildlife uses (including fish) shall be deemed to be inferior to domestic and municipal uses, irrigation and stock watering uses, and water power and mining uses.

Approved: March 24, 1941.

CHAPTER 85

(Senate Bill No. 63)

AN ACT

RELATING TO UNCLAIMED SHARES AND DIVIDENDS OF CORPORATIONS, AND PROVIDING FOR PAYMENT THEREOF BY THE STATE TO CLAIMANTS IN CERTAIN CASES.

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

Section 1. CLAIM FOR UNCLAIMED SHARES OR DIVIDENDS: (a) Any person who is the owner, or the heir, devisee, legatee, successor, or assign of the owner,

of any moneys or securities acquired by the state pursuant to article XI, section 8, Constitution of Arizona, as unclaimed shares or dividends of a corporation, may file a verified claim therefor with the state auditor, alleging the nature of the claim and praying that such moneys or shares be paid to him.

(b) As to moneys or securities heretofore acquired the claim shall be filed within ten years after the effective date of this Act; and as to moneys or securities hereafter acquired, within twenty years after the date of acquisition.

(c) A claim filed under the provisions of this section shall be accompanied by the certificate of stock upon which it is based, together with a statement signed and sworn to by the person having lawful custody of the books of the corporation, stating that the claimant, or his predecessor in interest, appears on the books as the rightful owner of the stock. If the claimant is the heir, devisee, legatee, successor, or assign of the owner shown on the books of the corporation, he shall also make satisfactory showing of his chain of ownership.

Sec. 2. PAYMENT OF CLAIM. (a) In the event the state auditor is satisfied that the person making a claim, as provided in section 1, is entitled to the moneys or securities claimed, he shall approve the claim, and shall order the state treasurer to deliver the securities to the claimant, or shall draw his warrant upon the state treasurer for the payment to the claimant of the money claimed, as the case may be. The state treasurer shall pay such warrant from the permanent state school fund.

(b) All moneys acquired by the state as unclaimed shares or dividends of a corporation shall be kept as a separate account in the permanent state school fund until the expiration of the period in which claims thereon may be filed, as prescribed in section 1, and shall, during such period, be available for payment of such claims without further appropriation.

Sec. 3. COURT ACTION. In the event the state auditor refuses to approve any claim presented as provided in section 1, the claimant may file a complaint in the superior court of Maricopa county, and shall serve a copy thereof upon the attorney-general, alleging the nature of his claim and praying that the money or securities be paid or delivered to him. If the court finds for the plaintiff, judgment shall be entered accordingly, and the court

shall certify such judgment to the state auditor, who shall thereupon issue the order or draw the warrant as provided in section 2. Appeal may be taken from the judgment of the superior court as in other cases.

Approved: March 24, 1941.

CHAPTER 86

(Senate Bill No. 69)

AN ACT

RELATING TO CHATTEL MORTGAGES, AND PROVIDING FOR COVERAGE DURING FUTURE PERIODS AND OF AFTER ACQUIRED PROPERTY, AND FOR THE PRESERVATION OF MORTGAGED PROPERTY.

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

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

"mortgagee" includes the mortgagee and his assigns;

"mortgagor" includes all mortgagors, parties to the same mortgage, and assigns.

Sec. 2. MORTGAGE FOR FINANCING DURING PRODUCTION PERIOD. In the event a mortgage of livestock or other animate chattels, or of crops, is given to secure funds that may be advanced thereafter by the mortgagee to the mortgagor, for the purpose of financing the mortgagor during regular production periods, and involving any part of the property encumbered by or described in the mortgage, the mortgage shall be (for not to exceed a period of six years from its date), until formally released or discharged in the recorder's office, a lien on the property described, of effect equal to that established thereby initially, as security for the repayment of all sums that may be or become due under the mortgage and all obligations secured thereby, even though during or between the periods of financing the debts or obligations secured by the mortgage as they exist at any particular time may have been repaid in full by the mortgagor. The mortgage shall state that it is given for the purpose of financing the mortgagor in relation to a part of all of the property

mortgaged during stated production periods. The mortgage shall be discharged upon demand of the mortgagor as provided in sections 62-506 and 62-507, Arizona Code of 1939 (sections 2313 and 2314, Revised Code of 1928), whenever nothing is owing to the mortgagee thereunder.

Sec. 3. MORTGAGE SECURING FUTURE ADVANCES. A mortgage of livestock or other animate chattels or crops may be given to secure the repayment of sums that may be advanced, expenditures that may be made, or indebtedness that may be incurred subsequent to the execution of the mortgage. If the maximum amount to be secured by the mortgage is expressed therein (whether the creation of debts be optional with or obligatory upon the mortgagee), the mortgage (subject to the provisions of section 62-506, Arizona Code of 1939) shall constitute a lien, of effect equal to that established thereby initially, as security for the repayment of all sums, expenditures, and indebtedness that may be or become due thereunder up to the expressed maximum amount. The expressed maximum amount shall be deemed to be the limit of the sums, expenditures, and indebtedness that may be secured by the mortgage at any one time, but not including such as may have existed and been repaid or discharged thereunder.

Sec. 4. MORTGAGE UPON NATURAL INCREASE. A mortgage of livestock or other animate chattels or crops may be given to constitute a lien, of effect equal to that established initially, upon all the natural increase and products of any animate chattels that shall at any time be subject to the lien of the mortgage, by including therein an expression in general terms to that effect. The mortgage, when executed and recorded as required by law, shall constitute notice of its terms to all parties.

Sec. 5. MORTGAGE ON AFTER-ACQUIRED PROPERTY. A mortgage may be given of above classified property, title to which is acquired by the mortgagor subsequent to execution of the mortgage through the use of funds loaned or to be loaned or otherwise, the repayment of which is secured in whole or in part by the mortgage, and it shall be a sufficient description of the property mortgaged if the mortgage states the general kind and class of the same, the number thereof as nearly as may be reasonably ascertained at the time the mortgage is executed, the place where the defined property will ordinarily be located while owned by the mortgagor, and, if the mortgage is on livestock, the marks or brands to be placed thereon, if any. The mortgage, when executed

and recorded as required by law, shall constitute notice of its terms to all parties.

Sec. 6. USE OF MATERIAL FOR MORTGAGED CHATTELS. A mortgage of livestock or other animate chattels, and of hay, grain, or other feed materials, shall not be invalid nor deemed fraudulent in any particular because provision is contained therein, or because the mortgagee consents, that the mortgagor may use or permit the use or consumption of the hay, grain, or other feed materials covered by the mortgage in caring for, preserving, or preparing for market or sale the livestock or other animate chattels covered by the mortgage.

Approved: March 24, 1941.

CHAPTER 87

(Senate Bill No. 77)

AN ACT

RELATING TO PUBLIC WELFARE, AND PROVIDING FOR THE PURCHASE AND SALE OF FOOD ORDER STAMPS AND COTTON ORDER STAMPS BY THE STATE DEPARTMENT OF SOCIAL SECURITY AND WELFARE.

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

Section 1. PURCHASE OF FOOD ORDER OR COTTON ORDER STAMPS. The state department of social security and welfare shall have power to purchase from the United States treasury, or any authorized federal agency, food order stamps and cotton order stamps issued by the United States or any authorized agency thereof, for use in the operation of the food stamp plan and cotton stamp plan of the federal surplus marketing administration.

Sec. 2. PROCEDURE FOR PURCHASE. (a) Food order stamps or cotton order stamps may be purchased by the state department of social security and welfare by presenting to the state auditor a claim drawn upon the public welfare fund, sworn to by the executive officer of the department or his authorized and bonded agent, to which shall be attached an itemized requisition, directed to the agency of the United States authorized to

sell food or cotton order stamps, requesting the sale to the state department of food order stamps or cotton order stamps in quantities and values as listed thereon and equal in value to the amount of the claim. Upon receipt of the claim and requisition, the state auditor shall draw a warrant payable to the state department of social security and welfare, in the amount of the claim. Payment of the warrant shall be conditioned upon the issuance of a bank draft, cashier's check, or similar instrument in the amount of the warrant, payable to the treasury of the United States or its authorized representative. The bank issuing the draft or check shall indicate in writing on the back of the warrant the fact that the warrant was exchanged for the issuance of a draft or check in an equal amount payable to the treasury of the United States or its authorized representative, and the date of issuance.

(b) The state department of social security and welfare shall, within such time as the state auditor may prescribe, return to the state auditor for inspection and filing a receipt, executed by an authorized representative of the United States treasury, showing that the requisition attached to the claim has been filed and the stamps paid for.

(c) In purchasing food or cotton order stamps the state department of social security and welfare shall follow such rules and regulations as the state auditor may prescribe to assure conformity with this Act in the expenditure of the proceeds of the warrant issued pursuant to this section.

Sec. 3. SALE OF STAMPS. (a) The state department of social security and welfare is authorized to operate food and cotton stamp issuing offices for the purpose of selling food and cotton order stamps issued pursuant to the surplus marketing administration stamp plans initiated by the United States or any authorized agency thereof. The department may authorize its stamp issuing offices to accept in payment for the stamps a disbursing order issued by its authorized representative, pursuant to rules and regulations to be adopted by the state board of social security and welfare.

(b) The state department of social security and welfare shall, as often as deemed advisable, attach the accumulated disbursing orders to a single claim drawn upon the public welfare fund in an amount equal to the total value of the attached disbursing orders received by the stamp issuing offices. Upon receipt of the claim the state

auditor shall audit the same, and, if approved by him, the claim shall be marked paid and the direct relief account of the public welfare fund shall be debited with the amount of the claim as an authorized expenditure for the relief of needy persons. The department shall comply with such rules and regulations as the state auditor may prescribe with reference to the presentation of claims pursuant to this section.

Approved: March 24, 1941.

CHAPTER 88

(Senate Bill No. 80)

AN ACT

RELATING TO THE STATE DEPARTMENT OF SOCIAL SECURITY AND WELFARE, AND DIRECTING PAYMENT OF WORKMEN'S COMPENSATION INSURANCE PREMIUMS.

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

Section 1. DEPARTMENT TO PAY PREMIUMS. The state department of social security and welfare is directed to pay, to the industrial commission of Arizona, from the funds available to the department and the state and county boards of social security and welfare, workmen's compensation insurance premiums on its employees, which premiums have heretofore accrued or may hereafter accrue. Payment of the premiums shall not be deemed to have been, or to be, included in any limitation upon administrative or operating expenses of the state department of social security and welfare or the state and county boards of social security and welfare.

Approved: March 24, 1941.

CHAPTER 89

(Senate Bill No. 85)

AN ACT

RELATING TO THE LEASE OF STATE LANDS FOR

CERTAIN PURPOSES AND PROVIDING FOR THE TERMS THEREOF, AND AMENDING SECTION 11-301, ARIZONA CODE OF 1939; AND REPEALING ALL ACTS AND PARTS OF ACTS IN CONFLICT HEREWITH.

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

Section 1. Sec. 11-301, Arizona Code of 1939, is hereby amended to read as follows:

11-301. LAND SUBJECT TO LEASE; TERMS; APPLICATION FOR LEASE; FALSE STATEMENTS IN APPPLICATION. All state lands shall be subject to lease as herein provided, for a term of not more than ten years for agricultural and grazing purposes without advertising. Such leases shall be granted according to the constitution, the law and the rules and regulations of the department.

No lease will be granted under this section without application therefor. All applications for lease shall be made upon forms prepared and furnished by the commissioner and shall be signed and sworn to by the applicant, or his authorized agent or attorney, and filed with the commissioner. Any material false statement or concealment of facts made by any applicant, his authorized agent or attorney, in his application to lease, which statement, if known to the department would have prevented its issue in the form or to the person issued, shall be grounds for cancellation of any lease issued upon said application.

Sec. 2. SEVERABILITY. Should any section, paragraph, sentence, clause or phrase of this act be declared unconstitutional or invalid for any reason the remainder of said act shall not be affected thereby.

Sec. 3. REPEAL OF CONFLICTING ACTS. All acts or parts of acts in conflict hereto are hereby repealed.

Approved: March 24, 1941.

CHAPTER 90

(Senate Bill No. 113)

AN ACT

RELATING TO THE LEVY OF TAXES BY TOWNS, AND

AMENDING SECTION 16-213, ARIZONA CODE OF 1939.

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

Section 1. Sec. 16-213, Arizona Code of 1939 (section 379, Revised Code of 1928), is amended to read:

16-213. COUNCIL MAY LEVY CERTAIN TAXES. The common council shall have power to levy and collect annually, upon the assessed value of the real and personal property within the town, as shown by the equalized assessment roll of the current year, except such as is, or may be, exempt from taxation under the laws of the state, in each year, the following taxes: Not exceeding twenty-seven and one-half mills on the dollar of such assessed valuation to defray the salaries of officers, and the ordinary and contingent expenses of the corporation, not herein otherwise provided for; and for the purpose of constructing and repairing streets, sewers, sidewalks and crosswalks, or bridges and culverts, upon such streets and sidewalks. The limitation herein imposed shall not deny the right to levy and collect the amounts necessary to defray the charges of the public debt of the town. Nothing herein contained shall be held to repeal, modify or affect the provisions of sections 73-502 and 73-505, Arizona Code of 1939 (sections 3097 and 3100, Revised Code of 1928).

Approved: March 24, 1941.

CHAPTER 91

(Senate Bill No. 142)

AN ACT

TO AMEND SECTION 51-620, ARIZONA CODE OF 1939, RELATING TO INSOLVENT BUILDING AND LOAN ASSOCIATIONS.

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

Section 1. Sec. 51-620, Arizona Code of 1939, is amended to read:

51-620. INSOLVENT BUILDING AND LOAN ASSOCIATIONS. Whenever it shall appear to the superintend-

ent that any building and loan association or security company has violated the provisions of its articles of incorporation, its by-laws, or any law of this state, or is conducting business in an unsafe or unauthorized manner, or if any such association or company shall refuse to submit its books, papers and records to the inspection of the superintendent or any examiner, or if any officer thereof shall refuse to be examined upon oath touching the affairs of such association or company, or if from an examination or report provided for, the superintendent shall have reason to conclude that such association or company is in an unsound or unsafe condition to transact business, or that it is unsafe and inexpedient for such association or company to continue business, the superintendent shall notify the association in writing specifically setting forth the irregularities and matters complained of by him and at the same time the superintendent shall forward a copy of the objections to the attorney general of the state of Arizona. After such notice shall have been served, if the association fails forthwith after receipt thereof to correct the irregularities and matters contained in such notice, the superintendent of banks shall advise the attorney general of the failure of the association to correct such irregularities. If, in the opinion of the attorney general, the irregularities are sufficient to justify an action in the superior court for the correction thereof or for the appointment of a receiver, he may bring an action in the name of the superintendent of banks in the superior court of Arizona in the county in which the principal place of business of the association is conducted for the correction of such irregularities and matters complained of and for such other relief as the court deems necessary for the benefit of the shareholders; which said court shall limit the time to plead or answer, and such suit shall have precedence over all other actions on the court's calendar. In the event the court grants the petition for receivership, the superintendent of banks shall be appointed as receiver and may forthwith take possession of the property and business of such association and retain such possession until such association shall resume business or its affairs be finally liquidated; provided, however, that, if the association or company has the insurance protection provided by Title IV of the National Housing Act, as now or hereafter amended, the court may tender to the federal savings and loan insurance corporation (hereinafter termed the "insurance corporation") the appointment as receiver, or as co-receiver with the superintendent of banks. Upon the acceptance by the insurance corporation of such appointment as receiver or co-receiver, possession of and title to all the assets, property and business of the insured

association shall automatically pass to and be vested in the insurance corporation as such receiver, or in the insurance corporation and the superintendent jointly as co-receivers, as the case may be, and thereupon the insurance corporation, if it is receiver, or the insurance corporation and the superintendent of banks equally and jointly, if the insurance corporation is co-receiver, shall have and possess, and may exercise: 1. all the powers and privileges provided by the laws of this state or otherwise with respect to the superintendent of banks as receiver of a building and loan association; 2. accumulatively and additionally to each or any of the foregoing, all of the rights, powers, privileges and authority which were held or possessed by the association and its officers, directors, members and creditors, or all or any one or more of them; and 3. in addition shall have all the rights privileges, powers and authority conferred upon or vested in it, or intended so to be, by federal statutes now or hereafter enacted; and may make loans on the security of, or may purchase at public or private sale or otherwise, and bid at any receiver's or liquidator's sale, and liquidate or sell, all or any part of the assets of the insured association, and, in the event of the purchase of any assets of any association of which it is receiver or co-receiver, it shall bid for and pay a fair and reasonable price. Except as otherwise in writing specifically agreed by the receiver or receivers, no transaction, contract, undertaking, or agreement, and no exercise by the receiver or receivers, or either of them, of any of the rights, powers, privileges, and/or authority by this Act or otherwise vested in them as receivers, or with respect to any receivership or liquidation, shall constitute a personal debt, obligation, or liability of or on the part of the receiver or receivers or either of them. The liquidation of any such association or company, and any receivership thereof, may at the discretion of the receiver or receivers, be conducted and carried out in full or in part in the same manner as provided in this chapter for the liquidation of or receivership for an insolvent bank. Whether or not the insurance corporation shall serve as receiver or co-receiver of any insured association, whenever it shall pay or make available for payment the liabilities of any such insured association in receivership which are insured by it, it shall, upon the surrender and transfer to it of any share, share account, or investment certificate insured by it, be subrogated with respect to such share, share account, or investment certificate, but such surrender and transfer of such share, share account, or investment certificate shall not affect any right which the transferor thereof may have in any portion of such share, share account,

or investment certificate which is uninsured, or any right to participate in the distribution of the net proceeds remaining from the disposition of the assets of such insured association; provided, that if different provisions from the foregoing provisions of this sentence would be applicable if the association were a federal savings and loan association, then such provisions shall be applicable under the laws of this state, to the extent that the same can validly be made so applicable; provided, further, that in any of said events the rights of the holders of shares, share accounts, or investment certificates of such insured association shall be determined in accordance with the applicable provisions of the laws of this state. The procedure provided for in this Act for the liquidation of building and loan associations and security companies shall be exclusive, and no receiver shall be appointed by any court of this state to take charge of the affairs of any such association or any such company after the effective date of this Act, except as herein provided.

Approved: March 24, 1941.

CHAPTER 92

(Senate Bill No. 144)

AN ACT

MAKING OBLIGATIONS ISSUED PURSUANT TO THE PROVISIONS OF THE FEDERAL HOME LOAN BANK ACT, AS AMENDED, AND OBLIGATIONS ISSUED PURSUANT TO TITLE IV OF THE NATIONAL HOUSING ACT, AS AMENDED, LEGAL INVESTMENTS FOR THE FUNDS OF FIDUCIARIES.

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

Section 1. The obligations issued pursuant to the provisions of the Federal Home Loan Bank Act, approved July 22, 1932, as now or hereafter amended, and the obligations issued pursuant to Title IV of the National Housing Act, approved June 27, 1934, as now are hereafter amended, shall be legal investments for the funds of executors, administrators, guardians, trustees and fiduciaries of every kind and nature, up to the amount such obligations are insured by a federal agency.

Approved: March 24, 1941.

CHAPTER 93

(Senate Bill No. 148)

AN ACT

TO AMEND SECTION 61-325, ARIZONA CODE OF 1939, RELATING TO AUTHORIZED INVESTMENTS AND LOANS FOR INSURANCE COMPANIES.

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

Section 1. Sec. 61-325, Arizona Code of 1939, is amended to read:

61-325. AUTHORIZED INVESTMENTS; REPORTS; LOANS ON REAL PROPERTY; SALE. Domestic companies may invest their capital and accumulations in the following named securities only: 1. in the purchase of or loans upon interest bearing bonds of the United States government, or of a state of the United States not in default for interest on such bonds; or of any of the counties and incorporated cities and towns and duly organized school districts of any state or territory of the United States not in default for interest on such bonds; 1a. in obligations issued pursuant to the provisions of the Federal Home Loan Bank Act, approved July 22, 1932, as now or hereafter amended; in obligations issued pursuant to Title IV of the National Housing Act, approved June 27, 1934, as now or hereafter amended; and in the shares, share accounts, investment certificates or accounts of any building and loan association, savings and loan association or other institution wherever located, including any federal savings and loan association, which has the insurance protection provided by Title IV of the National Housing Act, approved June 27, 1934, as now or hereafter amended; provided, however, that no obligation shall be purchased under the authority of this subsection, 1a., except that which is insured up to its full amount by a federal agency; 2. in loans upon unincumbered real property, worth fifty per cent more than the amount loaned thereon, exclusive of buildings, unless such buildings are insured and the policies transferred to the company; 3. companies engaged in insuring titles to real property may, after the investment of fifty thousand dollars in the above securities, invest an amount not exceeding fifty per cent of their subscribed capital stock, in the preparation and purchase of material or plant necessary to enable them to engage in such business; and such materials or plant shall be an asset valued at the actual cost thereof;

and, 4. companies having invested in securities named in subsections one and two an amount equal to the paid up capital stock required of stock companies engaged in such kinds of insurance business, may invest the balance of their capital and accumulations in purchase of, or loans upon, interest bearing bonds (not in default of interest) of any corporation of any state of the United States, or of the District of Columbia, upon approval of the commission, and upon a majority vote of all the directors of such corporation or a unanimous vote of a committee thereof charged with the duty of investing or loaning the funds of the company and, provided, such bonds be secured by collateral worth at least fifty per cent more than their par value and not more than one-third of the total value of the collateral security be shares of stock. The officers of such corporation shall report quarterly during the months of January, April, July, and October of each year to the commission a list of such investments so made by them, and the commission may, if such investments or any of them seem injudicious, require the sale of same. But no investment in the securities named in subsections one or four of this section may be made in an amount exceeding the market value of such securities, at the date of such investment. Every domestic company doing business in other states or in foreign countries, may invest the funds required to meet its obligations incurred in such other state or foreign country, and in conformity to the laws thereof, in the same kind of securities of such other state or foreign country that such company is by law allowed to invest in this state. A life insurance company may lend a sum not exceeding the legal reserve which it maintains upon a policy upon the pledge to it of said policy and its accumulations as collateral security, but this section shall not authorize one insurance company to obtain by purchase or otherwise, the control of any other insurance company. A domestic company may invest in such real property as is necessary for the home offices of its business and may rent space therein not immediately required for its own use, provided, that such investment shall not reduce the surplus assets, exclusive of such investment, to less than fifty per cent of the minimum capital required by law of such company; provided, further, that such investment shall not be made by a domestic mutual insurance company that will reduce the surplus assets, exclusive of such investment, of such company to less than fifty thousand dollars. All investments, loans and deposits of the funds and securities of each domestic company and all purchases on behalf of every such company and all sales made of the property and effects of such company shall be made in its corporate name, and

no officer or other person having any authority in the investment or disposition of its funds, shall accept or receive, except for the company, or be the beneficiary of, either directly or remotely, any fee, gift or other consideration for or on account of any loan, deposit, purchase, sale, payment or exchange made by or on behalf of such company, or be pecuniarily interested therein either as borrower, principal, co-principal, agent, attorney or beneficiary. No investment, sale or loan, except loans upon its own policies, shall be made which has not first been authorized by the board of directors, or by a committee thereof charged with the duty of investing or loaning the funds of the company, nor shall any deposit be made in a banking institution unless such bank has first been approved as a bank of deposit by the board of directors or said committee thereof, and unless a vote authorizing such investment, sale or loan, or approval of the place of deposit, has been recorded in the books of the company. Every domestic company may acquire title to any property under the conditions of any mortgage owned by it, or by the purchase or set-off on execution upon judgment for debts, due it previously contracted in the course of its business, or by purchase in settlement for debts; and such company shall dispose of all such personal property within one year and real property within three years from the time of acquiring same, but the commission, upon proper showing and application may extend such period a reasonable time, not exceeding two years.

Approved: March 24, 1941.

CHAPTER 94

(Senate Bill No. 149)

AN ACT

TO AMEND SECTION 51-214, ARIZONA CODE OF 1939, RELATING TO SAVINGS BANKS LOANS AND INVESTMENTS.

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

Section 1. Sec. 51-214, Arizona Code of 1939, is amended to read:

51-214. SAVINGS BANKS LOANS AND INVEST-

MENTS. A savings bank may invest its capital and deposits and the income derived therefrom:

1. In first lien mortgages upon real property. No such loan shall exceed sixty per cent of the market value, as of the time when the loan is made, of the property mortgaged, unless the federal housing administrator has insured or made a commitment to insure the loan. At least fifty per cent of such loans shall at all times be upon real property situated in the state. A lien of the federal government on account of any United States reclamation project or of the state on account of any project organized under the laws of Arizona shall not be considered a first lien. Any such mortgage or any assignment thereof shall be immediately recorded in the office of the county recorder.

2. In securities issued by the United States government and securities wholly guaranteed by the United States government. In other listed bonds, notes and debentures which have a standard rating above the first four grades, providing such investment is approved in writing by at least two-thirds of the directors of such bank, and the superintendent of banks of the state of Arizona. In interest bearing bonds or other securities of the state, or of any county, city, town, school district or road district thereof; local improvement bonds or securities lawfully issued under the authority of a law of this state; bonds, debentures, or notes issued by any national mortgage association or similar credit institution; debentures issued by the federal housing administrator, or capital stock issued by any federal home loan bank of which such savings bank may be eligible to become a member; 2a. or obligations issued pursuant to the provisions of the Federal Home Loan Bank Act, approved July 22, 1932, as now or hereafter amended; in obligations issued pursuant to Title IV of the National Housing Act, approved June 27, 1934, as now or hereafter amended; and in the shares, share accounts, investment certificates or accounts of any building and loan association, savings and loan association or other institution wherever located, including any federal savings and loan association, which has the insurance protection provided by Title IV of the National Housing Act, approved June 27, 1934, as now or hereafter amended, provided, however, that no obligation shall be purchased under the authority of this subsection, 2a., except that which is insured up to its full amount by a federal agency.

Approved: March 24, 1941.

CHAPTER 95

(Senate Bill No. 165)

AN ACT

RELATING TO ANNUAL STATEMENT AND ESTIMATE OF COUNTY AND CITY OFFICER, PUBLICATION AND NOTICE, AND AMENDING SECTION 73-502, ARIZONA CODE OF 1939.

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

Section 1. Sec. 73-502, Arizona Code of 1939, is amended to read:

73-502. COUNTY AND CITY OFFICER TO MAKE ANNUAL STATEMENT AND ESTIMATE; PUBLICATION AND NOTICE. The board of supervisors of each county, and the governing body of each incorporated city or town, not less than thirty days prior to the date on which the regular annual tax levy is made, shall prepare a full and complete statement of the financial affairs of the fiscal year last past; and an estimate of the different amounts which may be required to meet the public expense for the ensuing year, fixing the amounts proposed for all subjects of recurring items of expense and an amount for contingency or emergency not anticipated. The estimate shall contain a statement of the amount of money required for each item of expenditure necessary for county, city or town purposes, the amounts necessary to pay the interest and principal of any bonds, and the items and amounts of every special levy provided by law. The estimate shall be entered upon the minutes of the governing body and shall be fully itemized, showing under separate heads the amounts proposed as required for each department, public office or official, for each public improvement, for the maintenance of each public structure, institution and school, and the salary of each public officer; the amounts proposed for the construction or maintenance of each public highway, road, street, and bridge, and the construction, operation and maintenance of each public utility, and a full and complete disclosure and statement of the contemplated expenditures for the ensuing year, showing the amount proposed to be expended from each separate fund, and the total amount of proposed public expense. Said statement shall also contain a statement of the receipts for the previous year from sources other than direct property taxation, the amounts actually levied and amounts actually collected for county,

city, or town purposes upon the tax rolls of the previous fiscal year, and the amount proposed to be raised by taxation upon the real and personal property of such county, city, or town, for each purpose for the said ensuing year. The total of amounts in such estimates proposed for expenditure shall not exceed by ten per centum the aggregate of actual expenditures for the previous year exclusive of expenditures for school, bond, special assessment and district levy purposes. The form of such statements shall be furnished by the state tax commission, to comply with the requirements hereof. The estimates together with a notice that such board of supervisors, or governing body, will meet for the purpose of making tax levies, as set forth in said estimates, naming the time and place of holding such meeting, shall be published for at least two consecutive weeks following the tentative adoption of such estimates, in the official newspaper of such county, city or town, if there be one, if not then in a newspaper of general circulation therein.

Approved: March 24, 1941.

CHAPTER 96

(Senate Bill No. 167)

AN ACT

GOVERNING BOARDS OF SCHOOL DISTRICTS PERMITTED TO REQUIRE OPERATORS OF SCHOOL BUSSES TO CARRY PUBLIC LIABILITY INSURANCE.

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

Section 1. LIABILITY INSURANCE ON OPERATOR. The governing board of any school district may require the operator of a school bus used for the transportation of pupils attending schools in such district to carry public liability insurance in amounts not to exceed twenty thousand dollars for personal injury to any one person, and one hundred thousand dollars for personal injuries arising out of any one accident, covering any liability to which such operator may be subject on account of personal injuries to any passenger or other person caused or contributed to by any act of such operator while operating such school bus. In the event the policy of insurance is filed with and approved by the governing board of

such school district, such governing board may increase the compensation otherwise payable to the operator by an amount equal to the cost to the operator of such insurance.

Approved: March 24, 1941.

CHAPTER 97

(Senate Bill No. 216)

AN ACT

TO CONFER POWER UPON THE BOARD OF REGENTS OF THE UNIVERSITY OF ARIZONA TO CONSTRUCT AND EQUIP A DORMITORY, AND FOR SUCH PURPOSES TO BORROW MONEY AND ISSUE BONDS AND LIMIT THE AMOUNTS THEREOF AND TO PROVIDE FOR THE PAYMENT OF SUCH BONDS AND INTEREST THEREON AND TO SECURE SUCH PAYMENT; TO CONFER FURTHER POWERS FOR THE MAKING OF AGREEMENTS WITH THE HOLDERS OF SUCH BONDS; TO LIMIT THE TIME WITHIN WHICH BONDS MAY BE ISSUED; TO SUPERCEDE INCONSISTENT PROVISIONS OF ALL OTHER LAWS; AND TO DECLARE AN EMERGENCY.

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

Section 1. DEFINITIONS. The following terms, wherever used or referred to in this Act, shall have the following meaning unless a different meaning clearly appears from the context:

"institution" shall mean the board of regents of the university of Arizona;

"board" shall mean the board of regents or other governing body of the institution;

"bonds" shall mean any bonds issued pursuant to this Act;

"project" shall mean and include the dormitory constructed pursuant to the Act and the equipment therefor;

"to acquire" shall include to purchase, to erect, to build, to construct, to reconstruct, to repair, to replace, to extend, to better, to equip, to develop, to improve, and to embellish a project.

Sec. 2. POWERS. The institution shall have power in its proper name:

(a) To acquire any project or projects, and to own, operate and maintain such project;

(b) To borrow money and issue bonds and to provide for the payment of the same and for the rights of the holders thereof;

(c) To perform all acts and do all things necessary or convenient to carry out the powers herein granted.

Sec. 3. RESOLUTION FOR ISSUANCE OF BONDS. For the purpose of acquiring a project the institution shall have power and is hereby authorized from time to time to issue negotiable bonds in the aggregate principal amount of $250,000.00. 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 term of redemption, with or without premium, as such resolution or other resolutions may provide. The bonds may be sold at not less than par. The bonds shall be fully negotiable within the meaning and for all the purposes of chapter 52 of the Arizona Code of 1939.

Sec. 4. POWERS TO SECURE BONDS. The institution in connection with the issuance of the bonds, or in order to secure the payment of such bonds and interest thereon, shall have power by resolution of its board:

(a) To fix and maintain fees, rentals and other charges from students, faculty members and others using or being served by, or having the right to be served by, any project;

(b) To provide that bonds issued hereunder shall be secured by a first, exclusive and closed lien on the income and revenue derived from, and shall be payable from, fees, rentals and other charges from students, faculty members and others using or being served by, or having the right to use, or having the right to be served by, any project;

(c) To pledge and assign to, or in trust for the benefit of, the holder or holders of the bonds issued hereunder an amount of the income and revenue derived from fees, rentals and other charges from students, faculty members and others using or being served by, or having the right to use, or having the right to be served by, any project;

(d) To covenant with or for the benefit of the holder or holders of bonds issued hereunder to acquire any project that so long as any such bonds shall remain outstanding and unpaid, the institution will fix, maintain and collect in such installments as may be agreed upon an amount of the fees, rentals and other charges from students, faculty members and others using or being served by, or having the right to use, or having the right to be served by, any project, which shall be sufficient to pay when due the bond issued hereunder to acquire such project, and interest thereon, and to create and maintain reasonable reserves therefor, and to pay the costs of operation and maintenance of such project, including, but not limited to, reserves for extraordinary repairs, insurance and maintenance, which costs of operation and maintenance shall be determined by the board in its absolute discretion;

(e) To make and enforce and agree to make and enforce parietal rules that shall insure the use of any project by all students in attendance at the institution to the maximum extent to which such project is capable of serving such students, or if such project is designed for occupancy as living quarters for the faculty members, by as many faculty members as may be served thereby;

(f) To covenant that so long as any of the bonds issued hereunder shall remain outstanding and unpaid, it will not, except upon such terms and conditions as may be determined, 1. voluntarily create or cause to be created any debt, lien, pledge, assignment, encumbrance or other charge having priority to or being on a parity with the lien of the bonds issued hereunder upon any of the income and revenues derived from fees, rentals and other

charges from students, faculty members and others using or being served by, or having the right to use, or having the right to be served by, any project, or 2. convey or otherwise alienate the project to acquire which such bonds shall have been issued, or the real estate upon which such project shall be located, except at a price sufficient to pay all the bonds then outstanding issued hereunder to acquire such project and interest accrued thereon, and then only in accordance with any agreements with the holder or holders of such bonds, or 3. mortgage or otherwise voluntarily create or cause to be created any encumbrance on the project to acquire which such bonds shall have been issued or the real estate upon which it shall be located.

(g) To covenant as to the procedure by which the terms of any contract with a holder or holders of such bonds may be amended or abrogated, the amount or percentage of bonds the holder or holders of which must consent thereto, and the manner in which such consent may be given.

(h) To vest in a trustee or trustees the right to receive all or any part of the income and revenue pledged and assigned to, or for the benefit of, the holder or holders of bonds issued hereunder, and to hold, apply and dispose of the same and the right to enforce any covenant made to secure or pay or in relation to the bonds; to execute and deliver a trust agreement or trust agreements which may set forth the powers and duties and the remedies available to such trustee or trustees and limiting the liabilities thereof and describing what occurences shall constitute events of default and prescribing the terms and conditions upon which such trustee or trustees or the holder or holders of bonds of any specified amount or percentage of such bonds may exercise such rights and enforce any and all such covenants and resort to such remedies as may be appropriate.

(i) To vest in a trustee or trustees or the holder or holders of any specified amount or percentage of bonds the right to apply to any court of competent jurisdiction for and have granted the appointment of a receiver or receivers of the income and revenue pledged and assigned to or for the benefit of the holder or holders of such bonds, which receiver or receivers may have and be granted such powers and duties as such court may order or decree for the protection of the bondholders.

Sec. 5. MONEYS OF INSTITUTION. No moneys de-

rived from the sale of bonds of the institution or otherwise borrowed by the institution under the provisions of this Act, shall be required to be paid into the state treasury but shall be deposited by the treasurer or other fiscal officer of the institution in a separate bank account or accounts in such bank or banks or trust company or trust companies as may be designated by the board and all deposits of such moneys shall, if required by the board, be secured by obligations of the United States of America, of a market value equal at all times to the amount of the deposit; and all banks and trust companies are hereby authorized to give such security. Such money shall be disbursed as may be directed by the board and in accordance with the terms of any agreements with the holder or holders of any bonds. This section shall not be construed as limiting the power of the institution to agree in connection with the issuance of any of its bonds as to the custody and disposition of the moneys received from the sale of such bonds or the income and revenue of the institution pledged and assigned to or in trust for the benefit of the holder or holders thereof.

Sec. 6. VALIDITY OF BONDS. The bonds bearing the signatures of officers in office on the date of the signing thereof shall be valid and binding obligations, notwithstanding that before the delivery thereof any payment therefor, any or all the persons whose signatures appear thereon, shall have ceased to be officers of the institution issuing the same. The validity of the bonds shall not be dependent on nor affected by the validity or regularity of any proceedings to acquire the project financed by the bonds or taken in connection therewith.

Sec. 7. PROHIBITIONS AGAINST OBLIGATING STATE OF ARIZONA. Nothing in this Act contained shall be construed to authorize the institution to contract a debt on behalf of, or in any way to obligate, the state of Arizona, or to pledge, assign or encumber in any way, or to permit the pledging, assigning or encumbering in any way of, appropriations made by the Legislature, or revenue derived from the investment of the proceeds of the sale, and from the rental of such lands as have been set aside by the Enabling Act approved June 20, 1910, or other legislative enactments of the United States, for the use and benefit of the institution.

Sec. 8. BONDS OBLIGATIONS OF INSTITUTIONS. All bonds issued pursuant to this Act shall be obligations of the institution issuing such bonds payable only in accordance with the terms thereof and shall not be obliga-

tions general, special or otherwise of the state of Arizona. Such bonds shall not constitute a debt, legal or moral, of the state of Arizona, and shall not be enforceable against the state, nor shall payment thereof be enforceable out of any funds of the institution issuing said bonds other than the income and revenues pledged and assigned to, or in trust for the benefit of, the holder or holders of such bonds.

Sec. 9. CERTIFICATION OF BONDS BY ATTORNEY GENERAL. The institution may submit to the attorney general of the state of Arizona 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 such bonds when delivered and paid for will constitute binding and legal obligations of the institution 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. 10. EXCISION OF UNCONSTITUTIONAL OR INEFFECTIVE PARTS OF ACT. It is hereby declared that the sections, clauses, sentences and parts of this Act are severable, are not matters of mutual essential inducement, and any of them may be excinded by any court of competent jurisdiction if this Act would otherwise be unconstitutional or ineffective; it is the intention hereof to confer upon the institution the whole or any part of the powers in this Act provided for, and if any one or more sections, clauses, sentences and parts of this Act shall for any reason be questioned in any court of competent jurisdiction and shall be adjudged unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remaining provisions thereof, but shall be confined in its operation to the specific provision or provisions so held unconstitutional or invalid, and the inapplicability or invalidity of any section, clause, sentence or part of this Act in any one or more instances shall not be taken to affect or prejudice its applicability or validity in any other instance.

Sec. 11. 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 provisions 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 the institution, the institution shall not borrow any money or issue any bonds pursuant to the provisions of this Act after March 1, 1945.

Sec. 12. DECLARATION OF EMERGENCY AND TIME OF TAKING EFFECT. 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 24, 1941.

CHAPTER 98

(Senate Bill No. 71)

AN ACT

RELATING TO PUBLIC MONEYS, AND AMENDING SECTION 10-303, ARIZONA CODE OF 1939.

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

Section 1. Sec. 10-303, Arizona Code of 1939, is amended to read:

10-303. DEPOSITORY TO FURNISH BOND, SECURITIES, OR SAFEKEEPING RECEIPT. Any bank, before receiving any such deposit, shall execute and deliver a bond, issued by a surety company approved by the treasury department of the United States and authorized to do business in this state, approved as to form by the legal adviser of the designating officers, and shall be in a penalty of not less than the amount the bank may receive on deposit, or may deposit with the state treasurer, county treasurer, or town or city treasurer, as the case may be. In lieu of a surety bond, the bank may: 1. deposit regularly issued and interest-bearing bonds of the following character: United States government bonds, state, county,

municipal, and school district improvement bonds, bonds of federal land banks, bonds of joint stock land banks, bonds issued or guaranteed by corporations operating a United States reclamation project within the state when issued or guaranteed with the approval of the secretary of the interior, any bonds the payment of interest and principal of which is guaranteed by the United States, bonds issued by any United States government instrumentality or federal agency that qualify and are acceptable as security for public funds of the United States government, registered warrants of this state, registered county warrants when offered as security for moneys of the county by which they are issued; or 2. furnish the safekeeping receipt of any federal reserve bank or any bank located in a central reserve city whose combined capital and surplus on the date of the safekeeping receipt is ten million dollars or more, evidencing the deposit therein of any of the bonds described in this section. The safekeeping receipt shall be endorsed or assigned prior to the deposit thereof with the state treasurer, county treasurer, or town or city treasurer, as the case may be. State, county, municipal, school district, or other bonds, or registered warrants, shall be accepted at their actual value if not above par, and if at any time their actual or market value becomes less than par, additional bonds required to guarantee deposits shall be demanded by the treasurer concerned, and deposited by the bank affected. A safekeeping receipt shall be accepted at the actual value, if not above par, of the bonds or other securities described therein, and if at any time their actual or market value becomes less than par, additional bonds required to guarantee deposits, or, at the option of the treasurer concerned, an additional safekeeping receipt, shall be demanded by the treasurer concerned and deposited by the bank affected. The condition of the surety bond, or the deposit of securities or a safekeeping receipt in lieu thereof, shall be that the bank will promptly pay to the parties entitled thereto public moneys in its hands, upon lawful demand therefor, and will, whenever thereunto required by law, pay such moneys to the treasurer making the deposit, with interest thereon as hereinafter provided.

Approved: March 25, 1941.

CHAPTER 99

(Senate Bill No. 81)

AN ACT

RELATING TO THE STATE DEPARTMENT OF SOCIAL

SECURITY AND WELFARE; PROVIDING FOR THE PAYMENT OF ITS ADMINISTRATIVE EXPENSES, AND AMENDING SECTION 70-115, ARIZONA CODE OF 1939.

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

Section 1. Sec. 70-115, Arizona Code of 1939 (section 15, chapter 69, Session Laws of 1937, regular session, as amended), is amended to read:

70-115. ADMINISTRATIVE EXPENSES. (a) Administrative expenses of the state department and state and county boards of social security and welfare shall be paid out of the funds made available by the old age assistance Act of 1937, as amended, the dependent children's Act of 1937, as amended, the aid to the needy blind Act of 1937, as amended, and the public welfare fund. The administrative expenses in any fiscal year shall not exceed five per cent of the total old age assistance funds available from all sources for the fiscal year and twelve per cent of the total of all other funds made available to the department and the boards from all sources for all purposes for the fiscal year.

(b) In this section, "administrative expenses" does not include: 1. grants in cash or kind to or for the benefit of needy persons; 2. the cost of providing shelter and subsistence for needy persons; 3. the cost of rendering child welfare and crippled children's services; 4. the cost of distributing surplus commodities or selling food or cotton stamps to the needy; 5. the cost of operating the state welfare sanatorium; nor, 6. the cost of sponsoring work relief projects, either independently or in cooperation with any state or federal agency; nor, 7. the cost of investigations made at the request of the federal government in respect to persons registered under the selective training and service Act of 1940.

Approved: March 26, 1941.

CHAPTER 100

(Senate Bill No. 153)

AN ACT

RELATING TO THE SALE OF CEMETERY PROPERTY;

PROVIDING FOR THE REGULATION THEREOF AS OTHER REAL ESTATE BUSINESS; AMENDING SECTIONS 67-1702 AND 67-1704, ARIZONA CODE OF 1939, AND AMENDING ARTICLE 17, CHAPTER 67, ARIZONA CODE OF 1939, BY ADDING SECTION 67-1729a.

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

Section 1. Sec. 67-1702, Arizona Code of 1939 (section 2, chapter 53, Session Laws of 1937, regular session), is amended to read:

67-1702. DEFINITIONS. In this article, unless the context otherwise requires:

"department" means state real estate department;

"commissioner" means state real estate commissioner;

"real estate broker" or "broker" means a person who, for compensation, sells, buys, exchanges, rents, leases, or otherwise trades or deals in, or offers, advertises, negotiates, or solicits to trade or deal in, or lists for the purpose of or with a view to trading or dealing in real estate or leases thereon, including cemetery property and any interest therein, or collects rents or negotiates loans on real estate, or improvements or leases thereon, for another; and the performance of one act described in this definition shall constitute the performer thereof a real estate broker;

"real estate salesman" or "salesman" means a person employed by a broker to perform any act in respect to which the business of a broker is conducted;

"lease" includes any lease, whether the sole, the principal, or an incidental part of a transaction;

"person" includes individual, corporation, partnership, company, or other form of multiple organization for the carrying on of business;

"licensee" means a person to whom a license as real estate broker or salesman has been granted;

"cemetery" means a place used or intended for use for the permanent interment of the human dead, including, but not limited to, burial park, mausoleum, columbariam, or any combination thereof;

"subdivided lands" or "subdivision" means land subdivided or prepared to be subdivided for the purpose of sale or lease, whether immediate or future, into five or more lots or parcels.

Sec. 2. Sec. 67-1704, Arizona Code of 1939 (section 4, chapter 53, Session Laws of 1937, regular session), is amended to read:

6 7-1704. EXCEPTIONS. Except as to the requirements with respect to the subdivision of land, this article shall not be construed to apply to:

1. A person, or corporation through its officers receiving no special compensation therefor, dealing in his or its own property; but this article does apply to sales of cemetery property, except by an individual acting with reference to property owned by him in his own name and who is not engaged in the business of selling cemetery property.

2. A person holding a valid power of attorney, which is being used for specific purposes.

3. An attorney at law in the performance of his duties as such.

4. A receiver, trustee in bankruptcy, or other person acting under an order of a court.

5. A trustee selling under a deed of trust.

Sec. 3. Article 17, chapter 67, Arizona Code of 1939 (chapter 53, Session Laws of 1937, regular session), is amended by adding section 67-1729a:

67-1729a. SALE OF CEMETERY PROPERTY FOR SPECULATION. It is unlawful for any person to sell or offer for sale any cemetery property under any promise that the cemetery property sold or offered for sale may be resold at a profit. The conveyance of any cemetery property pursuant to a sale in violation of this section is void. Any person who violates any provision of this section is guilty of a misdemeanor, and, in addition to the statutory penalty therefor, his broker's or salesman's license, if a licensee, shall be suspended or revoked.

Approved: March 26, 1941.

CHAPTER 101

(Senate Bill No. 162)

AN ACT

RELATING TO THE ERADICATION OF DOURINE; PROVIDING FOR PAYMENT FOR REACTORS DESTROYED AND FOR QUARANTINE OF AFFECTED AREAS; MAKING AN APPROPRIATION, AND AMENDING SECTIONS 6 AND 8, CHAPTER 6, SESSION LAWS OF 1940, FIRST SPECIAL SESSION, AND DECLARING AN EMERGENCY.

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

Section 1. Sec. 6, chapter 6, Session Laws of 1940, first special session, is amended to read:

6. REPAYMENT. (a) The state shall pay the owner one-half the value of any reactor destroyed pursuant to this act, determined as provided in section 5, but the state's share shall not exceed five dollars for any reactor.

(b) Any person claiming payment for the destruction of a reactor shall file a written claim therefor with the board. The claim shall contain: 1. proof of actual destruction; 2. a statement of the value of the reactor as agreed upon or appraised; 3. an agreement to accept one-half of the amount so determined, in no event in excess of five dollars, as compensation in full for the discharge of all claims against the state for the destruction of the reactor; and, 4. an affidavit of ownership. If the claim be valid, the board shall certify one-half of the amount thereof to the state auditor, who shall draw his warrant therefor payable to the claimant.

Sec. 2. Sec. 8, chapter 6, Session Laws of 1940, first special session, is amended to read:

8. QUARANTINE. (a) The board, upon the recommendation of the state veterinarian, shall have power to quarantine any area within which equines afflicted with or exposed to dourine shall be isolated. It shall take such measures as may be necessary to enforce the quarantine and prevent the spread of the disease, and shall not release the quarantine until the danger is past. Notice of the establishment of a quarantine shall be given all persons affected. Any person willfully permitting, procuring,

or aiding the escape or removal of any equine from a quarantined area is guilty of a violation of this act.

(b) Moneys available to the board for the purpose of this act shall be expended, so far as practicable, for the eradication of dourine in areas quarantined by the board pursuant to this section, before making any expenditure therefor in other parts of the state.

Sec. 3. APPROPRIATION. The sum of ten thousand dollars is appropriated out of the general fund of the state to the livestock sanitary board, for the purpose of carrying out the provisions of chapter 6, Session Laws of 1940, first special session, as amended by 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. 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 26, 1941.

CHAPTER 102

(Senate Bill No. 177)

AN ACT

RELATING TO STATE LAND; PROVIDING THAT CERTIFICATES OF PURCHASE, LEASES, AND PERMITS SHALL BE SUBJECT TO SALE OR LIEN, AND AMENDING ARTICLE 4, CHAPTER 11, ARIZONA CODE OF 1939, BY ADDING SECTION 11-426.

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

Section 1. Article 4, chapter 11, Arizona Code of 1939 (article 4, chapter 71, Revised Code of 1928), is amended by adding section 11-426:

11-426. CERTIFICATE OF PURCHASE, LEASE, OR PERMIT SUBJECT TO SALE OR LIEN. (a) The interest of the holder of any certificate of purchase of state land, or any lease or permit on state land, shall be sub-

ject to sale, mortgage, or other lien, to the same extent as patented land, without prejudice to the state; but no contract of sale, mortgage, or other lien affecting any certificate of purchase, lease, or permit on state land shall become effective unless and until a copy thereof is filed with the commissioner. When so filed, no assignment of the certificate of purchase, lease, or permit affected shall be made without the consent of all parties.

(b) Upon the foreclosure of a contract of sale, mortgage, or other lien filed with the commissioner, as provided in subsection (a), the commissioner shall assign the instrument in question to the party entitled thereto.

Approved: March 26, 1941.

CHAPTER 103

(Senate Bill No. 203)

AN ACT

MAKING AN APPROPRIATION FOR A HEATING PLANT AND GAS BURNER IN THE STATE OFFICE BUILDING AND DECLARING AN EMERGENCY.

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

Section 1. APPROPRIATION. The sum of five hundred dollars is appropriated to the board of directors of state institutions.

Sec. 2. PURPOSE. The purpose of the appropriation is to enable the board of directors to purchase and install a heating plant and gas burner in the state office building.

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 26, 1941.

CHAPTER 104

(Senate Bill No. 213)

AN ACT

MAKING AN APPROPRIATION FOR THE PAYMENT

OF BOND PREMIUMS OF PUBLIC OFFICIALS, AND DECLARING AN EMERGENCY.

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

Section 1. APPROPRIATION. The sum of six hundred ninety-seven dollars and fifty cents is appropriated for the purposes specified in section 2.

Sec. 2. PURPOSE. The sum appropriated shall be used for the payment of premiums on bonds of the following public officials, to the claimants specified:

1. Superintendent of banks (J. H. Calvert), twenty thousand dollar bond, January 12, 1941 to January 12, 1942, National Insurance Agency, fifty dollars.

2. State treasurer (Joe Hunt), one hundred thousand dollar bond, January 6, 1941 to January 6, 1942, Guardian Insurance Agency, three hundred fifty dollars.

3. Custodian of the state compensation fund (Joe Hunt), twenty-five thousand dollar bond, January 6, 1941 to January 4, 1943, Emmet Smith Insurance Agency, seventy-five dollars.

4. Attorney-general (Joe Conway), five thousand dollar bond, January 1, 1941 to December 31, 1942, Emmet Smith Insurance Agency, twelve dollars and fifty cents.

5. Secretary of state (Harry M. Moore), ten thousand dollar bond, January 6, 1941 to January 6, 1942, Dave Johnson Company, thirty-five dollars.

6. Deputy state treasurer (Samuel Wayne Webb), fifty thousand dollar bond, January 6, 1941 to January 6, 1942, Dave Johnson Company, one hundred seventy-five dollars.

Sec. 3. PAYMENT. The state auditor shall draw his warrants for the sums specified and to the claimants named in section 2, and the state treasurer shall pay the same.

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 26, 1941.

CHAPTER 105

(House Bill No. 1)

AN ACT

RELATING TO PUBLIC HEALTH; CREATING THE STATE DEPARTMENT OF HEALTH AND DEFINING ITS POWERS AND DUTIES; AMENDING SECTION 68-405; AND REPEALING SECTIONS 68-101, 68-102, 68-103, 68-104, 68-105, 68-106 AND 50-902, ARIZONA CODE OF 1939, 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 state department of health;

"board" means state board of health;

"superintendent" means superintendent of public health.

Sec. 2. STATE DEPARTMENT OF HEALTH. The state department of health shall consist of the state board of health, the superintendent of public health, and the several divisions of the department. The department shall succeed to and is hereby vested with the duties, powers, purposes, responsibilities, and jurisdiction heretofore by law vested in and imposed upon the state board of health, the superintendent of public health, the state registrar of vital statistics, the supervisor of public health nursing, the state laboratory, the director of the state laboratory, the board of regents of the University of Arizona relating to the state laboratory and the director thereof.

Sec. 3. DIVISIONS. (a) The department shall include the following divisions, together with such other divisions and bureaus as the superintendent, with the approval of the board, may establish: 1. division of local health administration; 2. division of maternal and child health; 3. division of vital statistics; 4. division of sanitary engineering; 5. state laboratory; and, 6. division of public health nursing.

(b) The superintendent shall prescribe the powers and duties of the several divisions, and shall appoint the directors thereof, subject to the approval of the board.

Sec. 4. DUTIES OF SUPERINTENDENT. The superintendent shall be the executive officer of the department and the state registrar of vital statistics, in which capacity he shall act as director of the division of vital statistics, but shall receive no compensation for his services as registrar. The superintendent of health shall perform all executive duties now required by law of the state board of health, and such other duties as are incident to his position as chief executive officer. He shall administer the laws relating to health and sanitation and the regulations of the state department of health. He shall prepare sanitary and public health regulations for consideration by the board and shall submit to said board recommendations for new legislation. He shall perform such other duties as may be prescribed by law or by the board. He shall have power to authorize any officer or employee of the department to act in his stead. He may sit at meetings of the board, but shall have no vote.

Sec. 5. DUTIES OF BOARD. The board shall advise the superintendent in the performance of his duties, and formulate general policies affecting the public health. It may hold hearings and subpoena witnesses and documents. Any member shall have power to administer oaths in connection with the duties of the board. The board shall have no administrative or executive functions other than those set forth in this Act.

Sec. 6. RULES AND REGULATIONS. (a) The board shall have power to adopt, promulgate, repeal, and amend rules and regulations consistent with law to: 1. define and control communicable diseases; 2. prevent and control public health nuisances; 3. regulate sanitation and sanitary practices in the interests of public health; 4. cooperate with local boards of health and health officers; 5. protect and promote the public health and prevent disability and mortality; 6. isolate any person affected with and prevent the spread of any contagious or infectious disease; 7. govern the transportation of dead bodies; 8. establish quarantine; and, 9. carry out the purposes of this Act.

(b) A copy of the rules and regulations of the board shall be filed with the secretary of state. The rules and regulations shall be published not more than ten days after adoption in a newspaper of general circulation in the state, and shall be issued in pamphlet form for distribution to local health officers and to interested citizens.

Sec. 7. PERSONNEL. The board shall adopt, and the

superintendent shall enforce, rules and regulations providing for the merit system of employment of all officers and employees of the department.

Sec. 8. ANNUAL REPORT. Not later than August 20 of each year the superintendent shall submit to the governor a report setting forth: 1. the condition of public health in the state; 2. the activities of the department during the preceding fiscal year; 3. the work done in each county; 4. the character and extent of all diseases reported; 5. the expenditures of the department and of each county board of health; and 6. such recommendations as he may deem advisable for protection of the public health.

Sec. 9. SUPERINTENDENT. (a) The superintendent of public health shall be appointed by the board. The term of the first superintendent appointed under this act shall expire March 1, 1946. Thereafter the term of the superintendent shall be five years. He may be removed only for cause, on written charges and after a public hearing thereon by the board. Appointment to fill a vacancy resulting otherwise than from expiration of term shall be for the unexpired portion of the term only.

(b) The superintendent shall be a reputable physician having the degree of doctor of medicine from a reputable medical school recognized by the Council on Medical Education and Hospitals of the American Medical Association. He shall have had not less than five years' experience in full time administration of public health or, in lieu of five years' experience, three years' experience in full time public health administration and a degree from an accredited school of public health. He shall be licensed to practice in Arizona.

(c) The superintendent shall devote his full time to the duties of the office, and shall not engage in the private practice of medicine in any other occupation. He shall receive a salary, to be fixed by the board within the limits of funds available therefor, of not less than four thousand eight hundred dollars per annum.

Sec. 10. Sec. 68-405, Arizona Code of 1939 (Sec. 2705, Revised Code of 1928), is amended to read:

68-405. STATE LABORATORY. (a) The state laboratory shall be under the supervision of a director, and shall be located in rooms set aside by the University of Arizona and in such other places as the board may determine. The superintendent of public health shall appoint the director, who shall be a skilled pharmaceutical chemist

or bacteriologist and analyst of foods, water supplies, and drugs.

(b) The state laboratory shall examine and analyze such foods, water supplies, drugs, and other specimens as the superintendent may direct. The director shall perform the duties prescribed in this article and by the superintendent, and shall cooperate generally with the department. The certificate by the director of analysis of an examination shall be prima facie evidence of the facts therein stated.

Sec. 11. 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, 1942, and one each for terms ending one, two, three, and four years thereafter and the governor shall be ex-officio member of the board without voting privilege. 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) Two members of the board shall be licensed practitioners of medicine and surgery, who have been engaged in the practice of medicine in the state. Three members shall be persons selected for their interest in public health.

(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, in the amount provided by law.

Sec. 12. MEETINGS AND ORGANIZATION. The board shall hold regular quarterly meetings, and such special meetings as 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 and a secretary.

Sec. 13. FINANCIAL PROVISIONS. (a) The public health fund shall consist of appropriations and of all receipts from any other source for the use of the department. The state treasurer shall receive and disburse moneys donated to or provided for the department by any person, town, city, benevolent organization, or other agen-

cy for public health work, and moneys so received shall be deposited in the public health fund. The salaries and expenses of the department 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.

(b) Moneys received from the United States, or any agency thereof, for public health purposes, shall be kept in a separate account in the public health fund. Any unexpended and unencumbered balance of federal funds remaining in the public health fund at the end of a fiscal year shall not revert to the general fund.

Sec. 14. PENALTY. Any person violating any provision of this Act, or any rules or regulation adopted pursuant to this Act, shall be guilty of a misdemeanor, and upon conviction shall be fined not less than twenty-five nor more than two hundred dollars, or imprisoned in the county jail not more than thirty days, or both.

Sec. 15. REPEAL. Sections 68-101, 68-102, 68-103, 68-104, 68-105, 68-106, and 50-902, Arizona Code of 1939 (Sections 2678, 2679, Revised Code of 1928; section 1, chapter 103, laws of 1935; section 2680, Revised Code of Arizona, 1928; section 1, chapter 38, laws of 1931; section 2681, Revised Code of 1928 and section 2, chapter 82, laws of 1931), are hereby repealed. This section does not negative an implied repeal of any statute which conflicts with this Act.

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 26, 1941.

(This Bill carrying the Emergency Clause was passed by the following vote: House: 30 Ayes, 18 Nayes, O Absent, 4 Excused. Senate: 17 Ayes, O Nayes, 2 Not voting).

CHAPTER 106

(House Bill No. 21)

AN ACT

FOR THE RELIEF OF DR. CHARLES W. SULT.

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 of the state, for the relief of Dr. Charles W. Sult.

Sec. 2. BASIS OF CLAIM. Payment of the sum appropriated shall be in full satisfaction of the claim of Dr. Charles W. Sult, for professional services rendered to girl juvenile offenders maintained as provided by law at the Convent of the Good Shepherd, from July 1, 1937, to March 31, 1939.

Approved: March 26, 1941.

CHAPTER 107

(House Bill No. 46)

AN ACT

RELATING TO THE MUNICIPAL REVENUE BOND ACT OF 1940; ENLARGING ITS SCOPE TO INCLUDE ALL MUNICIPAL UTILITIES AND REMOVING THE TIME LIMITATION THEREON; AMENDING SECTIONS 2, 3, 11, 12, 13, 14, 16 AND 18, AND REPEALING SECTION 19, CHAPTER 4, SESSION LAWS OF 1940, FIRST SPECIAL SESSION.

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

Section 1. Sec. 2, chapter 4, Session Laws of 1940, first special session, is amended to read:

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

"municipality" means any incorporated city or town;

"governing body" means the board, commission, or other body having charge of the financial affairs of a municipality;

"bond" means any bond issued pursuant to this Act;

"utility undertaking" means any one or combination of the following: electric light or power, water, sewer, gas, garbage, or rubbish plant or system, together with

all parts thereof and appurtenances thereto, including, but not limited to, disposal, treatment, and reduction plants, buildings, incinerators, dams, and reservoirs.

Sec. 2. Sec. 3, chapter 4, Session Laws of 1940, first special session, is amended to read:

3. POWERS OF MUNICIPALITIES. In addition to any powers it may now have, any municipality shall have power: 1. subject to the requirements and restrictions of section 16-604 and 16-605, Arizona Code of 1939 (sections 3 and 4, chapter 77, Session Laws of 1933, regular session), within or without its corporate limits, to construct, improve, reconstruct, extend, operate, maintain, and acquire, by gift, purchase, or the exercise of the right of eminent domain, any utility undertaking or part thereof, and acquire in like manner land, rights in land, or water rights in connection therewith; 2. to issue its bonds to finance the cost thereof; and, 3. to pledge to the punctual payment of the bonds and interest thereon an amount of the revenue of the utility undertaking, including improvements or extensions thereafter constructed or acquired, sufficient to pay the bonds and interest as the same shall become due, and to create and maintain reasonable reserves therefor. The amount pledged may consist of all or any part of the revenue. The governing body of the municipality, in determining the cost of the utility undertaking for which bonds are to be issued, may include all costs and estimated costs of the issuance of the bonds, all engineering, inspection, fiscal, and legal expenses allowed by law, and interest which it is estimated will accrue on money borrowed or which will be borrowed during the construction period and for six months thereafter.

Sec. 3. Sec. 11, chapter 4, Session Laws of 1940, first special session, is amended to read:

11. CHARGES FOR UTILITY UNDERTAKING. The governing body of the municipality issuing the bonds shall prescribe charges, and shall revise the same whenever necessary, so that any utility undertaking for which the bonds were issued shall always remain self-supporting with revenue sufficient: 1. to pay when due all bonds, and interest thereon, for the payment of which the revenue shall have been pledged, encumbered, or charged; 2. to provide for all expenses of operation and maintenance; and, 3. to provide reasonable reserves for said purposes.

Sec. 4. Sec. 12, chapter 4, Session Laws of 1940, first special session, is amended to read:

12. COVENANTS IN RESOLUTION. Any resolution pertaining to the issuance of bonds under this Act may contain covenants as to: 1. the purposes to which the proceeds of sale of the bonds may be applied and to the use and disposition thereof; 2. the use and disposition of the revenue of the utility undertaking for which the bonds are to be issued; 3. the issuance of other or additional bonds, payable from the revenue of the utility undertaking; 4. the operation and maintenance of the utility undertaking; 5. the insurance to be carried thereon and the use and disposition of insurance moneys; 6. books of account and the inspection and audit thereof; and, 7. the terms and conditions upon which the holders of the bonds, or any proportion of them or any trustee therefor, shall be entitled to the appointment of a receiver, who may enter and take possession of the utility undertaking, operate and maintain the same, prescribe charges, and collect, receive, and apply all revenue thereafter arising therefrom in the same manner as the municipality itself might do. The provisions of this Act and any such resolution shall be deemed a contract with the holders of the bonds, and the duties of the municipality and of its governing body and officers under this Act and any such resolution shall be enforceable by mandamus or other appropriate action in any court of competent jurisdiction.

Sec. 5. Sec. 13, chapter 4, Session Laws of 1940, first special session, is amended to read:

13. DISPOSITION OF PROCEEDS. All proceeds received from the sale of the bonds, all fees, rents, tolls, or other charges received by the municipality from any utility undertaking financed by the bonds, and all moneys received from any source in connection therewith shall be paid to the financial officer of the municipality whom the governing body thereof shall designate for such purposes. The financial officer shall not commingle any money received under the terms of this Act with any other moneys, but the moneys received under the terms of this Act shall be deposited in a separate bank account in the name of the municipality. The governing body may by resolution provide that all deposits of such proceeds, fees, rents, tolls, or other charges, and such moneys received under the terms of this Act, shall be secured by obligations of the United States or of this state of a market value equal at all times to the amount of the deposits hereunder, and all banks and trust companies are authorized to give such security for the deposits.

Sec. 6. Sec. 14, chapter 4, Session Laws of 1940, first special session, is amended to read:

14. VALIDITY OF BONDS. Bonds issued under this Act and bearing the signatures of officers in office on the date of the signing thereof shall be valid and binding obligations, notwithstanding that before the delivery thereof and payment therefor any or all of the persons whose signatures appear thereon shall have ceased to be officers of the municipality issuing the same. The validity of the bonds shall not be dependent on nor affected by the validity or regularity of any proceedings relating to the construction, acquisition, improvement, reconstruction, or extension, of the utility undertaking financed by the bonds or taken in connection therewith.

Sec. 7. Sec. 16, chapter 4, Session Laws of 1940, first special session, is amended to read:

16. PRIOR LIEN OF BONDS. All bonds of the same issue under this Act shall have a prior and paramount lien on the revenue of the utility undertaking for which the bonds have been issued over and ahead of all bonds of any issue payable from that revenue which may be subsequently authorized, and over and ahead of any claims or other obligations of any nature against that revenue subsequently arising or subsequently incurred. All bonds of the same issue under this Act shall be equally and ratably secured, without priority by reason of number, date of bonds, sale, execution, or delivery, by a lien on the revenue in accordance with the terms of the resolution authorizing the bonds.

Sec. 8. Sec. 18, chapter 4, Session Laws of 1940, first special session, is amended to read:

18. SUPPLEMENTAL NATURE OF ACT. In so far as the provisions of this Act are inconsistent with any other provision of law, the provisions of this Act shall be controlling. The powers conferred by this Act shall be in addition and supplemental to the powers conferred by any other law. Except as herein expressly provided, the utility undertaking may be constructed, improved, reconstructed, extended, and acquired, notwithstanding that any other law may provide for the construction, improvement, reconstruction, extension, or acquisition of a like utility undertaking and without regard to the requirements, restrictions, or other provisions contained in any law, including, but not limited to, sections 16-602 and 16-603, Arizona Code of 1939 (sections 1 and 2, chap-

ter 77, Session Laws of 1933, regular session). Bonds may be issued under this Act for any utility undertaking, notwithstanding that any other law may provide for the issuance of bonds for a like purpose and without regard to the requirements, restrictions, or other provisions contained in any other law.

Sec. 9. REPEAL. Sec. 19, chapter 4, Session Laws of 1940, first special session, is repealed. This section does not negative an implied repeal of any statute which conflicts with this Act.

Approved: March 26, 1941.

CHAPTER 108

(House Bill No. 69)

AN ACT

RELATING TO MOTOR VEHICLE FUEL, AND IMPOSING A TAX ON THE USE THEREOF.

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

Section 1. SHORT TITLE. This Act may be cited as the use fuel tax act of 1941.

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

"motor vehicle" or "vehicle" means any self-propelled vehicle operated on a highway;

"fuel" means any combustible gas or liquid, by whatever name known or sold, of a kind used in internal combustion engines for the generation of power to propel a motor vehicle on the highways, except such fuel as is subject to or exempted from the tax imposed by article 3, chapter 66, Arizona Code of 1939, and except the fuel exempted in section 66-323 of article 3, chapter 66, Arizona Code of 1939;

"internal combustion engine" includes diesel engine and any other engine operated by internal combustion;

"highway" means any way or place in this state, or whatever nature, open to the use of the public, for pur-

poses of traffic, including highways under construction;

"person" means any individual, firm, copartnership, joint venture, association, corporation, estate, trust, business trust, receiver, syndicate, this state, any county, municipality, district, or other political subdivision thereof, or any other group or combination acting as a unit;

"use", as a verb, means receive, into any receptacle on a motor vehicle, fuel consumed in propelling that vehicle on any highway, except that if the fuel is received into the receptacle outside this state, "use", as a verb, means consume in propelling the vehicle on the highways of this state;

"use", as a noun, means the act of consuming fuel in propelling a vehicle on any highway;

"user" means any person who uses fuel;

"excise tax" means the tax imposed by this act upon fuel, and includes penalties and interest thereon;

"permit" means use fuel tax permit;

"commission" means state highway commission;

"superintendent" or "vehicle superintendent" means superintendent of the division of motor vehicles of the Arizona highway department.

Sec. 3. IMPOSITION OF TAX. For the purpose of partially compensating the state for the use of its highways, an excise tax is imposed at the rate of five cents per gallon upon fuel used by any user thereof, after the effective date of this Act.

Sec. 4. PAYMENT AND DISTRIBUTION. (a) The excise tax accrued in any calendar month shall be paid on or before the fifteenth day of the next succeeding month to the vehicle superintendent, who shall promptly pay seven-tenths thereof to the state treasurer, to be placed in the state highway fund, and three-tenths to the several county treasurers, in the proportion that the use of fuel in each county bears to the total use of fuel throughout the state. The superintendent shall deduct all exemptions and refunds before making the division.

(b) The share apportioned to a county shall be used, as may be determined by the board of supervisors, for

the construction, improvement, or maintenance of county highways and bridges, or for the retirement of or payment of interest on outstanding county highway bonds.

Sec. 5. REPORT OF FUEL USED. Every user of fuel, on or before the fifteenth day of each month, shall file with the superintendent, under oath and on a form prescribed by the superintendent, a report showing the amount of fuel used by him during the next preceding calendar month, and containing such other information as the superintendent may require. The report shall be accompanied by a remittance, payable to the vehicle superintendent, of the amount of excise tax due thereunder.

Sec. 6. PENALTY AND INTEREST. Any person who fails to pay any excise tax when due, except taxes assessed pursuant to sections 7 and 8, shall pay in addition to the excise tax a penalty of twenty-five per cent of the amount thereof, plus interest on the amount of the tax at the rate of seven per cent per annum, from the date the tax became due and payable until the date of payment.

Sec. 7. ADDITIONAL ASSESSMENT. In the event the superintendent is not satisfied with the report filed or the amount of excise tax paid by any user, he shall have power to make an additional assessment of excise taxes due from that user based upon any information available to him. Every additional assessment shall bear interest at the rate of seven per cent per annum, from the fifteenth day after the end of the month for which the additional assessment is made until paid. In the event any part of the deficiency for which the additional assessment is made is found to have been occasioned by negligence or intentional disregard of this Act or of any rule or regulation adopted hereunder, a penalty of twenty-five per cent of the amount of the additional assessment shall be added thereto. The superintendent shall give to the user written notice of the additional assessment, to be served personally, or by mail addressed to the user at his address of record in the office of the superintendent.

Sec. 8. ESTIMATE OF TAX DUE. In the event any user neglects or refuses to make any report required by this Act, the superintendent shall make an estimate, based upon any information available to him, for the month for which the user failed to make the report, and, upon the basis of his estimate, shall assess the excise tax due from that user, adding to the sum thus determined a penalty equal to twenty-five per cent thereof. The assessment

shall bear interest at the rate of seven per cent per annum, from the fifteenth day after the end of the month for which the assessment is made until paid. The superintendent shall give the user written notice of the assessment, to be served personally, or by mail addressed to the user at his address of record in the office of the superintendent.

Sec. 9. REASSESSMENT. Any user against whom an assessment is made pursuant to sections 7 or 8 may petition for a reassessment within fifteen days after service upon him of notice of the original assessment. If a petition for reassessment is not filed within the fifteen days, the assessment shall become final. Upon the timely filing of a petition for reassessment, the superintendent shall reconsider the assessment, and, if requested in the petition, shall grant the user an oral hearing, of which ten days' notice shall be given. The hearing may be continued from time to time. The order of the superintendent after reconsideration of an assessment shall become final fifteen days after service of notice thereof.

Sec. 10. LIMITATION ON ADDITIONAL ASSESSMENT. Except in the case of a fraudulent report, or of neglect or refusal to make a report, every notice of an additional excise tax proposed to be assessed shall be served on the user within two years after the alleged erroneous report was filed.

Sec. 11. REFUND. In the event the state highway commission determines that any excise tax, penalty, or interest has been paid more than once, or has been erroneously or illegally collected or computed, the superintendent shall set forth that fact in his records. The excess shall be credited on any amount then due from the same user under this Act, and the balance shall be refunded to that user, or his successors, administrators, executors, or assigns. No credit or refund shall be allowed after two years from the date of overpayment, unless the user shall, within the two years, have filed with the superintendent a written claim for credit or refund. The claim shall state the specific grounds upon which it is based.

Sec. 12. CANCELLATION OF ERRONEOUS ASSESSMENT. In the event any amount has been illegally or erroneously assessed against any user, the superintendent shall cancel that amount upon his records, if a written claim therefor is made within two years after the date of the illegal or erroneous assessment.

Sec. 13. USE FUEL TAX PERMIT. It is unlawful

for any person to use fuel unless he has obtained a use fuel tax permit. Application for a permit shall be made to the superintendent upon a form prescribed by him. Upon receipt of an application, the superintendent shall issue to the applicant a use fuel tax permit authorizing the permittee to use fuel. The permit shall be valid until revoked.

Sec. 14. PERMIT TO BE CARRIED. It is unlawful for any person to deliver or place, or cause to be delivered or placed, any fuel which is to be consumed in propelling a motor vehicle on any highway into any receptacle on a motor vehicle from which receptacle the fuel is supplied to propel the vehicle, unless a use fuel tax permit for the vehicle is carried thereon at the time of delivery, in the manner provided by the regulations of the superintendent.

Sec. 15. REVOCATION OF PERMIT. The superintendent shall have power to revoke the permit of any person who refuses or neglects to comply with any provision of this Act. Before revoking the permit the superintendent shall send notice by registered mail to the permittee at his last known address ordering him to appear before the superintendent on a date not less than ten days after the mailing of the notice and show cause why his permit should not be revoked.

Sec. 16. BOND REQUIRED. (a) Every user shall file with the vehicle superintendent a surety company bond, to be approved by the superintendent, on which the user shall be the principal obligor and the state the obligee, conditioned upon the prompt filing of true reports and the payment by the user of all excise taxes due under this Act, together with all penalties and interest thereon, and upon faithful compliance with the provisions of this Act. The superintendent may accept a cash deposit in lieu of bond. The total amount of bonds required of any user shall be fixed by the superintendent, and may be increased or reduced by him at any time subject to the limitations of this Act. In fixing the total amount of bonds required from any user, the superintendent shall require bonds equivalent to one and one-half times the superintendent's estimate of the user's monthly excise tax, determined in such manner as the superintendent may deem proper; but the total amount of bonds required of any user shall not be less than fifty nor more than five thousand dollars.

(b) In the event the liability upon any bond filed by

a user with the superintendent becomes discharged or reduced, whether by judgment rendered, payment made, or otherwise, or if in the opinion of the superintendent any surety on a bond theretofore given has become unsatisfactory or unacceptable, the superintendent shall require the user to file a new bond, with satisfactory sureties, in the same amount, failing which the superintendent shall forthwith cancel the permit of that user. Upon the furnishing of new bond, the superintendent shall cancel and surrender the bond for which the new bond is substituted.

Sec. 17. ADDITIONAL BOND. In the event that, upon a hearing, of which the user shall be given five days' written notice mailed to his last known address, the vehicle superintendent determines that the amount of the existing bond of any user is insufficient to insure payment of the amount of the excise tax and any penalties and interest for which the user is or may become liable, that user shall forthwith, upon the written demand of the superintendent, file an additional bond, in the manner and form prescribed in section 16, in the amount ordered by the superintendent, failing which the superintendent shall forthwith cancel the permit of that user.

Sec. 18. DISCHARGE OF SURETY. Any surety on a bond furnished by a user pursuant to this Act, upon written request to the superintendent, shall be discharged from any liability to the state accruing on such bond after the expiration of sixty days from the date of filing the request, but not from any liability already accrued, or accruing before the expiration of the sixty day period. The superintendent, upon receipt of any such request, shall promptly notify the user who furnished the bond in question. Unless the user, prior to the expiration of the sixty day period, files a new bond satisfactory to the superintendent, the superintendent shall forthwith cancel the user's permit. Upon the furnishing of the new bond, the superintendent shall cancel and surrender the bond for which the new bond is substituted.

Sec. 19. NO REGISTRATION OR LICENSE WITHOUT PERMIT. Before registering any motor vehicle, and before issuing any license pursuant to article 2, chapter 66, Arizona Code of 1939, the registering or licensing official shall ascertain from the applicant whether or not any motor vehicle sought to be registered, or in connection with which the license is sought, is propelled by a fuel the use of which is subject to the excise tax imposed by this Act. If any such vehicle is so propelled, the regis-

tering or licensing official shall not complete the registration nor issue the license until the applicant produces a valid permit.

Sec. 20. LIEN OF TAX. The excise tax, including penalties and interest thereon, shall constitute a lien against any motor vehicle in connection with which the taxable use is made, attaching as of the date of such use. The lien shall not be removed until the excise tax is paid or the motor vehicle subject to the lien is sold in payment of the excise tax, and shall be paramount to all private liens or encumbrances and to the rights of any conditional vendor or other holder of the legal or equitable title to the motor vehicle. Provided, however, existing liens upon record shall not be affected by the liens set out in this paragraph.

Sec. 21. TRANSFER OF VEHICLE SUBJECT TO LIEN. In the event the ownership of a motor vehicle subject to the lien provided for by section 17 is transferred, by operation of law or otherwise, no certificate of registration or certificate of title with respect to that vehicle shall be issued to the transferee or any other person until the vehicle superintendent certifies that the lien has been removed. No license under article 2, chapter 66, Arizona Code of 1939, with respect to a motor vehicle which becomes subject to the lien provided for by section 17, shall be issued or transferred until the vehicle superintendent certifies that the lien has been removed.

Sec. 22. STOPPAGE OF CREDITS OR PERSONAL PROPERTY. In the event any user is delinquent in the payment of any excise tax imposed by this Act the superintendent may give notice of the amount thereof by registered mail to all persons having in their possession or under their possession or under their control any credits or other personal property belonging to the user, or owing any debts to him, and thereafter any person so notified shall neither transfer nor make other disposition of such credits, personal property, or debts until the superintendent shall have consented thereto or until twenty days have elapsed from the receipt of the notice. Every person so notified shall, within five days after receipt of the notice, advise the superintendent of all such credits, personal property, and debts in his possession, under his control, or owing by him.

Sec. 23. ACTION FOR COLLECTION. Whenever any user is delinquent in the payment of any excise tax im-

posed hereunder, the superintendent may notify the attorney general of the delinquency, and the attorney general shall proceed to collect the amount due by appropriate legal action. In any action brought to enforce the rights of the state under this Act a verified statement by the superintendent showing the delinquency shall be prima facie evidence of the amount thereof and of compliance by the superintendent with the provisions of this Act. A writ of attachment or garnishment may issue, and no bond or affidavit prior to the issuance thereof shall be required.

Sec. 24. REMEDIES CUMULATIVE. The remedies of this Act shall be cumulative. No action taken by the superintendent shall be construed to be an election on the part of the state or any of its officers to pursue any remedy to the exclusion of any other remedy for which provision is made in this Act.

Sec. 25. LEGAL ACTION BY USER. No injunction, writ of mandate, or other legal or equitable process shall issue in any suit, action, or proceeding in any court against this state, or against any officer thereof, to prevent or enjoin the collection of any excise tax or other amount required by this Act to be collected. After payment of any such excise tax or other amount under protest, verified and setting forth the grounds of objection to the legality thereof, filed with the superintendent at the time of payment of the amount protested, the user making the payment may bring an action against the superintendent in the superior court of Maricopa county for the recovery of the amount paid under protest. The action shall be instituted within ninety days after the payment under protest, and failure to bring an action within the ninety days shall constitute a waiver of all demands against the state on account of alleged overpayment under this Act. No ground of illegality shall be considered by the court other than as set forth in the protest filed at the time of payment. In the event judgment is rendered for the plaintiff, the amount of the judgment shall first be credited on any excise tax or other amount due from the plaintiff under this Act, and the balance shall be refunded to the plaintiff. Judgment shall not be rendered in favor of the plaintiff in any action brought against the superintendent to recover any amount paid under this Act, when the action is brought by or in the name of an assignee of the user who paid the amount.

Sec. 26. USE PRESUMPTIVE. For the proper administration of this Act, and to prevent evasion of the

excise tax, it shall be presumed, until the contrary is established under such rules as the superintendent may adopt, that all fuel received into any receptacle on a motor vehicle, from which receptacle fuel is supplied to propel the vehicle, is consumed in propelling the vehicle on the highways of this state.

Sec. 27. IN LIEU OF OTHER TAX. The excise tax imposed by this Act shall be in lieu of the tax imposed by article 3, chapter 66, Arizona Code of 1939, but shall not be in lieu of any other tax imposed by the state for the use of its highways.

Sec. 28. RECORDS OF USER. Every user shall keep such records, receipts, invoices, and other pertinent papers in such form as the superintendent may require. The superintendent, or his authorized agent, shall have power to examine the books, papers, records, and equipment of any user or person dealing in, transporting, or storing fuel, and to investigate the disposition which any such user or dealer makes of fuel in order to determine whether all excise taxes due under this Act are properly reported and paid.

Sec. 29. SECRECY REQUIRED. It is unlawful for the superintendent, or any person having an administrative duty under this Act, to divulge or make known in any manner the business affairs, operations, or other information obtained by any investigation or examination made in the discharge of official duty pursuant to this Act, or the amount or source of income, profits, losses, expenditures, or any particular thereof set forth or disclosed in any report, or to permit any report or copy thereof or any book containing any abstract or particulars thereof to be seen or examined by any person, except as provided by law. The commission may authorize examination of reports by other state officers, or by tax officers of another state or of the United States, if a reciprocal arrangement exists, or by any other person. Any person who violates any provision of this section is guilty of a misdemeanor, and shall be fined not more than one thousand dollars, imprisoned in the county jail not more than one year, or both.

Sec. 30. HIGHWAY PATROL. The Arizona highway patrol and its officers shall have full authority to enforce the provisions of this Act.

Sec. 31. PENALTIES. In addition to any other penalty prescribed in this Act, any person who refuses or

neglects to make any report required by this Act, or who knowingly makes, or aids or assists any other person in making a false statement in any such report or in connection with any claim for refund filed under this Act, or who knowingly collects, or attempts to collect or causes to be repaid to himself or to any other person, any refund of any amount paid to the state under this Act without being entitled to the same, or who uses fuel within this state without being the holder of an unrevoked use fuel tax permit, or who otherwise violates any provision of this Act, is guilty of a misdemeanor, and shall be fined not less than one hundred nor more than five hundred dollars, imprisoned in the county jail not less than thirty days nor more than six months, or both. Each day or part thereof during which any person uses fuel within this state without being the holder of an unrevoked use fuel tax permit shall constitute a separate offense.

Sec. 32. EFFECTIVE DATE. This Act shall take effect July 1, 1941.

Approved: March 26, 1941.

CHAPTER 109

(House Bill No. 70)

AN ACT

RELATING TO HIGHWAYS AND MOTOR VEHICLES; PROVIDING FOR REFUNDS OF FUEL TAX AND PAYMENT OF THE TAX ON FUEL IMPORTED IN FUEL TANKS AND DEFINING TERMS, AND AMENDING SECTIONS 66-320, 66-323, AND 66-401, ARIZONA CODE OF 1939.

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

Section 1. Sec. 66-320, Arizona Code of 1939 (section 1677c, Revised Code of 1928, as added by chapter 16, Session Laws of 1931-32, first special session, as amended), is amended to read:

66-320. REFUND ON FUEL EXPORTED OR NOT USED IN VEHICLE. (a) When motor vehicle fuel is sold to a person who claims that he will be entitled to a refund of the tax hereunder, by reason of the fact that

the motor vehicle fuel is not for use in a motor vehicle, the seller shall make out in triplicate, on a form prescribed by the superintendent, an invoice setting forth the name and address of the purchaser, the number of gallons of motor vehicle fuel so sold, and such other information as the superintendent shall require. He shall give the original of the invoice to the purchaser, at the time of sale, and shall mail the duplicate to the superintendent not later than Tuesday of the week next succeeding the sale. Any person entitled to a refund of the motor vehicle fuel tax shall be reimbursed under the following conditions:

1. Application for refund shall be filed with the superintendent within six months from the date of purchase or invoice of the motor vehicle fuel with respect to which refund is claimed, and not thereafter.

2. The application shall be in the form prescribed and furnished by the superintendent, shall be sworn to, and shall state the quantity of motor vehicle fuel with respect to which refund is claimed, the purpose for which used, the date of purchase, and from whom purchased, and shall contain such other information as the superintendent shall require. No fee shall be charged or collected for taking the acknowledgment of an applicant for refund of the license tax on any motor vehicle fuel. The original invoice or an acceptable duplicate showing the purchase shall accompany the application.

3. In the case of a claim for refund on account of motor vehicle fuel exported, the claimant shall make satisfactory proof of export to the superintendent and shall file the claim within thirty days from the date of export. The claim shall be in such form and contain such information as the superintendent may require. The original invoice or an acceptable duplicate shall accompany the claim.

4. Any person or distributor at the time he delivers motor vehicle fuel which will not be used on the highways, color such fuel so delivered with a coloring matter to be prescribed and furnished by the superintendent in the manner prescribed by the superintendent. No charge shall be made for such coloring matter. The seller and buyer shall at the time of delivery of such fuel sign the invoice provided for in this Act certifying that the fuel covered by such invoice has been colored. Provided, however, the superintendent may in his discretion in writing exempt the coloring of any fuel which coloring may

detract from its use and provided further that motor vehicle fuel to be exported shall be exempt from coloring. It shall be unlawful for any person to operate a motor vehicle on the highways using motor vehicle fuel which has been colored as provided and the superintendent or his authorized agents shall have the right to take samples of fuel from fuel tanks of motor vehicles in the enforcement of these provisions. Any person who violates any of these provisions, in addition to other penalties prescribed by law, shall not be allowed any refund on any motor vehicle fuel purchased during the six months succeeding the date the superintendent advises such person by mail of the superintendent's discovery of such offense. Any person whose right to refunds is so suspended may institute an action in the superior court of Maricopa county to set aside such suspension.

(b) The conditions set forth in subsection (a) having been fully complied with, the superintendent shall determine the amount of refund due and shall certify and refund that amount.

Sec. 2. Sec. 66-323, Arizona Code of 1939 (section 1678b, Revised Code of 1928, as added by chapter 16, Session Laws of 1931-32, first special session, as amended), is amended to read:

66-323. TAX ON FUEL IMPORTED IN FUEL TANK. Any owner or operator of a motor vehicle who imports motor vehicle fuel into this state in the fuel tank or tanks of a motor vehicle in a quantity exceeding the capacity of the fuel tank or tanks of that vehicle, according to the manufacturer's stock specifications thereof, shall, upon demand of the superintendent or his authorized agent, pay to the superintendent or his agent on such excess motor vehicle fuel the license tax required to be paid by distributors. Any person who violates any provision of this section is guilty of a misdemeanor.

Sec. 3. Sec. 66-401, Arizona Code of 1939 (section 1686, Revised Code of 1928, as amended), is amended to read:

66-401. DEFINITIONS. In this article, and in sections 47-125 to 47-127, inclusive, articles 1, 2 and 3, chapter 59, and articles 1, 2 and 3 of this chapter (articles 1 to 6, inclusive, and articles 8 and 9, Revised Code of 1928), unless the context otherwise requires:

"department" means Arizona highway department;

"commission" means state highway commission;

"state engineer" means state highway engineer;

"vehicle division" means division of motor vehicles of the department;

"vehicle superintendent" or "superintendent" means superintendent of the vehicle division;

"board" means any county board of supervisors;

"local authority" means any county, municipal, or other local board or body having authority of law to adopt local police regulations;

"state route" means any right of way, whether actually used as a highway or not, designated by the commission as a location for the construction of a state highway;

"state highway" means any state route, or portion thereof, accepted and designated by the commission as such, and maintained by the state;

"county highway" means any public road constructed and maintained by a county;

"highway" means any way, road, or place of any nature open to the use of the public as a matter of right for the purpose of vehicular travel, and includes culverts, sluices, drains, ditches, waterways, embankments, retaining walls, trees, shrubs, and fences along or upon the same and within the right of way;

"improved highway" means a highway paved with cement concrete or asphaltic concrete, or having a hard surface and distinct roadway not less than four inches thick, made up of a mixture of rock, sand, or gravel, bound together by an artificial binder other than natural soil;

"private road or driveway" means any road or driveway upon private grounds not open to the use of the public for purposes of vehicular travel;

"right of way" means the privilege of the immediate use of the highways;

"intersection" means the area embraced within the prolongation of the lateral curb lines or, if none, the

lateral boundary lines of two or more highways which join one another at an angle, whether or not one crosses the other;

"safety zone" means the area or space officially set aside within a highway for the exclusive use of pedestrians, and which is so plainly marked or indicated by proper signs as to be plainly visible at all times when set apart as a safety zone;

"business district" means the territory contiguous to a highway when fifty per cent or more of the frontage thereon, for a distance of one-fourth of a mile or more, is occupied by buildings in use for business;

"resident district" means the territory contiguous to a highway not comprising a business district when the frontage thereon, for a distance of one-fourth of a mile or more, is mainly occupied by dwellings, or by dwellings and buildings in use for business;

"vehicle" means any device in, upon, or by which any person or property is or may be transported or drawn upon a public highway; but does not include devices moved by human power or used exclusively upon stationary rails or tracks, except that, for the purposes of the laws relating to the operation of vehicles and rules of the road, a bicycle or ridden animal shall be deemed to be a vehicle;

"motor vehicle" means any self-propelled vehicle, but for the purposes of the laws relating to the imposition of a tax upon motor vehicle fuel the term means any vehicle operated upon the highways of this state which is propelled by the use of motor vehicle fuel;

"motorcycle" means any motor vehicle designed to travel on not more than three wheels in contact with the ground, but does not include any vehicle included within the definition of "tractor" in this section;

"truck" means any motor vehicle designed or used primarily for the carriage of property other than the effects of the driver or passengers, and includes a motor vehicle to which has been added a box, platform, or other equipment for such carriage;

"truck tractor" means any motor vehicle designed and used primarily for drawing other vehicles and not con-

structed to carry a load other than a part of the weight of the vehicle and load so drawn;

"farm tractor" means any motor vehicle designed and used primarily as a farm implement for drawing implements of husbandry;

"road tractor" means any motor vehicle designed and used for drawing other vehicles and not so constructed as to carry a load independently, or any part of the weight of a vehicle or load so drawn;

"trailer" means any vehicle without motive power, designed for carrying property or passengers wholly on its own structure, and for being drawn by a motor vehicle;

"semi-trailer" means any vehicle of the trailer type used in conjunction with a motor vehicle, and so designed that some part of its own weight and that of its own load rests upon or is carried by another vehicle;

"specially constructed vehicle" means any vehicle not originally constructed under a distinctive name, make, model, or type by a generally recognized manufacturer of vehicles;

"essential parts" means integral and body parts, the removal, alteration, or substitution of which will tend to conceal the identity or substantially alter the appearance of the vehicle;

"reconstructed vehicle" means any vehicle which has been assembled or constructed largely by means of essential parts, new or used, derived from vehicles or makes of vehicles of various names, models, and types, or which, if originally otherwise constructed, has been materially altered by the removal of essential parts, or by the addition or substitution of essential parts, new or used, derived from other vehicles or makes of vehicles;

"foreign vehicle" means any motor vehicle, trailer, or semi-trailer brought into this state otherwise than in the ordinary course of business by or through a manufacturer or dealer, and which has not been registered in this state;

"pneumatic tire" means any tire inflated with compressed air;

"solid rubber tire" means any tire made of rubber other than a pneumatic tire;

"metal tire" means any tire the surface of which in contact with the highway is wholly or partly of metal or other hard, non-resilient material;

"owner" means a person who holds the legal title to a vehicle; and if the vehicle is the subject of a lease or agreement for the conditional sale thereof with the right of purchase upon performance of the conditions stated in the agreement and with an immediate right of possession vested in the conditional vendee or lessee, or if the mortgagor of a vehicle is entitled to possession, such lessee, conditional vendee, or mortgagor shall be deemed the owner;

"dealer" means any person engaged in the business of buying, selling, or exchanging motor vehicles, trailers, or semi-trailers, and having an established place of business;

"manufacturer" means any person engaged in the business of manufacturing motor vehicles, trailers, or semi-trailers;

"distributor" means any person who refines, manufacturers, produces, compounds, blends, or imports motor vehicle fuel in the original package or container or otherwise, and includes every person importing motor vehicle fuel by means of a pipe line or in any other manner, but does not include persons importing motor vehicle fuel in the fuel tank of a motor vehicle;

"operator" means any person, other than a chauffeur, who is in actual physical control of a motor vehicle upon a highway;

"chauffeur" means any person who operates a motor vehicle while in use as a public or common carrier, or any person who, in the course of his employment, drives a vehicle of which he is not the owner for the purpose of transportation of persons or property;

"motor vehicle fuel" means any inflammable liquid other than kerosene, by whatever name known or sold, which is used or usable in motor vehicles, either alone or when mixed, blended, or compounded, for the propulsion thereof upon the highways;

"service station" means a place operated primarily for the purpose of delivering motor vehicle fuel into the fuel tanks of motor vehicles;

"budget" means the annual highway program prepared by the commission.

Sec. 4. EFFECTIVE DATE. This Act shall take effect July 1, 1941.

Approved: March 26, 1941.

CHAPTER 110

(House Bill No. 129)

AN ACT

RELATING TO THE LIEN OF UNPAID PERSONAL PROPERTY TAXES ON REAL ESTATE AND PROVIDING FOR THE WAIVER OF SUCH LIEN IN THE EVENT OF FORECLOSURE OF A PRE-EXISTING MORTGAGE UPON SUCH REAL ESTATE, AND DECLARING AN EMERGENCY.

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

Section 1. LIEN OF PERSONAL PROPERTY TAXES. The lien of unpaid personal property taxes of this state or any county therein levied and assessed prior to twelve o'clock noon, July 1, 1929, or subsequent to 12:01 a. m., June 12, 1931, and prior to the effective date of this Act, is hereby waived as to, and shall not extend to, any real property (1) which was subject to the lien of a mortgage on the date that the lien of such unpaid personal property taxes attached; (2) which mortgage was thereafter foreclosed by judicial action; (3) to which action the county or each of the counties within which the real property was situate, or the treasurer or each of the treasurers thereof, was a party; (4) in which action a decree of foreclosure and sale was entered against such county or counties or the treasurer or each of the treasurers thereof; (5) which decree of foreclosure and sale did not adjudge such personal property taxes to be a lien superior to the lien of the foreclosed mortgage; (6) pursuant to which decree of foreclosure and sale said real property was sold under special execution to any person other than the owner of the personal property against which such personal property taxes were levied and assessed at the time of the levy and assessment thereof; and (7) pursuant to which sale a sheriff's deed was executed and delivered to any person other than the own-

er of the personal property against which such personal property taxes were levied and assessed at the time of the levy and assessment 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: March 26, 1941.

CHAPTER 111

(House Bill No. 130)

AN ACT

RELATING TO ACTIONS TO FORECLOSE MORTGAGES AND PROVIDING FOR THE MAKING OF THE STATE OF ARIZONA A PARTY THERETO, AND DECLARING AN EMERGENCY.

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

Section 1. The State of Arizona may be made a party to an action to foreclose a mortgage upon real property when the state claims any estate or interest in or lien upon such real property. When the state is made defendant, a copy of the summons and complaint shall be served upon the attorney general if the action be pending in Maricopa County, or upon the county attorney of the county where the action is pending in any other county than Maricopa, and it shall be the duty of such county attorney forthwith to transmit said summons and complaint to the attorney general and to file such pleadings in such action as may be directed by the attorney general.

Sec. 2. 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 26, 1941.

CHAPTER 112

(House Bill No. 164)

AN ACT

RELATING TO CHIROPODY; REGULATING THE PRACTICE THEREOF, AND PROVIDING FOR THE EXAMINATION AND LICENSING OF CHIROPODISTS.

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

Section 1. SHORT TITLE. This act may be cited as the chiropody act of 1941.

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

"chiropody" means diagnosis or medical, surgical, mechanical, manipulative, or electrical treatment of ailments of the human foot and leg, but does not include amputation of foot, toe, or leg nor administration of an anesthetic other than local;

"medical treatment" means recommendation, prescription, or local application of any therapeutic agent for the relief of a foot or leg ailment;

"surgical treatment" means use of any cutting instrument to treat an ailment of the foot or leg;

"mechanical treatment" means application of any mechanical appliance of whatever material to the foot or leg, or to the shoe or other footgear;

"manipulative treatment" means use of the hand or machinery in treatment of the foot or leg;

"electrical treatment" means use of electricity in the diagnosis or treatment of an ailment of the foot or leg, by electrodes, lights, rays, vibrators, or any machine run by electricity;

"board" means state board of chiropody examiners;

"license" means license to practice chiropody.

Sec. 3. LICENSE REQUIRED. It shall be unlawful for any person to practice chiropody, or to hold himself out to be or assume or attempt to act as a chiropodist, without a valid unrevoked license to practice chiropody.

Sec. 4. APPLICATION FOR EXAMINATION. An applicant for a license shall file with the secretary of the state board of chiropody examiners, not less than one week before the date of an examination, an application to take the examination, together with the required fee, upon a form prescribed and furnished by the board. The application shall contain such evidence of the necessary qualifications as the board may require, and shall be signed and sworn to by the applicant.

Sec. 5. QUALIFICATIONS OF APPLICANT. An applicant, before being admitted to an examination, shall prove to the satisfaction of the board that he: 1. is twenty-one years of age or over; 2. is of good moral character; 3. has a valid certificate of registration in the basic sciences; and, 4. is a graduate of an accredited chiropody school whose standards are recognized by the National Chiropody Association.

Sec. 6. TIME OF EXAMINATIONS. Regular examinations of applicants for licenses shall be held twice each year. No two regular examinations shall be less than five months apart.

Sec. 7. EXAMINATION REQUIREMENTS. (a) Examinations shall be conducted and graded according to such rules and regulations as the board may prescribe. Not less than thirty days' notice of each examination shall be given, by such means as the board may deem adequate.

(b) Every examination shall include questions on histology, surgery, hygiene, dermotology, anatomy, physiology, chemistry, bacteriology, pathology, diagnosis and treatment, materia medica and therapeutics, clinical chiropody, and such other subjects relating to chiropody as the board may deem necessary; but questions on all subjects shall be limited to their application to the treatment of the human foot and leg.

(c) To receive a passing grade, an applicant must earn not less than seventy-five per cent on the whole examination, nor less than fifty per cent in any one subject thereof.

Sec. 8. LICENSE. The board shall issue a license to practice chiropody to every person receiving a passing grade on the examination, upon payment of the required fee. Each license shall be signed by the president and secretary and shall bear the seal of the board.

Sec. 9. RENEWAL OF LICENSE. Every license to practice chiropody shall expire June 30 of each year, and shall be renewed upon payment of the prescribed renewal fee. If the fee is not paid before September 1, the license shall be revoked, and shall be re-issued only upon payment of five times the amount of the original renewal fee.

Sec. 10. LICENSING OF PRESENT CHIROPODISTS. (a) Not less than ninety days after appointment of its first members, the board shall give notice of the requirements of this act by publication in at least one newspaper of general circulation in each county. A license to practice chiropody shall be granted without examination to any person who, not more than thirty days after the date of such publication, pays the prescribed fee and presents satisfactory proof to the board that he was continuously engaged in the practice of chiropody within this state for not less than twelve consecutive months next preceding the date this act takes effect, and is of good moral character. A person who fails to pay the fee and present such proof within thirty days must make application and be examined in the manner provided in this act, unless good cause for his delay is shown.

(b) A chiropodist licensed under the provisions of this section shall present his license, within thirty days after it is issued, to the state board of examiners in the basic sciences, together with a fee of three dollars, and said board shall issue a certificate of registration in the basic sciences. Failure to apply for said certificate within the thirty days shall constitute forfeiture of the license and of all rights under this section.

Sec. 11. RECIPROCAL LICENSES. A chiropodist who is registered or licensed under the laws of another state or country may be granted a license without examination, in the discretion of the board, upon payment of the required fee and the production of satisfactory proof that: 1. such state or country grants similar reciprocity to chiropodists of this state; 2. the requirements in such state or country were, at the date of registration or licensing, substantially equal to those then in force in this state; 3. he is at least twenty-one years of age; 4. he is of good moral character; 5. he had lawfully practiced chiropody in such state or country for not less than one year immediately preceding his application; and, 6. he has a valid certificate of registration in the basic sciences. The board may also require such applicant to pass an examination in clinical chiropody.

Sec. 12. RECORDATION OF LICENSE. Every license shall be recorded in the office of the county recorder of the county in which the licensee practices chiropody, upon payment of the fee prescribed by law. This section shall not apply to renewal of a license, but failure to record an original license within thirty days after the licensee begins the practice of chiropody in any county shall be deemed a violation of this act and cause for revocation or suspension of the license.

Sec. 13. FEES. The board shall charge and collect the following fees:

1. For application to take an examination, twenty-five dollars.

2. For application for license by a present practitioner, twenty-five dollars.

3. For application for license without examination by a chiropodist from another state or country, fifty dollars.

4. For issuing a license, ten dollars.

5. For annual renewal of license, five dollars.

6. For renewal of license, when application therefor is made on or after September 1, twenty-five dollars.

7. For certifying a licensed chiropodist to the authorities of another state or country, five dollars.

Sec. 14. REVOCATION, SUSPENSION, OR REFUSAL. The board, after notice and hearing, may suspend, revoke, or refuse to issue any license upon proof that the licensee or applicant: 1. willfully betrays a professional secret; 2. makes a false statement of material fact in any affidavit required for application, examination, or licensing; 3. lends the use of his name to an unlicensed chiropodist; 4. habitually uses narcotics or intoxicating beverages to excess; 5. is convicted of a crime involving moral turpitude; 6. violates any provision of section 15; or, 7. is guilty of other conduct which disqualifies him to practice chiropody with safety to the public.

Sec. 15. UNAUTHORIZED PRACTICE. A license to practice chiropody shall not be issued to a corporation, partnership, or association, but two or more licensed chiropodists may occupy and practice in the same office space.

Sec. 16. EXCEPTIONS. This act shall not apply to: 1. commissioned surgeons of the United States army, navy, or marine hospital service in the actual performance of their official duties; 2. licensed physicians and surgeons, osteopaths, chiropractors, or naturopaths, while lawfully engaged in the practice of their professions; 3. a visiting chiropodist called into consultation from another state, under the laws of which he is qualified to practice chiropody; nor, 4. a manufacturer of or dealer in shoes or corrective appliances for the prevention, correction, or relief of foot ailments, if such manufacturer or dealer is not engaged in the practice of chiropody.

Sec. 17. STATE BOARD OF CHIROPODY EXAMINERS. (a) The state board of chiropody examiners shall consist of three members appointed by the governor. One member shall be appointed for a term ending February 1, next succeeding his appointment, and one each for terms ending one and two years thereafter. Upon the expiration of any of said terms a successor shall be appointed for a full term of three 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 have practiced chiropody continuously in this state for not less than two years immediately preceding the date of his appointment, shall have a valid unrevoked license to practice chiropody, and shall be a citizen of the United States. The three members first appointed under this act shall have the qualifications prescribed in section 10, and shall obtain licenses within ninety days after their appointment.

(c) Members of the board, other than the secretary, shall receive no compensation for their services as such, but shall be reimbursed for necessary expenses incurred in the performance of their duties, in the amount provided by law.

Sec. 18. ORGANIZATION AND MEETINGS. (a) The board, once each year, shall elect from its membership a president and a secretary.

(b) The board shall meet not less than twice each year, at such times and places as it shall determine. Special meetings may be called by the president or any two members.

Sec. 19. RULES AND REGULATIONS. The board

may adopt such rules and regulations consistent with this act as may be necessary to carry out the provisions of this act.

Sec. 20. SECRETARY. The secretary of the board shall receive such salary as the board may fix, and shall give bond to the state in the amount of five hundred dollars, conditioned upon the faithful performance of his duties. He shall: 1. have charge of the receipt and disbursement of the funds of the board; 2. keep minutes of board meetings; 3. keep a record of all licenses issued, refused, suspended, and revoked, and of all applications and examinations; and, 4. perform such other duties as the board may prescribe.

Sec. 21. CHIROPODY FUND. At the end of each calendar month, the secretary shall pay all moneys received by the board to the state treasurer, through the state auditor. Ninety per cent of such moneys shall be deposited in the chiropody fund, and shall constitute a separate and permanent fund for the maintenance of the board and the enforcement of the provisions of this act, and the remainder shall be credited to the general fund. All claims against the chirpopdy fund shall be signed by the secretary and one other member.

Sec. 22. EXEMPTIONS. Nothing in this act is to prohibit the fitting, recommending, advertising, adjusting or the sale of appliances or foot remedies by retail dealers or manufacturers.

Sec. 23. PENALTY. Any person who practices or attempts to practice, who advertises or holds himself out as practicing or entitled to practice chiropody, who in any sign or advertisement uses the term "chiropodist", "foot specialist", "podiatrist", "practapedist", or other term or letter indicating or implying that he practices chiropody or foot correction, without having at the time a valid unrevoked license to practice chiropody, or who otherwise violates any provision of this act, is guilty of a misdemeanor, and shall be fined not less than one hundred nor more than three hundred dollars, imprisoned in the county jail not less than ninety days nor more than six months, or both.

Approved: March 26, 1941.

CHAPTER 113

(House Bill No. 180)

AN ACT

RELATING TO INSURANCE; AMENDING SECTIONS 61-101, 61-306, 61-328 AND 61-332, ARIZONA CODE OF 1939.

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

Section 1. Sec. 61-101, Arizona Code of 1939 (section 1773, Revised Code of 1928), is amended to read:

61-101. DEFINITIONS. In this chapter, unless the context otherwise requires:

"commission" means corporation commission;

"division" means division of insurance of the commission;

"director" within the intent of this law means trustee;

"resident" means bona fide resident of the state;

"nonresident" means a person not a resident of the state;

"insurance" means: A contract of insurance or an agreement by which one party, for a consideration, promises to pay money or its equivalent or to do an act valuable to the insured upon the destruction, loss, or injury of something in which the insured has a pecuniary interest, or in consideration of a price paid, adequate to the risk, becomes security to the other against loss by certain specified risks;

"transact" includes solicitation, negotiation preliminary to execution and execution of a contract of insurance, and transaction of matters subsequent to execution of the contract and arising out of it.

"company" means an insurance company, and includes every person, partnership, corporation, association, order, or society engaged or proposing to engage in making any kind of insurance;

"domestic company" means a company organized under the insurance laws of this state;

"foreign company" means a company organized under the laws of any other state, territory, or insular possession of the United States, or of the District of Columbia;

"alien company" means a company organized under the laws of any country other than the United States or its territories or insular possessions or of the District of Columbia;

"admitted" means entitled to transact insurance business in this state, having complied with the laws imposing conditions precedent thereto;

"non admitted" means not entitled to transact insurance business in this state, whether by reason of failure or of inability to comply with conditions precedent thereto;

"insurer" means a person who undertakes to indemnify or insure another;

"insured" means a person to be indemnified or insured by another;

"reinsurance" means a contract by which an insurer secures a third party to insure it against loss or liability by reason of original insurance;

"insurance agent" means a natural person authorized, by and on behalf of an insurer, to transact insurance;

"insurance solicitor" or "solicitor" means a natural person employed by an insurance agent to aid him in transacting insurance other than life;

"insurance adjuster" or "adjuster" means a person who undertakes to ascertain and report actual loss or damage to the subject matter of insurance due to the hazard or peril insured against;

"insurable interest" means any interest in property, relation thereto or liability in respect thereof, of such nature that a contemplated peril might directly damnify the insured, and, in the matter of life or health, exists when the beneficiary, because of relationship, either pecuniary or from ties of blood or marriage, has reason to expect some benefit from the continuance of the life of the insured.

"unearned premiums" and "net value of policies"

severally mean the liability of a company upon its insurance contracts, other than accrued claims, computed by the rules of valuation established in this chapter;

"net assets" means property and funds of a company available for payment of its obligations, including uncollected premiums not more than three months past due on policies actually in force and, in the case of a mutual company, premiums, premium notes, and contingent liabilities of policy holders, after deducting from such funds all unpaid losses, claims, and other debts and liabilities except capital;

"profits", of a mutual insurance company, means that portion of its cash funds not required for payment of losses and expenses nor set apart for any purpose allowed by law;

"loss", in a fire insurance policy, means destruction of the insured property, or any part thereof, or such injury thereto as may render the property, or any part thereof, valueless, useless, unfit, or unsafe for the purpose for which intended.

Sec. 2. Sec. 61-306, Arizona Code of 1939 (Sec. 1787, Revised Code of 1928), is amended to read:

61-306. VALUATION OF LIFE INSURANCE COMPANIES. (a) The commission shall annually make valuations of all outstanding policies, additions thereto, unpaid dividends, and other obligations of every life insurance company doing business in this state. The valuations shall be made according to the standard of valuation adopted by the company and stated in its annual report to the commission; but no standard of valuation, whether on the net level premium, preliminary term, or select and ultimate reserve basis, shall be less than as determined upon that basis according to the American experience table of mortality with three and one-half per cent interest. When the preliminary term basis is used, it shall not exceed one year. The commission may vary the standard of valuation in the particular cases of invalid lives and other extra hazards, if the same is on a basis of at least three and one-half per cent, may value policies in groups, may use approximate average for fractions of a year, and shall assume as accurate and accept the valuation of the department of insurance of any other state or country, if the insurance officer thereof likewise accredits the valuation made by the Arizona corporation commission.

(b) The legal minimum standard for the valuation of annuities shall be the American experience table of mortality, with interest at the rate of three and one-half per cent per annum.

(c) A life insurance company may voluntarily value its industrial policies according to the standard industrial mortality table or the sub-standard industrial mortality table.

(d) A life insurance company may voluntarily value its policies and contracts, or any class thereof, on other tables of mortality with the same or lower rates of interest if the reserves created thereby are not less in the aggregate than those produced by the standard set forth in this section; but no such standard, if adopted, may be abandoned without the written consent of the commission.

Sec. 3. Sec. 61-328, Arizona Code of 1939 (Sec. 1809, Revised Code of 1928, as amended), is amended to read:

61-328. ANNUAL STATEMENT AND TAX. (a) Every insurance company doing business in this state shall make and file with the commission annually, not later than March 1, a statement under oath, upon a form prescribed by the commission, of the business of the company during the year ending December 31 next preceding, the total amount of premiums collected or contracted for, the total amount actually paid policy holders for losses, the total amount paid policy holders on cancellations, and the amount paid or credited to policy holders as dividends. The statement shall also set forth the business transacted in this state; total amount of insurance written; amount of premiums collected or contracted for; amount paid for losses and claims; amounts paid on cancellations and return premiums and paid or credited to policy holders as dividends on business in this state; amount of and premiums paid for reinsurance in other companies, naming them, on business in this state; and amount of premiums received for reinsurance accepted from other companies, naming them, on business in this state.

(b) Fire insurance companies shall segregate and make a separate verified 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 thereof with the state treasurer and the state auditor.

(c) Every foreign and alien company doing business in this state shall pay to the state treasurer, through the commission, a tax of two per cent of the gross amount of all premiums received on policies and contracts of insurance covering property or other risks within this state during the year ending December 31 next preceding, after deducting from the gross amount of such premiums cancellations, return premiums, dividends, and the amount received as reinsurance, on business in this state. No deduction from the gross amount of premiums shall be made of cash surrender values of life insurance policies or contracts. The 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 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 61-340 (section 1821, Revised Code of 1928).

(d) 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 paid by the state treasurer to the governing body of the 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 the 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 city, town, and settlement, the amount of tax paid upon such premiums, and the exact amount which each fire department is entitled to receive. The state 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. The tax may be collected by distraint and the fine recovered in an action by the commission in the name of the state. All fines shall be paid into the general fund. The commission shall revoke the certificate of authority of a delinquent company until all taxes and fines are paid.

Sec. 4. Sec. 61-332, Arizona Code of 1939 (Sec. 1813, Revised Code of 1928), is amended to read:

61-332. RESIDENT AGENT. (a) No foreign or alien company shall make, write, place, or cause to be made, written, or placed in this state, any insurance policy or contract unless through its duly authorized agent, a resident of this state; except that a life insurance agent, a resident of and duly licensed by another state, may be licensed as a nonresident agent to transact business in Arizona. Application for a license for a nonresident shall be made in writing by a duly authorized officer of the company for which the nonresident agent is to be licensed.

(b) Any company violating this section shall have its certificate of authority suspended for not less than one year, to be renewed only upon a written pledge from the directors or executive body in authority over its officers that this section will be fully observed. In the event an agent or solicitor of a company doing business in this state accept an application for insurance from any person not holding a valid agent's or solicitor's license, and in any way compensated or promises to compensate such person for soliciting the application, the commission, upon due proof and notice, shall suspend or revoke the license of the agent or solicitor. If it appears to the commission that the company for which such agent or solicitor is acting is guilty of participation, the commission shall suspend its certificate of authority for not less than one nor more than three months for each offense.

Approved: March 26th, 1941.

CHAPTER 114

(House Bill No. 186)

AN ACT

RELATING TO LIQUOR LICENSES AND CONTROL; IMPOSING RESTRICTIONS ON THE ISSUANCE OF LICENSES, AND AMENDING SECTION 72-107, ARIZONA CODE OF 1939.

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

Section 1. Sec. 72-107, Arizona Code of 1939, (section 4a, chapter 46, Session Laws of 1935, as added by section

6, chapter 64, Session Laws of 1939), is amended to read:

72-107. 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.

3. Off-sale retailers' licenses providing for the sale of spirituous liquors, wines, and beer only in the original packages to be taken from and consumed off the premises: 3a. in a county having a population of one hundred thousand or more, one license for each two thousand five hundred inhabitants; 3b. 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; 3c. in a county having a population of less than twenty-five thousand, one license for each one thousand inhabitants.

(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 prem-

ises within three hundred feet of a public or parochial school, except upon special permission by the superintendent.

Approved: March 26, 1941.

CHAPTER 115

(House Bill No. 203)

AN ACT

RELATING TO LIVESTOCK; PRESCRIBING THE METHOD OF RECORDING AND RE-RECORDING BRANDS, AND AMENDING ARTICLE 3, CHAPTER 50, ARIZONA CODE OF 1939, BY ADDING SECTION 50-316A.

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

Section 1. Article 3, chapter 50, Arizona Code of 1939 (article 4, chapter 48, Revised Code of 1928), is amended by adding section 50-316a:

50-316a. METHOD OF RECORDING OR RE-RECORDING. The board may record and re-record brands and earmarks in a brand book or a filing system. Recording or re-recording by either method shall be deemed compliance with the requirements of this article.

Approved: March 26, 1941.

CHAPTER 116

(House Bill No. 251)

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 four thou-

sand two hundred twelve dollars and sixty-eight cents is appropriated to the board of directors of state institutions.

Sec. 2. PURPOSE. The sum appropriated shall be expended 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 the board of directors of state institutions or the institutions named:

1. Capitol buildings and grounds: 1a. Guardian Insurance Agency, four hundred thirty-eight dollars and thirty-six cents; 1b. Aetna Investment Corporation, six hundred thirty-four dollars and thirty-two cents; 1c. H. C. Tovrea Company, five hundred fourteen dollars and seven cents; 1d. Dave Johnson Company, five hundred fourteen dollars and seven cents; 1e. Helen Anderson Insurance Agency, thirty-three dollars and forty cents; 1f. Edna A. Munger, thirty-three dollars and forty cents; 1g. Southern Trust Company, Incorporated, one hundred sixteen dollars and ninety cents; 1h. Heron Realty and Investment Company, eighty-three dollars and fifty cents; and, 1i. Sunshine Valley Insurance Agency, sixty-six dollars and eighty cents; a total of two thousand four hundred thirty-four dollars and eighty-two cents.

2. State hospital for the insane: 2a. Donahue Insurance Agency, two hundred thirty-two dollars and forty cents; 2b. Burns Investment Company, two hundred thirty-two dollars and forty cents; 2c. J. T. Murphy, two hundred thirty-two dollars and forty cents; 2d. Homer C. Ludden, two hundred thirty-two dollars and forty cents; 2e. Dave Johnson Company, forty-six dollars and forty-eight cents; 2f. F. H. Lyons, one hundred sixteen dollars and twenty cents; 2g. E. W. Michael, two hundred thirty-two dollars and forty cents; 2h. John L. Meyer, one hundred sixteen dollars and twenty cents; 2i. Arizona Land and Investment Company, one hundred sixteen dollars and twenty cents; 2j. Lloyd B. Christy, one hundred sixteen dollars and twenty cents; 2k. J. J. Waddell, forty-six dollars and forty-eight cents; and, 2l. Creed Troutman, fifty-eight dollars and ten cents; a total of one thousand seven hundred seventy-seven dollars and eighty-six cents.

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 26, 1941.

CHAPTER 117

(Senate Bill No. 179)

AN ACT

RELATING TO STATE LAND; PRESCRIBING PROCEDURE IN CASE OF DEFAULT BY PURCHASERS, AND AMENDING SECTION 11-417, ARIZONA CODE OF 1939.

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

Section 1. Sec. 11-417, Arizona Code of 1939 (section 2994, Revised Code of 1928), is amended to read:

11-417. DEFAULT IN PAYMENTS. (a) Whenever a purchaser defaults in any payment of principal or interest, as set forth in the certificate of purchase, or fails to comply with any condition, covenant, or requirement thereof, the certificate shall be declared subject to forfeiture. Within sixty days of the default or failure the commissioner shall give notice thereof, by registered mail, to the purchaser's last known address of record in the department. In the event the payment is not made, or the condition, covenant, or requirement is not complied with, within sixty days from the date of notice, the certificate of purchase and all rights of the purchaser to the land and improvements thereon may be canceled, and in the event of such cancellation the improvements and all payments made on the purchase price shall be deemed rental for the land.

(b) The commissioner may, upon application within sixty days from the date of notice of forfeiture, as provided in subsection (a), extend the time for payment of the amount delinquent for a period of not more than two years. In case the purchaser fails, within the two year period, to complete all delinquent payments, including principal and interest, the certificate of purchase shall automatically be canceled and the commissioner shall note the cancellation on his records.

(c) The provisions of this section are mandatory and self-executing.

(d) No existing delinquent certificate of purchase shall be canceled without further notice given subsequent to the adoption of this Act as herein provided.

Approved: March 27, 1941.

CHAPTER 118

(House Bill No. 206)

AN ACT

FOR THE RELIEF OF H. S. ANDERSON.

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

Section 1. APPROPRIATION. The sum of one thousand five hundred dollars is appropriated, from the state board of social security and welfare fund, for the relief of H. S. Anderson.

Sec. 2. BASIS OF CLAIM. Payment of the sum appropriated shall be in full satisfaction of the claim of H. S. Anderson for rent and for damages to certain farms belonging to him, which farms were leased to and occupied by the state board of public welfare (in furtherance of its E. R. A. vegetable and garden project) during the years 1934, 1935, and 1936, but for which no rent was paid, and the occupants of which destroyed trees, irrigation ditches, and pumping equipment.

Approved: March 27, 1941.

CHAPTER 119

(Senate Bill No. 214)

AN ACT

MAKING AN APPROPRIATION TO PAY CLAIMS AGAINST THE LIQUOR DIVISION OF THE STATE TAX COMMISSION, AND DECLARING AN EMERGENCY.

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

Section 1. APPROPRIATION. The sum of thirty-two dollars and seventy-three cents is appropriated to the state tax commission.

Sec. 2. PURPOSE. The purpose of the appropriation is to pay the following claims for supplies furnished to the liquor division of the state tax commission during the interim of the transfer of the liquor division to the department of liquor licenses and control: 1. Richfield Oil Corporation, December 22, 1938, fifteen dollars and forty cents; and, 2. Texas Company, January 17, 1939, seventeen dollars and thirty-three cents.

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 27, 1941.

CHAPTER 120

(House Bill No. 65)

AN ACT

RELATING TO AGRICULTURAL PRORATION; AMENDING SECTIONS 49-802, 49-804 TO 49-807, INCLUSIVE, 49-811, 49-812, 49-815 TO 49-818, INCLUSIVE, AND 49-823, ARIZONA CODE OF 1939, AND AMENDING ARTICLE 8, CHAPTER 49, ARIZONA CODE OF 1939, BY ADDING SECTIONS 49-804a TO 49-804d, INCLUSIVE.

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

Section 1. Sec. 49-802, Arizona Code of 1939, (Section 2, Chapter 36, Session Laws of 1939, regular session), is amended to read:

49-802. DEFINITIONS. In this article, unless the context otherwise requires:

"person" includes individual, firm, association, and corporation;

"commissioner" means agricultural prorate commissioner;

"supervisor of inspection" of "supervisor" means the supervisor appointed under the provisions of Section 49-1005, (Section 4, Chapter 95, Session Laws of 1929, regular session);

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

"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 and determines the producing factor to be either one-half or one-fourth of an acre;

"producer" means any person engaged in the business of growing or producing commercially any 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 retail;

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

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

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

"dealer" means any distributor or retailer;

"processor" means any person who buys, or otherwise takes title to or possession of, commodities 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 that business, and, 2. any person or exchange buying commodities from the producer thereof and reselling them to any person or exchange conducting that 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;

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

"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;

"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;

"agricultural waste" includes economic waste and waste incident to the harvesting or preparation for delivery to market of commodities in excess of reasonable market demands.

Sec. 2. Sec. 49-804, Arizona Code of 1939, (Section 4, Chapter 36, Session Laws of 1939, regular session), is amended to read:

49-804. PRORATED MARKETING PETITION. (a) An agricultural prorated marketing program may be based upon either a producing zone or a marketing zone, the basis to be specified in the petition therefor. The program may be initiated by: 1. a petition of ten per cent or more producers of the commodity, followed by ballot, or, 2. a petition signed by the number of producers and owners prescribed in subsection (b). The procedure for initiating a program pursuant to item 1 is provided in sections 49-804a to 49-804d, inclusive. The procedure for initiating a program pursuant to item 2 is provided in this section and in sections 49-807, 49-810, 49-813, 49-815, and 49-816. Sections 49-805, 49-806, 49-808, 49-809, 49-811, 49-812, and 49-814 apply to both methods of initiation.

(b) A program for the prorated marketing of a variety or kind of commodity may be initiated by presenting a petition therefor to the agricultural prorate 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 period is not

stated, the program shall continue until terminated as provided in this article; and, 4. in case the proposed program relates to products for which no producing factor is established in this article, or it is desired that the commissioner fix a smaller producing factor than provided in this article, the desired producing factor shall be stated in the petition. For the purpose of determining the qualifications of signers of a petition and the sufficiency of the petition, the producing factor specified in the petition shall be the producing factor applicable. The petition shall be signed by not less than two-thirds of the qualified producers of the kind or variety of products for which the program is proposed, and by the owners of not less than two-thirds of the producing factors of those 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.

(c) Each producer shall be entitled to sign for the number of producing factors from which he is then producing the commodity named in the petition.

(d) A number of counterparts of a petition for a prorate program may be filed and the signatures of all 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 the 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 prior to the time the commissioner directs publication of notice of the hearing thereon.

Sec. 3. Article 8, Chapter 49, Arizona Code of 1939, (Chapter 36, Session Laws of 1939, regular session), is amended by adding section 49-804a:

49-804a. PETITION BY TEN PER CENT OF PRODUCERS. (a) Ten per cent or more producers of the variety or kind of commodity proposed to be affected may file with the commissioner a petition for the establishment of a proration zone and prorated marketing program. The commissioner may decline to initiate or act upon the petition if he determines that it is not presented sufficiently in advance of the harvesting of the commodity sought to be prorated to permit the formulation and establishment of a sound program which will effectuate the purposes of this article.

(b) 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.

2. A general statement of facts showing the necessity for the institution of the program.

Sec. 4. Article 8, Chapter 49, Arizona Code of 1939, (Chapter 36, Session Laws of 1939, regular session), is amended by adding section 49-804b:

49-804b. LIST OF PRODUCERS. (a) In the event the commissioner finds in favor of the petition presented pursuant to section 49-804a, he shall direct the supervisor of inspection to prepare a list of the producers of the commodity in the zone. The supervisor shall within twenty days prepare the list, which shall show the names and addresses of the producers and the producing factors belonging to or controlled by each. He shall deliver the list to the commissioner and shall post a copy thereof in his office, for inspection by interested parties. The commissioner may require lists of producers within the proposed proration zone from distributors or handlers of the commodity for which a proration program is proposed, and from such other sources as he may deem advisable. He may correct the supervisor's list after comparison.

(b) The commissioner shall notify all producers whose names appear on the list that an agricultural prorate program is proposed for the commodity to be affected, and that the producer is credited with the number of producing factors stated in the list.

(c) Any producer whose name does not appear on the proper list or who claims an erroneous allotment of producing factors may apply to the supervisor to be placed on the list, or to be credited with the proper number of producing factors, as the case may be. Upon substantiating his claim, the error shall be corrected. The application shall be made not later than fifteen days after the list is posted in the office of the supervisor. In the event the producer is dissatisfied with the final action of the supervisor, he may, within ten days after notice of that action, appeal to the commissioner, whose decision shall be final.

Sec. 5. Article 8, Chapter 49, Arizona Code of 1939, (Chapter 36, Session Laws of 1939, regular session), is amended by adding section 49-804c:

49-804c. BALLOTING. (a) In the event the program, after hearing as provided in this article, is approved by the commissioner, the commissioner shall submit a copy of the program in full, together with an explanation of its provisions and the reasons therefor, to each producer, or his authorized agent, as shown by the list compiled pursuant to section 49-804b, accompanied by a printed, typewritten, or mimeographed ballot upon which the producer can record his vote on the program and by a notice of the date prior to which the ballot must be delivered to the office of the commissioner.

(b) The commissioner shall canvas the results of the balloting, and if he finds that not less than two-thirds of the producers voting in the proposed zone, and the owners of not less than fifty-one per cent of the producing factors, have voted in favor of the proposed program, he shall declare the program instituted. He shall give the zone a title indicative of the commodity affected.

Sec. 6. Article 8, Chapter 49, Arizona Code of 1939, (Chapter 36, Session Laws of 1939, regular session), is amended by adding section 49-804d:

49-804d. MODIFICATION OF PROGRAM. A marketing program, initiated by the petition and ballot method, shall be so formulated as to rectify as far as possible the adverse marketing conditions described in section 49-809, and to maintain market stability under the limitations of this article. The marketing program may be modified in minor particulars from time to time by the program committee with the approval of the commissioner, but the commissioner may require a hearing to be held in the zone prior to giving his approval. If any modification is proposed by the program committee altering the program by the addition of one or more of the particulars described in paragraphs 1, 2, 7, 8 and 9, subsection (b), section 49-817, the commissioner shall order a referendum to be held by mail ballot sent to all producers, or their authorized agents, as shown on the list of producers affected compiled as provided in section 49-804d. The proposed modification shall not become effective if forty per cent or more of the producers and the owners of forty per cent or more of the producing factors vote against it. Before approving any modification, the commissioner shall find, after hearing thereon, that the modification is reasonably calculated to attain the objectives of this article.

Sec. 7. Sec. 49-805, Arizona Code of 1939, (Section 5, Chapter 36, Session Laws of 1939, regular session), is amended to read:

49-805. COSTS. The petitioners shall deposit with every petition for a prorate program, in cash or by certified check payable to the commissioner, an amount fifty per cent in excess of the probable cost, as estimated by the commissioner, of conducting the hearing on the petition. The deposit shall be disbursed by the commissioner in payment of the costs incurred. In the event the program is put into effect, the costs shall be recoverable by the petitioners from the revenues of the program committee. The balance remaining undisbursed by the commissioner shall be returned to the petitioners in proportion to the amounts of their contributions.

Sec. 8. Sec. 49-806, Arizona Code of 1939, (Section 6, Chapter 36, Session Laws of 1939, regular session), is amended to read:

49-806. HEARING. (a) Upon receipt of a petition for the establishment, annexation, or termination of a prorate program, the commissioner shall hold a hearing at a central point within the district described in the petition. All counterparts of the petition bearing signatures and the names and addresses of the persons claimed by the petitioners to be producers shall be filed in the commissioner's office or at such other place as the commissioner may direct, and shall be open to public inspection for not less than fifteen days prior to the hearing.

(b) Notice of hearing on a petition shall be given by one publication, not less than fifteen 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 fifteen days prior to the hearing, in not less than ten conspicuous places in each such county. If no newspaper is published in a county, the notice shall be published in a newspaper published in the state and of general circulation in that county. If the proposed proration zone includes more than one district, the notice shall be given and a hearing held in each district.

Sec. 9. Sec. 49-807, Arizona Code of 1939, (Section 7, Chapter 36, Session Laws of 1939, regular session), is amended to read:

49-807. SUFFICIENCY OF PETITION. (a) At the hearing on a petition, the commissioner shall first determine the sufficiency of the petition. The certificate of the supervisor 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 that he has examined the petition and that the same is signed by not less than two-thirds of the qualified producers of the product within the proposed producing zone or supplying the proposed marketing zone, and by the owners of not less than two-thirds 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. Any person interested may contest the sufficiency of the petition or the validity 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 is sufficient.

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

3. In case of a partnership, signature by any partner is prima facie sufficient, but may be contested by another partner.

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

5. In case of a lease or sharecropping contract, the signature of the person having the main control over the crop is sufficient.

6. Signatures of guardians of minors and incompetent persons, executors and administrators of estates, and receivers are sufficient without a court order authorizing the same.

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

Sec. 10. Sec. 49-811, Arizona Code of 1939, (Section 11, Chapter 36, Session Laws of 1939, regular session), is amended to read:

49-811. 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 a court of competent jurisdiction, but only as to the sufficiency of the evidence introduced before the commissioner. The action for review shall 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. 11. Sec. 49-812, Arizona Code of 1939, (Section 12, Chapter 36, Session Laws of 1939, regular session), is amended to read:

49-812. 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 may 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 nominees named in the petition or submitted by the producers on the first day of the hearing. If more than fifteen members be nominated, selection of fifteen shall be made from among the nominees by the producers present at the hearing. Voting for the 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 may not sign for, petition for, nor vote for any of its members.

(c) If requested in the petition or at the hearing the commissioner shall appoint, in the manner 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 alternate fails to attend any meeting.

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

(e) Members of the committee shall serve without

compensation, but may be reimbursed for their actual and necessary expenses, including travel.

Sec. 12. Sec. 49-815, Arizona Code of 1939, (Section 15, Chapter 36, Session Laws of 1939, regular session), is amended to read:

49-815. APPROVAL AND MODIFICATION. (a) A marketing program initiated by petition of not less than two-thirds of the producers and of the owners of not less than two-thirds of the producing factors, shall be approved by the commissioner, after hearing thereon, before being made effective in any proration zone.

(b) Any program described in subsection (a) may be modified from time to time by the program committee with the approval of the commissioner. Before approving any modification, the commissioner shall hold a hearing in the zone, and shall determine that the proposed program is reasonably calculated to maintain the existence of the facts specified in section 49-809. He may modify any program submitted to make it conform to this requirement.

(c) Notice of any hearing to be held under this section shall be given by the same publication and posting as provided for hearings on petitions is subsection (b), section 49-806.

Sec. 13. Sec. 49-816, Arizona Code of 1939, (Section 16, Chapter 36, Session Laws of 1939, regular session), is amended to read:

49-816. COMMISSIONER MAY INITIATE OR MODIFY PROGRAM. (a) In the event a program committee operating under a program initiated by petition of not less than two-thirds of the producers and of the owners of not less than two-thirds of the producing factors fails within a reasonable time to present to the commissioner a proration program, or presents a program which is inconsistent with the conditions prescribed in section 49-809, the commissioner shall initiate a proper program or modify the program presented, as the case may be, in conformity with the provisions of section 49-809.

(b) If at any time during the operation of any proration program described in subsection (a) it appears probable to the commissioner that the program being carried out is not in conformity with the provisions of section 49-809, he shall, after hearing, so modify the program as to obtain the conditions required.

Sec. 14. Sec. 49-817, Arizona Code of 1939, (Section 17, Chapter 36, Session Laws of 1939, regular session), is amended to read:

49-817. POWERS OF PROGRAM COMMITTEE. (a) In any marketing program approved by the commissioner, or declared by him to be instituted, the program committee shall have power to determine the method, manner, and extend of proration, and the movement of the prorated commodity, or of any grade, size, or quality thereof, from harvest into a primary channel of trade. 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 program committee shall have power:

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 a converted state. A 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 a surplus may be turned over by the committee to a charitable organization, self-help cooperative, or similar agency, 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 surplus pool, the committee may fix grading, packing, and servicing charges to be assessed against commodities received by the pool and requiring that handling. The 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 surplus in such manner as to maintain stability in the markets, and to sell the 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 article.

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

5. To cooperate with agencies or organizations with similar purposes, whether of this state, other states, or the United States, in the formulation and execution of a common marketing program. In proper cases the commissioner may require 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 deprecative of the qualities of any other food product, if that policy 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 its powers under 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. 15. Sec. 49-818, Arizona Code of 1939, (Section 18, Chapter 36, Session Laws of 1939, regular session), is amended to read:

49-818. PRORATION CERTIFICATES. (a) After a proration program has been formulated and approved by the commissioner, or declared by him to be instituted, the agent for the zone shall assume administration of the program and subsequent modifications thereof and the issuance of proration certificates thereunder.

(b) Proration certificates are divided into primary and secondary certificates. Each producer is 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 primary channels of trade; and, 2. from time to time, the number of secondary certificates theretofore issued under it.

(c) 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 article, and shall accompany all deliveries of the prorated commodity by producers into a primary channel of trade, 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. Secondary certificates shall be negotiable between producers.

(d) 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. 16. Sec. 49-823, Arizona Code of 1939, (Section 23, Chapter 36, Session Laws of 1939, regular session), is amended to read:

49-823. AGRICULTURAL PRORATE COMMISSIONER. (a) The dean of the college of agriculture of the

university of Arizona shall be ex-officio the agricultural prorate commissioner.

(b) The commissioner shall keep an office at the capital, but may hold hearings and transact business in such places as he deems expedient and proper for the performance of his duties.

(c) The commissioner shall have a seal bearing the words, "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 he shall direct. All courts shall take judicial notice of the seal.

(d) The commissioner may appoint a secretary and such other employees 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 article.

Approved: March 27, 1941.

CHAPTER 121

(Senate Bill No. 73)

AN ACT

RELATING TO HORTICULTURE; PRESCRIBING STANDARDS FOR CITRUS FRUIT; AMENDING SECTIONS 49-921 AND 49-922, ARIZONA CODE OF 1939, AND AMENDING ARTICLE 9, CHAPTER 49, ARIZONA CODE OF 1939, BY ADDING SECTIONS 49-921a TO 49-921f, INCLUSIVE; AND DECLARING AN EMERGENCY.

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

Section 1. Sec. 49-921, Arizona Code of 1939 (section 21, chapter 70, Session Laws of 1933, regular session), is amended to read:

49-921. CITRUS FRUIT STANDARDS. (a) Oranges, grapefruit and lemons shall be free from serious: 1. de-

cay; 2. freezing or drying from any cause; 3. injury from any cause; 4. scars, including those caused by insects; 5. scale; 6. dirt, smudge stain, sooty mold, rot residues, or other foreign material; 7. staining; 8. greenish or brownish rind oil spots; 9. spotting or pitting; 10. sunburn; and, 11. aging.

(b) Oranges and grapefruit shall also be mature and free from serious: 1. roughness, and, 2. softness.

(c) Oranges shall also be free from serious: 1. water spot, and, 2. protruding or enlarged navel end.

(d) Grapefruit shall also be free from serious sheepnose.

(e) Lemons shall also be free from serious: 1. internal decline from any cause; 2. peteca; 3. deformities; or, 4. red blotch.

Sec. 2. Article 9, chapter 49, Arizona Code of 1939 (chapter 70, Session Laws of 1933, regular session), is amended by adding section 49-921a:

49-921a. MATURITY. (a) Oranges are mature if, at the time of picking and at all times thereafter: 1. except bloods, tangerines, and mandarins, the juice contains soluble solids, as determined by a Brix scale hydrometer, of not less than eight parts to every part of acid contained in the juice, the acidity of the juice to be calculated as citric acid without water or crystallization; and, 2, except valencia oranges that have turned greenish after having reached the soluble solids requirement, not less than ninety per cent of the oranges, by count, have attained on at least two-thirds of the fruit surface a minimum characteristic yellow or orange color, as indicated by color plate number 20-L3 in Maerz & Paul's "Dictionary of Color".

(b) Grapefruit are mature if, at the time of picking and at all times thereafter: 1. the juice contains soluble solids, as determined by a Brix scale hydrometer, of not less than six parts to every part of acid contained in the juice, the acidity of the juice to be calculated as citric acid without water of crystallization; and, 2. not less than ninety per cent of the grapefruit, by count, have attained on at least two-thirds of the fruit surface a minimum characteristic yellow or grapefruit color, as indicated by color plate number 19-L3 in Maerz & Paul's "Dictionary of Color".

(c) Unless immediately reconditioned, disposed of to a by-products plant, or dumped, oranges or grapefruit which do not meet the maturity standards of this section are in violation of this article.

Sec. 3. Article 9, chapter 49, Arizona Code of 1939 (chapter 70, Session Laws of 1933, regular session), is amended by adding section 49-921b:

49-921b. SERIOUS DEFECTS. (a) Decay is serious if any part of the fruit is affected with decay.

(b) Damage by freezing or drying from any cause is serious if twenty per cent or more of the pulp or edible portion of the fruit shows evidence of drying or a mushy condition, or, in a lemon, of staining (except membranous stain). Evidence of damage shall be determined by as many cuts of each individual fruit as are necessary.

(c) Injury from any cause is serious if the skin (rind) is broken and the injury is not healed.

(d) Scars, including those caused by insects, are serious if they are dark, rough, or deep, and aggregate twenty-five per cent or more of the fruit surface.

(e) Scale is serious if fifty per cent or more of the fruit surface shows scale infestation in excess of fifty scales per square inch.

(f) Dirt, smudge stain, sooty mold, rot residues, or other foreign material is serious if an aggregate area of twenty-five per cent or more of the fruit surface is affected.

(g) Staining is serious if fifty per cent or more of the fruit surface is affected with a pronounced discoloration.

(h) Greenish or brownish rind oil spots are serious if they cover an aggregate area of twenty-five per cent or more of the fruit surface.

(i) Spotting or pitting is serious if the spots or pits are sunken and cover an aggregate area of ten per cent or more of the fruit surface.

(j) Sunburn in oranges or grapefruit is serious if it causes decided flattening of the fruit with drying and

discoloration of the skin (rind) affecting more than one-third of the fruit surface. Sunburn in lemons is serious if twenty per cent or more of the pulp or edible portion shows evidence of drying, staining (except membranous stain), or a mushy condition, and evidence of damage shall be determined by as many cuts of each individual lemon as are necessary.

(k) Aging is serious if one-third or more of the fruit surface is dried and hard.

(l) Roughness in oranges or grapefruit is serious if ninety per cent or more of the fruit surface is rough, coarse, or lumpy.

(m) Softness in oranges or grapefruit is serious if the fruit is flabby, or, in the case of oranges, if the orange is spongy and puffy over ninety per cent or more of the fruit surface.

(n) Water spot in oranges is serious if the affected skin (rind) is soft or not healed.

(o) Protruding or enlarged navel end in oranges is serious if the navel end protrudes beyond the general contour of the orange to such extent, or the navel opening is so wide considering the size of the orange, or the navel growth so badly folded and ridged, that it detracts seriously from the appearance of the orange.

(p) Damage to a lemon by internal decline from any cause is serious if twenty per cent or more of the pulp or edible portion shows evidence of drying, staining (except membranous stain), or a mushy condition, or if the core shows gumming for its entire length. Evidence of damage shall be determined by as many cuts of each individual lemon as are necessary.

(q) Peteca in lemons is serious if the spots or pits are sunken and cover an aggregate area of ten per cent or more of the fruit surface.

(r) Deformities in lemons are serious if fifty per cent or more of the individual fruit is excessively misshapen, ridgy, or lumpy.

(s) Red blotch in lemons is serious if the affected areas aggregate ten per cent or more of the fruit surface.

Sec. 4. Article 9, chapter 49, Arizona Code of 1939

(chapter 70, Session Laws of 1933, regular session), is amended by adding section 49-921c:

49-921c. TOLERANCE FOR SERIOUS DEFECTS. (a) Except as to the requirements relating to maturity and to freezing or drying, not more than ten per cent, by count, of the oranges or grapefruit in any one container or bulk lot may be below the requirements of sections 49-921 and 49-921b, but not more than five per cent for any one cause.

(b) Except as to the requirements relating to freezing, internal decline, sunburn, or drying, not more than ten per cent, by count, of the lemons in any one container or bulk lot may be below the requirements of sections 49-921 and 49-921b, but not more than five per cent for any one cause.

(c) In addition to the tolerance provided in subsection (a), not more than ten per cent, by count, of the oranges or grapefruit in any one container or bulk lot may be seriously damaged by freezing or drying from any cause, as shown by representative samples as defined in section 49-921e. When serious damage by freezing or drying from any cause is present, the combined tolerance for all defects shall not exceed fifteen per cent.

(d) In addition to the tolerance provided in subsection (b), not more than ten per cent, by count, of the lemons in any one container or bulk lot may be seriously damaged by freezing, internal decline, sunburn, or drying from any cause, as shown by representative samples as defined in section 49-921e. When serious damage by freezing, internal decline, sunburn, or drying from any cause is present, the combined tolerance of all defects shall not exceed ten per cent.

Sec. 5. Article 9, chapter 49, Arizona Code of 1939 (chapter 70, Session Laws of 1933, regular session), is amended by adding section 49-921d:

49-921d. SALE OF FRUIT SUBJECTED TO LOW TEMPERATURE. In the event citrus fruits have been subjected to low temperatures sufficient eventually to cause serious damage from freezing, the supervisor shall have power, by proclamation, rule, or regulation, to declare that it is unlawful to harvest, pack, deliver for shipment or sale, load, ship, transport, or sell such citrus fruits until sufficient time elapses to give the symptoms of freezing injury opportunity to develop.

Sec. 6. Article 9, chapter 49, Arizona Code of 1939 (chapter 70, Session Laws of 1933, regular session), is amended by adding section 49-921e:

49-921e. PRIMA FACIE EVIDENCE OF DEFECTS. (a) Prima facie evidence of violation of the provisions of this article relating to defects of citrus fruit may be established by the inspection of representative samples as follows: 1. when in containers, not less than ten per cent, by count, of the fruit in any one container; or, 2. when in bulk, not less than one hundred fruits.

(b) The determination of defects for the purpose of obtaining prima facie evidence shall be made according to the definitions included in sections 49-921a, 49-921b, and 49-921c. Each individual fruit may be examined for one or all of the defects, but only one defect shall be scored against any individual fruit.

Sec. 7. Article 9, chapter 49, Arizona Code of 1939 (chapter 70, Session Laws of 1933, regular session), is amended by adding section 49-921f:

49-921f. MIXING OF INFERIOR FRUIT. It is unlawful to mix or blend any lot of citrus fruit which fails to conform to the requirements of this article with another lot which does conform, thereby reducing the percentage of inferior fruit in the lot.

Sec. 8. Sec. 49-922, Arizona Code of 1939 (section 22, chapter 70, Session Laws of 1933, regular session), is amended to read:

49-922. STANDARD CONTAINERS. (a) The citrus fruit in any one container shall be uniform in size. Grapefruit and oranges, except tangerines and mandarins, shall be regularly packed throughout in closed standard containers numbers 1, 1a, or 2 (subsection (c)), and lemons in closed standard containers numbers 3 or 4 (subsection (c)). This section shall not apply to: 1. citrus fruit to be used for charitable purposes or unemployment relief, or by the United States government or its agencies; 2. citrus fruit shipped in a closed container designed for sale to the consumer in unbroken form, if the net contents do not exceed fifteen pounds; nor, 3. any retail sale directly to a consumer.

(b) Every container of citrus fruit shall bear in plain sight and plain letters on one outside end: 1. the name of the person who first authorized the packing of the

fruit or the name under which the packer is engaged in business; 2. a sufficiently explicit address to permit ready location of the packer; 3. the number of fruit in the container or the cubical content of the container, together with the average diameter of the fruit; and, 4. in the case of oranges, the name of the variety, if known, or if unknown, the words "unknown variety", "sweets", or "seedlings".

(c) The following shall be standard containers, all dimensions to be determined by inside measurements in inches:

1. Standard two-compartment orange or grapefruit box, each compartment: depth, eleven and one-half; width, eleven and one-half; length, twelve.

1a. Standard one-compartment orange or grapefruit box: depth, eleven and one-half; width, eleven and one-half; length, twenty-four.

2. Standard two-compartment half orange or grapefruit box, each compartment: depth, five and three-fourths; width, eleven and one-half; length, twelve.

3. Standard two-compartment lemon box, each compartment: depth, ten; width, thirteen; length, twelve and one-half.

4. Standard two-compartment half lemon box, each compartment: depth, five; width, thirteen; length, twelve and one-half.

(d) Lids for standard containers numbers 1 and 2 (subsection (c)) shall be not more than twenty-six and one-eighth inches in length. Lids for standard containers numbers 3 and 4 (subsection (c)) shall be not more than twenty-seven and one-eighth inches in length.

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 27, 1941.

(This Bill carrying the Emergency Clause was passed by the following vote: House: 35 Ayes, 11 Nayes, O Absent, 6 Excused. Senate: 12 Ayes, 7 Nayes, O Not Voting).

CHAPTER 122

(House Bill No. 190)

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, 1941, AND ENDING JUNE 30, 1942, HEREINAFTER DESIGNATED AS THE 30TH FISCAL YEAR, AND BEGINNING JULY 1, 1942, AND ENDING JUNE 30TH, 1943, HEREINAFTER DESIGNATED AS THE 31ST 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, 1941, and ending June 30, 1942, hereinafter designated as the 30th fiscal year, and beginning July 1, 1942, and ending June 30, 1943, hereinafter designated as the 31st 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 30th Fiscal Year	For the 31st Fiscal Year
For salaries and wages; for operation; for travel; for capital investment; for repairs and replacements:		
Lump sum appropriation....	$793,419.76	$793,419.76
		$1,586,839.52

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 30th Fiscal Year	For the 31st Fiscal Year
For salaries and wages; for operation; for travel; for capital investment; for repairs and replacements:		
Lump sum appropriation	$199,630.45	$199,630.45
	$399,260.90	

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 30th Fiscal Year	For the 31st Fiscal Year
For salaries and wages; for operation; for travel; for capital investment; for repairs and replacements:		

Lump sum appropriation	$275,726.07	$275,726.07
		$551,452.14

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 sixty-five dollars per capita for common school education, and ninety-five dollars per capita for high school education, per annum, computed according to average daily attendance in common and high schools during the previous year as shown by the records of the superintendent of public instruction, which shall constitute the aggregate sum to be raised by state taxation for the support of common and high school education. This amount shall include the following items:

	For the 30th Fiscal Year	For the 31st Fiscal Year
Salaries and wages:		
Salary—superintendent	$ 4,500.00	$ 4,500.00
Statistician	2,400.00	2,400.00
Directors (3 @ $2,400.00 each)	7,200.00	7,200.00
Stenographers (4 @ $1,500.00 each)	6,000.00	6,000.00
Total salaries and wages	$ 20,100.00	$ 20,100.00

Operation	8,000.00	8,000.00
Travel	2,500.00	2,500.00
Capital Investment	500.00	100.00
Repairs and replacements	250.00	250.00
Miscellaneous Requirements:		
Teachers' Pensions	88,200.00	103,200.00
Textbooks	70,000.00	70,000.00
Total miscellaneous requirements	$158,200.00	$173,200.00
Sub-total	189,550.00	204,150.00
Vocational Education:		
For operation, for travel; for capital investment:	750.00	750.00
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....	12,500.00	12,500.00
Teacher training:		
For salaries and wages; for operation; for travel; for capital investment:		
Lump sum appropriation....	5,000.00	5,000.00
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..	41,950.00	41,950.00

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....	$231,500.00	$246,100.00
		$477,600.00

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. JUNIOR COLLEGES.

	For the 30th Fiscal Year	For the 31st 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 6. ARIZONA STATE SCHOOL FOR THE DEAF AND BLIND.

	For the 30th Fiscal Year	For the 31st 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	30,000.00	30,000.00
Travel	500.00	500.00
Capital Investment:		
Washer	900.00	
Miscellaneous Capital Investment	2,000.00	2,000.00
Total capital investment	$ 2,900.00	$ 2,000.00
Repairs and replacements	2,500.00	1,500.00
Total appropriation	$ 83,870.00	$ 81,970.00
	$165,840.00	

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 7. INDUSTRIAL SCHOOL.

	For the 30th Fiscal Year	For the 31st Fiscal Year
Salaries and Wages:		

Superintendent	$ 3,000.00	$ 3,000.00
Assistant Superintendent	1,800.00	1,800.00
Secretary	1,500.00	1,500.00
Director of Education	1,740.00	1,740.00
Teachers (3 @ $1,380.00 each)	4,140.00	4,140.00
Nurse	1,380.00	1,380.00
Trades Instructors (2 @ $1,350.00 each)	2,700.00	2,700.00
Farm Instructor	1,200.00	1,200.00
Dairy Instructor	1,200.00	1,200.00
Cook Instructor	1,200.00	1,200.00
Teacher and Band Master	1,380.00	1,380.00
Supervisors (3 @ $1,200.00 each)	3,600.00	3,600.00
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	$ 27,300.00	$ 27,300.00
Operation	23,320.00	23,320.00
Travel	400.00	400.00
Capital Investment:		
Chickens	200.00	
Bull		150.00
Slaughter House	600.00	
Farm and Dairy Equipment	300.00	300.00

School Equipment	150.00	150.00
Hog Sties and fence	250.00	
Pick-up truck	600.00	
Tools and Pipe	250.00	300.00
Total Capital Investment	$ 2,350.00	$ 900.00
Repairs and replacements	1,500.00	1,500.00
Expense of re-wiring, replacement and change over to connect up with R. E. A. Power	2,000.00	

	For the 30th Fiscal Year	For the 31st Fiscal Year
Board expense:		
Operation	$ 180.00	$ 180.00
Travel expense	320.00	320.00
Total Board expense	$ 500.00	$ 500.00
Total Appropriation	$ 57,370.00	$ 53,920.00
	$111,290.00	

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, and in addition thereto there is hereby appropriated fees received from the federal government for wards of the federal government placed in said institution.

Subdivision 8. CARE OF GIRL JUVENILE OFFENDERS.

	For the 30th Fiscal Year	For the 31st Fiscal Year
For the use of the Board of Directors of State Institutions for Juveniles 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 9. PIONEERS' HOME.

	For the 30th Fiscal Year	For the 31st 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
Head Nurse (R.N.)	1,200.00	1,200.00
Night Nurse (R.N.)	1,000.00	1,000.00
Nurse (R.N.)	1,000.00	1,000.00
Nurses (3 @ $750.00 each)	2,250.00	2,250.00
Orderlies (2 @ $650.00 each)	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 @ $600.00 each)	1,800.00	1,800.00
Housekeeper	750.00	750.00
Janitors (2 @ $650.00 each)	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	50,000.00	50,000.00
Travel	150.00	150.00
Insurance Premiums	750.00	750.00
Capital Investment	800.00	
Repairs and replacements	250.00	250.00
Total appropriation	$ 75,630.00	$ 74,830.00
	$150,460.00	

In addition to the above appropriation, there is hereby appropriated to the Pioneers' Home and Hospital for Disabled Miners at Prescott, Arizona, the income (maintenance fund) from land rentals and the interest on the investment of the permanent funds, in compliance with the Enabling Act and the state Constitution.

Subdivision 10. PRISON.

	For the 30th Fiscal Year	For the 31st 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	85,000.00	85,000,00
Travel	1,000.00	1,000.00
Insurance	2,000.00	2,000.00
Capital Investment		
Flour Mill	1,000.00	
Miscellaneous capital investment	1,000.00	2,000.00
Total Capital Investment	$ 2,000.00	$ 2,000.00
Repairs and replacements	2,000.00	2,000.00
Total appropriation	$181,540.00	$181,540.00
	$363,080.00	

In addition to the above appropriation, there is hereby appropriated the annual income (maintenance fund) 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 11. STATE HOSPITAL FOR THE INSANE.

	For the 30th Fiscal Year	For the 31st 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 @ $2,000.00 each)	4,000.00	4,000.00
Technician	1,260.00	1,260.00
Steward and Business Manager	3,000.00	3,000.00
Pharmacist	1,500.00	1,500.00
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	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	1,800.00	1,800.00
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
Miscellaneious Day Labor	900.00	900.00
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
Attendants	84,960.00	84,960.00
Total salaries and wages	$161,125.00	$161,125.00

Operation	124,000.00	124,000.00
Travel	1,000.00	1,000.00
Repairs and replacements	6,000.00	6,000.00
Capital Investment:		
Hot water exchanger	600.00	
Filing Cabinets	150.00	
Hospital Reception room furniture	350.00	
Laundry Ironer	1,600.00	
Medical Library	350.00	
Farm Implements	300.00	
Bulls—2	300.00	
Boars—2	100.00	
Dairy Cows	2,000.00	
Shop Tools	500.00	
Miscellaneous capital investment	300.00	500.00
Total Capital Investment	$ 6,550.00	$ 500.00
Total Appropriation	$298,675.00	$292,625.00
	$591,300.00	

In addition to the above appropriation, there is hereby appropriated the annual income (maintenance fund) from the land rentals and the interest on the investment of the permanent funds, in compliance with the Enabling Act and the state Constitution. There is also appropriated to the state hospital for the insane, to be available for operation, all revenue received for the care of voluntary patients or patients whose maintenance is declared by the committing court to be a charge against the estate of the patient.

Subdivision 12. ANIMAL HUSBANDRY.

	For the 30th Fiscal Year	For the 31st Fiscal Year
For the Livestock Sanitary Board for cooperation with the United States Bureau of Animal Industry for the eradication of tuberculosis in cattle.		
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 13. ARIZONA COPPER TARIFF BOARD.

	For the 30th Fiscal Year	For the 31st Fiscal Year
For salaries and wages; for operation; for travel;		
Lump sum appropriation....	$ 2,750.00	$ 1,250.00
		$ 4,000.00

Subdivision 14. ARIZONA STATE EMPLOYMENT SERVICE.

	For the 30th Fiscal Year	For the 31st Fiscal Year
For salaries and wages; for operation; for travel; for capital investment; for repairs and replacements:		
Lump sum appropriation....	$ 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 15. ATTORNEY GENERAL.

	For the 30th Fiscal Year	For the 31st 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	3,000.00	3,000.00
Travel	1,000.00	1,000.00
Capital Investment	750.00	750.00
Total appropriation	$ 30,650.00	$ 30,650.00
	$ 61,300.00	

Subdivision 16. BANKING DEPARTMENT.

	For the 30th Fiscal Year	For the 31st 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	650.00	650.00

Travel	1,250.00	1,250.00
Capital Investment	75.00	75.00
Total appropriation	$ 11,975.00	$ 11,975.00
	$ 23,950.00	

Subdivision 17. BOARD OF DIRECTORS, STATE INSTITUTIONS.

	For the 30th Fiscal Year	For the 31st Fiscal Year
Salaries and Wages:		
Secretary	$ 3,000.00	$ 3,000.00
Order and Voucher Clerk	1,800.00	1,800.00
Stenographer-Secretary	1,800.00	1,800.00
Typist	1,200.00	1,200.00
Total salaries and wages	$ 7,800.00	$ 7,800.00
Operation	1,750.00	1,750.00
Insurance:		
Autos and trucks	500.00	500.00
For State Hospital	4,750.00	4,750.00
Boiler Insurance (Inspection)	1,250.00	1,250.00
Bonds of officials	500.00	500.00
Travel	400.00	400.00
Total Appropriation	$ 16,950.00	$ 16,950.00
	$ 33,900.00	

Subdivision 18. BOARD OF HEALTH AND CHILD HYGIENE.

	For the 30th Fiscal Year	For the 31st 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	200.00	200.00
Capital Investment	250.00	
Venereal Disease Program	2,000.00	2,000.00
Tuberculosis Control Program	7,500.00	7,500.00
Total Appropriation	$ 26,950.00	$ 26,700.00
Child Hygiene:		
Salaries and wages	11,550.00	11,550.00
Operation	700.00	700.00
Travel	500.00	500.00
Cooperating Health Units	6,000.00	6,000.00
Total Appropriation	$ 18,750.00	$ 18,750.00
Grand Total Appropriation	45,700.00	45,450.00
	$ 91,150.00	

Subdivision 19. BOARD OF PARDONS AND PAROLES.

	For the 30th Fiscal Year	For the 31st 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	400.00	400.00

Travel	350.00	350.00
Capital Investment	100.00	
Total Appropriation	$ 4,570.00	$ 4,470.00
	$ 9,040.00	

Subdivision 20. BUREAU OF CRIMINAL IDENTIFICATION.

	For the 30th Fiscal Year	For the 31st 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	350.00	350.00
Capital Investment	100.00	100.00
Total Appropriation	$ 6,450.00	$ 6,450.00
	$ 12,900.00	

Subdivision 21. CAPITOL BUILDINGS AND GROUNDS.

	For the 30th Fiscal Year	For the 31st Fiscal Year
Salaries and Wages:		
Salary—Custodian	$ 2,400.00	$ 2,400.00
Watchman (3 @ $1,350.00 each)	4,050.00	4,050.00
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 Gardner	1,620.00	1,620.00

Janitors (10 @ $972.00 each)	9,720.00	9,720.00
Laborers (3 @ $1,080.00 each)	3,240.00	3,240.00
Total salaries and wages	$ 26,082.00	$ 26,082.00
Operation	4,000.00	3,900.00
Insurance and Premiums on Policies	1,750.00	1,750.00
Light, fuel, water and power	11,000.00	11,500.00
Capital Investment	250.00	250.00
Repairs and replacements	1,800.00	1,800.00
Total Appropriation	$ 44,882.00	$ 45,282.00
	$ 90,164.00	

Subdivision 22. COLORADO RIVER COMMISSION.

	For the 30th Fiscal Year	For the 31st Fiscal Year
For salaries and wages; for operation; for travel; for capital investment; for repairs and replacements:		
Lump sum Appropriation	$ 12,500.00	$ 12,500.00
	$ 25,000.00	

Subdivision 23. COMMISSION OF AGRICULTURE AND HORTICULTURE.

	For the 30th Fiscal Year	For the 31st Fiscal Year
Salaries:		
Commission members (3 @ $300.00 each)	$ 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 Southside)	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)	2,500.00	2,500.00
Road Inspectors in charge (8)	14,400.00	14,400.00
Road Inspectors (26 @ $1,500.00 each)	39,000.00	39,000.00
Total salaries	$ 80,800.00	$ 80,800.00
Operation	5,000.00	5,000.00
Travel	4,500.00	4,500.00
Capital Investment:		
Building and equipment, Holbrook Station	1,250.00	
Miscellaneous Capital Investment	250.00	250.00
Total capital investment	$ 1,500.00	$ 250.00
Repairs and replacements	300.00	300.00
Total Appropriation	$ 92,100.00	$ 90,850.00
		$182,950.00

Subdivision 24. CORPORATION COMMISSION.

	For the 30th Fiscal Year	For the 31st Fiscal Year
Administrative Division:		
Salaries:		
Commissioners (3 @ $4,500.00 each)	$ 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	1,750.00	1,750.00
Total Administrative Division	$ 18,150.00	$ 18,150.00
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
Rate Division:		
Salaries:		
Rate Expert	$ 2,520.00	$ 2,520.00
Total salaries	$ 2,520.00	$ 2,520.00
Operation	100.00	100.00
Total Rate Division	$ 2,620.00	$ 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	500.00	500.00
Total Public Utility Division	$ 5,200.00	$ 5,200.00
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:		
Salaries:		
Reception Clerk	$ 1,680.00	$ 1,680.00
Work Supervisor	2,280.00	2,280.00
Reporter	2,400.00	2,400.00
Total Miscellaneous	$ 6,360.00	$ 6,360.00
Total Appropriation	$ 49,070.00	$ 49,070.00
		$ 98,140.00

Subdivision 25. DAIRY COMMISSION.

	For the 30th Fiscal Year	For the 31st Fiscal Year
Salaries:		
Commissioner	$ 3,000.00	$ 3,000.00
Deputy	2,400.00	2,400.00
Stenographer	1,500.00	1,500.00
Total salaries	$ 6,900.00	$ 6,900.00
Operation	450.00	450.00
Travel	1,500.00	1,500.00
Total Appropriation	$ 8,850.00	$ 8,850.00
	$ 17,700.00	

Subdivision 26. DEPARTMENT OF LIQUOR LICENSE AND CONTROL.

	For the 30th Fiscal Year	For the 31st Fiscal Year
Salaries and Wages:		
Superintendent	$ 4,800.00	$ 4,800.00
For salaries and wages; for operation, for travel; for capital investment; for repairs and replacements:		
Lump sum appropriation	$ 29,000.00	$ 29,000.00
Total Appropriation	$ 33,800.00	$ 33,800.00
	$ 67,600.00	

Subdivision 27. DEPARTMENT OF MINERAL RESOURCES.

	For the 30th Fiscal Year	For the 31st Fiscal Year
Salaries:		
Director	$ 3,600.00	$ 3,600.00
Assistant Director	2,700.00	2,700.00

Field Engineers (4 @ $2,400.00 each)	9,600.00	9,600.00
Statistical Engineer	2,100.00	2,100.00
Secretary	1,500.00	1,500.00
Periodic help	1,600.00	1,600.00
Total salaries	$ 21,100.00	$ 21,100.00
Operation	1,600.00	1,600.00
Travel	6,000.00	6,000.00
Total Appropriation	$ 28,700.00	$ 28,700.00
	$ 57,400.00	

Subdivision 28. FRUIT AND VEGETABLE STANDARDIZATION ACT.

	For the 30th Fiscal Year	For the 31st Fiscal Year
Salaries:		
Supervisor	$ 3,000.00	$ 3,000.00
Office Clerk	1,500.00	1,500.00
Total Appropriation	$ 4,500.00	$ 4,500.00
	$ 9,000.00	

Subdivision 29. GOVERNOR.

	For the 30th Fiscal Year	For the 31st Fiscal Year
Salary—Governor	$ 7,500.00	$ 7,500.00
Other Salaries:		
Executive Secretary	4,800.00	4,800.00
Assistant Secretary	2,400.00	2,400.00
Stenographers (3 @ $1,800.00 each)	5,400.00	5,400.00
Bookkeeper	1,800.00	1,800.00
Total salaries	$ 21,900.00	$ 21,900.00

Operation	4,500.00	4,500.00
Travel	2,000.00	2,000.00
Capital Investment	500.00	500.00
Official Entertainment	200.00	200.00
Periodic Employment	1,250.00	1,250.00
Contingent Fund	6,400.00	6,400.00
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.	750.00	750.00
Total Appropriation	$ 38,500.00	$ 38,500.00
	$ 77,000.00	

Subdivision 30. INDUSTRIAL COMMISSION.

	For the 30th Fiscal Year	For the 31st Fiscal Year
Salaries—Commissioners (3)	$ 15,000.00	$ 15,000.00
Enforcement of Labor Laws and Minimum Wage Laws:		
Salary—Manager	3,000.00	3,000.00
Inspector	2,400.00	2,400.00
Inspector	2,400.00	2,400.00
Stenographer	1,500.00	1,500.00
Director of Minimum Wage Division	1,920.00	1,920.00
Total Salaries	$ 26,220.00	$ 26,220.00

For operation, for travel, for printing labor laws, for district board expense:		
Lump Sum Appropriation	3,400.00	3,100.00
Total Appropriation	$ 29,620.00	$ 29,320.00
	$ 58,940.00	

Subdivision 31. INSPECTOR OF WEIGHTS AND MEASURES.

	For the 30th Fiscal Year	For the 31st Fiscal Year
Salary—Inspector	$ 2,000.00	$ 2,000.00
Operation	300.00	300.00
Travel	900.00	900.00
Capital Investment: Motor vehicle pick-up truck	700.00	
Total Appropriation	$ 3,900.00	$ 3,200.00
	$ 7,100.00	

Subdivision 32. INSURANCE PREMIUMS.

	For the 30th Fiscal Year	For the 31st Fiscal Year
For premiums: Exclusive of the State Highway Department	$ 27,000.00	$ 27,000.00
	$ 54,000.00	

Subdivision 33. DEPARTMENT OF LIBRARY AND ARCHIVES.

	For the 30th Fiscal Year	For the 31st Fiscal Year
Salaries:		
Director	$ 5,000.00	$ 5,000.00
Other salaries and wages	8,220.00	8,220.00
Total salaries	$ 13,220.00	$ 13,220.00

Operation	2,450.00	2,450.00
Capital Investment	2,500.00	2,500.00
Repairs and Replacements	150.00	150.00
Miscellaneous:		
American Legislators' Association	250.00	250.00
Total Appropriation	$ 18,570.00	$ 18,570.00
	$ 37,140.00	

Subdivision 34. LIVESTOCK SANITARY BOARD.

	For the 30th Fiscal Year	For the 31st 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	1,000.00	1,000.00
Miscellaneous:		
Re-recording of brands, salaries and operation	4,000.00	
Total Appropriation	$118,120.00	$114,120.00
	$232,240.00	

Subdivision 35. NATIONAL GUARD.

	For the 30th Fiscal Year	For the 31st 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	1,500.00	1,500.00
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	$ 17,500.00	$ 17,500.00
Operation	6,000.00	8,000.00
Travel	1,500.00	1,500.00
Capital Investment	750.00	750.00
Buildings and Grounds	2,000.00	
Repairs and replacements	6,000.00	6,000.00
Contingent property allowance	1,250.00	1,250.00
Rental of armories and target ranges	2,250.00	2,800.00
Officers' clothing allowance		6,180.00
Unit allowance	12,397.00	15,300.00
158th Infantry allowance for		

Commanding Officer	475.00	600.00
Total Appropriation	$ 50,142.00	$ 59,880.00
	$110,002.00	

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, 1942 and June 30, 1943.

Subdivision 36. PIONEERS' HISTORICAL SOCIETY.

	For the 30th Fiscal Year	For the 31st Fiscal Year
For salaries; for operation; for capital investment:		
Lump sum appropriation	$ 2,000.00	$ 2,000.00
	$ 4,000.00	

Subdivision 37. PRESCOTT HISTORICAL SOCIETY.

	For the 30th Fiscal Year	For the 31st 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 38. PREDATORY ANIMAL CONTROL.

	For the 30th Fiscal Year	For the 31st Fiscal Year
Salaries	$ 10,000.00	$ 10,000.00
	$ 20,000.00	

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 39. RODENT CONTROL.

	For the 30th Fiscal Year	For the 31st Fiscal Year
Salaries	$ 10,000.00	$ 10,000.00
		$ 20,000.00

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 40. SECRETARY OF STATE.

	For the 30th Fiscal Year	For the 31st 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	2,100.00	2,100.00
Clerks and Stenographers (5 @ $1,800.00 each)	9,000.00	9,000.00
Total salaries	$ 19,400.00	$ 19,400.00
Operation	2,500.00	2,500.00
Expense of preparing, printing and distributing First Special Session Laws (1940) and Regular Session Laws of 1941, Fifteenth Legislature	3,000.00	
Expense of preparing, printing and distributing Initiative and Referendum publicity pamphlets		5,000.00
Total Appropriation	$ 24,900.00	$ 26,900.00
		$ 51,800.00

Subdivision 41. SHEEP SANITARY COMMISSION.

	For the 30th Fiscal Year	For the 31st Fiscal Year
Salaries:		
Inspectors (3 @ $1,500.00 each	$ 4,500.00	$ 4,500.00
Periodic Inspectors	1,500.00	1,500.00
Total salaries	$ 6,000.00	$ 6,000.00
Operation	100.00	100.00
Travel	3,600.00	3,600.00
Disease Control	200.00	200.00
Total Appropriation	$ 9,900.00	$ 9,900.00
	$ 19,800.00	

Subdivision 42. STATE AUDITOR.

	For the 30th Fiscal Year	For the 31st Fiscal Year
Salary—Auditor	$ 4,500.00	$ 4,500.00
Other salaries:		
Deputy Auditor	3,300.00	3,300.00
Accountant—Senior	3,000.00	3,000.00
Accountant—Senior	3,000.00	3,000.00
Accountant—Junior	2,100.00	2,100.00
Accountant—Junior	2,100.00	2,100.00
Accountant—Junior	2,100.00	2,100.00
Social Security Auditor	2,400.00	2,400.00
Claim Auditor	1,800.00	1,800.00
Claim Auditor	1,800.00	1,800.00
Claim Auditor	1,800.00	1,800.00

Accountant	1,800.00	1,800.00
Claim Examiner	2,400.00	2,400.00
Addressograph Operator	2,400.00	2,400.00
Assistant Addressograph Operator	1,800.00	1,800.00
Statistician	2,400.00	2,400.00
Burroughs Machine Operator	1,800.00	1,800.00
Burroughs Machine Operator	1,800.00	1,800.00
Burroughs Machine Operator	1,800.00	1,800.00
Burroughs Machine Operator	1,800.00	1,800.00
Burroughs Machine Operator	1,500.00	1,500.00
Burroughs Machine Operator	1,500.00	1,500.00
Warrant Registrar	1,800.00	1,800.00
Warrant Writer	1,500.00	1,500.00
Warrant Writer	1,500.00	1,500.00
Receptionist	1,800.00	1,800.00
Record Clerk	1,800.00	1,800.00
Certification Clerk	1,500.00	1,500.00
Certification Clerk	1,500.00	1,500.00
Personnel Clerk	1,500.00	1,500.00
Stenographer	1,500.00	1,500.00
Stenographer	1,500.00	1,500.00
Reader	1,500.00	1,500.00
Reader	1,500.00	1,500.00
Reader	1,500.00	1,500.00
Typist	1,500.00	1,500.00

Typist	1,500.00	1,500.00
Inventory Clerk	2,700.00	2,700.00
Total salaries	$ 75,000.00	$ 75,000.00
Operation	10,500.00	10,500.00
Travel	1,500.00	1,500.00
Repairs and replacements	350.00	350.00
Printing reports	1,000.00	1,000.00
Total Appropriation	$ 88,350.00	$ 88,350.00
		$176,700.00

Subdivision 43. STATE EXAMINER.

	For the 30th Fiscal Year	For the 31st Fiscal Year
Salaries:		
State Examiner	$ 2,500.00	$ 2,500.00
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	$ 9,600.00	$ 9,600.00
Operation	750.00	750.00
Travel	3,000.00	3,000.00
Capital Investment	200.00	100.00
Total Appropriation	$ 13,550.00	$ 13,450.00
		$ 27,000.00

Subdivision 44. STATE FAIR COMMISSION.

	For the 30th Fiscal Year	For the 31st Fiscal Year
Salaries:		
Secretary	$ 2,400.00	$ 2,400.00

Custodian	1,200.00	1,200.00
Stenographers and clerical hire	850.00	850.00
Supervisor of Entries	200.00	200.00
Grandstand attendants	500.00	500.00
Policing	500.00	500.00
Cashier and ticket sellers	1,000.00	1,000.00
Judges	300.00	300.00
Total salaries and wages	$ 6,950.00	$ 6,950.00
For premiums	9,000.00	9,000.00
Operation	1,500.00	1,500.00
Repairs and replacements	1,000.00	1,000.00
Insurance premiums	2,500.00	2,500.00
Total Appropriation	$ 20,950.00	$ 20,950.00
	$ 41,900.00	

Subdivision 45. STATE LABORATORY.

	For the 30th Fiscal Year	For the 31st Fiscal Year
Salaries:		
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	750.00	250.00
Repairs and replacements	200.00	200.00
Total Appropriation	$ 11,920.00	$ 11,420.00
	$ 23,340.00	

Subdivision 46. STATE LAND COMMISSION.

	For the 30th Fiscal Year	For the 31st Fiscal Year
Salaries:		
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 fireguards	2,000.00	2,000.00
Total salaries	$ 31,840.00	$ 31,840.00
Operation	7,000.00	7,000.00
Travel	1,500.00	1,500.00
Capital Investment:		
Filing Cases	250.00	250.00
Rental Index Files	200.00	200.00
Total Capital Investment	$ 450.00	$ 450.00

Repairs and replacements	300.00	300.00
General expense in cooperating with the federal government working out the provisions of the Taylor Grazing Act	2,000.00	2,000.00
Total Appropriation	$ 43,090.00	$ 43,090.00
	$ 86,180.00	

Subdivision 47. STATE MINE INSPECTOR.

	For the 30th Fiscal Year	For the 31st Fiscal Year
Salaries:		
Mine Inspector	$ 4,500.00	$ 4,500.00
Deputies (3 @ $2,400.00	7,200.00	7,200.00
Secretary	1,800.00	1,800.00
Total salaries	$ 13,500.00	$ 13,500.00
Operation	550.00	550.00
Travel	3,000.00	3,000.00
Total Appropriation	$ 17,050.00	$ 17,050.00
	$ 34,100.00	

Subdivision 48. STATE TAX COMMISSION.

	For the 30th Fiscal Year	For the 31st Fiscal Year
Salaries:		
Commissioners (3 @ $4,500.00 each)	$ 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	250.00	250.00
Printing Biennial Report		800.00
Travel	750.00	750.00
Valuation Expenses:		
Per diem, travel and subsistence	3,500.00	3,500.00
Total State Tax Commission	$ 27,900.00	$ 28,700.00
	$ 56,600.00	

Income Tax Division:

For salaries; for operation; for travel; for capital investment; for repairs and replacements:		
Lump sum appropriation	$ 7,500.00	$ 7,500.00
	$ 15,000.00	

Chapter 8, Session Laws of 1933, first special session, as amended, appropriates an amount equal to four per cent 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, Session Laws of 1935, regular session. 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 four per cent 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, Session Laws of 1935, regular session. 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 four per cent 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 49. STATE TREASURER.

	For the 30th Fiscal Year	For the 31st Fiscal Year
Salaries:		
State 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
Total salaries	$ 19,100.00	$ 19,100.00
Operation	2,500.00	2,500.00
Capital Investment	200.00	
Repairs and replacements	100.00	100.00
Miscellaneous:		
To defray expenses in litigation and for the payment of taxes on property foreclosures, and for travel on farm loans	1,500.00	1,000.00
Total Appropriation	$ 23,400.00	$ 22,700.00
	$ 46,100.00	

Subdivision 50. STATE VETERINARIAN.

	For the 30th Fiscal Year	For the 31st Fiscal Year
Salary—Veterinarian	$ 3,000.00	$ 3,000.00

Operation	450.00	450.00
Travel	700.00	700.00
Total Appropriation	$ 4,150.00	$ 4,150.00
	$ 8,300.00	

Subdivision 51. STATE WATER COMMISSION.

	For the 30th Fiscal Year	For the 31st Fiscal Year
Salaries:		
Commissioner	$ 4,000.00	$ 4,000.00
Assistant Commissioner and Engineer	3,300.00	3,300.00
Secretary and Bookkeeper	1,800.00	1,800.00
Stenographer	1,500.00	1,500.00
Total salaries	$ 10,600.00	$ 10,600.00
Operation	1,000.00	1,000.00
Travel	1,000.00	1,000.00
Capital Investment	100.00	100.00
Stream Gauging	10,000.00	10,000.00
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.

Total Appropriation	$ 28,700.00	$ 28,700.00
	$ 57,400.00	

Subdivision 52. SUPERIOR COURT.

	For the 30th Fiscal Year	For the 31st Fiscal Year
Salaries— Judges	$ 43,750.00	$ 43,750.00
Court Commissioners (Periodic)	500.00	500.00
Total Appropriation	$ 44,250.00	$ 44,250.00
	$ 88,500.00	

Subdivision 53. SUPREME COURT.

	For the 30th Fiscal Year	For the 31st Fiscal Year
Salaries:		
Judges (3 @ $8,500.00 each)	$ 25,500.00	$ 25,500.00
Secretaries (3 @ $2,100.00 each)	6,300.00	6,300.00
Clerk	3,600.00	3,600.00
Reporter of 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 54. VETERANS' RELIEF COMMISSION.

	For the 30th Fiscal Year	For the 31st Fiscal Year
For relief of veterans pursuant to law	$ 5,500.00	$ 5,500.00
	$ 11,000.00	

Subdivision 55. VETERANS' SERVICE OFFICER.

	For the 30th Fiscal Year	For the 31st Fiscal Year
Salaries:		
Veterans' Service Officer	$ 3,000.00	$ 3,000.00
Assistant Veterans' Service Officer	1,800.00	1,800.00
Stenographer	1,500.00	1,500.00
Total salaries	$ 6,300.00	$ 6,300.00
Travel	750.00	750.00
Total Appropriation	$ 7,050.00	$ 7,050.00
	$ 14,100.00	

Subdivision 56. VOLUNTARY BANG'S DISEASE PROGRAM.

	For the 30th Fiscal Year	For the 31st Fiscal Year
For the use of the Livestock Sanitary Board under the supervision of the state veterinarian in matching federal indemnity payments and for incidental expenses for vaccination program 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 57. 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 58. 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 59. 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 60. 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 61. 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 62. 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 63. 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 64. 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 65. 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 66. 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 67. 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 68. 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 69. 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 70. 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 71. 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.

Sec. 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. Provided, however, that physicians at state institutions, persons em-

ployed under cooperative agreements with the federal government, and employees of the University of Arizona may draw specified salaries from more than one source.

Sec. 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.

Sec. 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, and the state auditor is hereby authorized and directed to reject such claim until it is properly itemized.

Sec. 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 27, 1941, except Sub-Division No. 27 "Department of Mineral Resources", which Sub-Division No. 27 is disapproved in its entirety for the reasons set forth in the letter on file in the office of the Secretary of State.

CHAPTER 123

(Senate Bill No. 78)

AN ACT

RELATING TO THE STATE DEPARTMENT OF SOCIAL SECURITY AND WELFARE, AND AMENDING SECTIONS 70-108 AND 70-113, ARIZONA CODE OF 1939.

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

Section 1. Sec. 70-108, Arizona Code of 1939 (section 8, chapter 69, Session Laws of 1937, regular session), is amended to read:

70-108. PERSONNEL. (a) The board shall:

1. Classify all positions in the administration of this article (except that of executive director).

2. Fix standards for all positions included in the classification.

3. Formulate, without regard to the state minimum wage law (section 56-101), salary schedules for the services so classified.

4. Provide for the fair and impartial selection, appointment, and retention of all personnel (except the executive director), on the basis of open competitive merit examinations, notice of which shall be published in the press of the state not less than thirty days before the holding thereof; and provide for a fair and impartial system of separation from service through resignation, retirement, or removal. Any person assigned to either supervisory or case work in any particular county shall have been a bona fide resident of the state for not less than one year prior to his appointment.

5. Provide for annual merit ratings of all employees in the services so classified, and provide for the use of those ratings in connection with promotions, lay-offs, discipline, removals, and salary increments.

6. Establish such rules and regulations as are necessary to maintain standards established by the state department.

(b) All officers and employees of the state and county departments, as hereinbefore prescribed, shall be employed in accordance with the provisions of this section.

(c) In the event there is established by state law, at any future date, a statewide merit personnel system, this section shall not be construed to exempt employees of the state and county departments from inclusion in the statewide system.

Sec. 2. Sec. 70-113, Arizona Code of 1939 (section 13, chapter 69, Session Laws of 1937, regular session), is amended to read:

70-113. TRANSFER AND USE OF RECORDS. (a) As of March 22, 1937, all records, files, and property, including office equipment, of the state and county boards of public welfare created pursuant to chapter 35, Session Laws of 1933, regular session, are transferred to and vested in the state board of social security and welfare, and the unexpended balance of any appropriation made for the said boards of public welfare is made available to the state board of social security and welfare for the purpose of carrying out its duties and performing its obligations.

(b) The state board of social security and welfare shall have power to establish and enforce rules and regulations governing the custody, use, and preservation of the records, papers, files, and communications of the state department and county boards of social security and welfare. Whenever, pursuant to law or the rules and regulations of the state board, names and addresses of recipients of old age assistance, aid to the blind, or aid to dependent children, or other public assistance records, are furnished to or possessed by any other agency or department of government, that other agency or department shall observe the rules and regulations of the state board of social security and welfare governing the use and custody of records, and shall, by adopting appropriate rules and regulations of its own, prohibit the publication of such

lists or other records, or the use thereof, for any purpose not directly connected with the administration of public assistance.

(c) Except for purposes directly connected with the administration of old age assistance, aid to the blind, aid to dependant children, or public assistance generally and in accordance with the rules and regulations of the state department, it is unlawful for any person to solicit, disclose, receive, or make use of, or to authorize, knowingly permit, participate in, or acquiesce in the use of, any list or names of, or any information concerning, persons applying for or receiving any such assistance, directly or indirectly derived from the records, papers, or communications of the state department or state and county boards of social security and welfare, or of this state or any of its political subdivisions, or otherwise acquired in the course of the performance of official duties.

(d) Any person who violates any provision of subsections (b) or (c), or of any rule or regulation adopted pursuant thereto, is guilty of a misdemeanor, and shall be fined not less than five hundred dollars, imprisoned in the county jail not less than six months, or both.

Approved: March 27, 1941.

CHAPTER 124

(Senate Bill No. 194)

AN ACT

RELATING TO EMPLOYMENT SECURITY AND AMENDING SECTIONS 56-1001, 56-1002, 56-1003, 56-1004, 56-1005, 56-1006, 56-1007, 56-1008, 56-1009, 56-1010, 56-1011, 56-1013, 56-1014, 56-1018, 56-1019, 56-1020, ARIZONA CODE OF 1939, AND REPEALING SECTIONS 56-1021 AND 56-1022, ARIZONA CODE OF 1939.

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

Section 1. Sec. 56-1001, Arizona Code of 1939, is amended to read:

56-1001. SHORT TITLE AND DECLARATION OF STATE PUBLIC POLICY. This act is known and may

be cited as the Employment Security Act of Arizona. As a guide to the interpretation and application of this act, the public policy of this state is declared to be as follows: economic insecurity due to unemployment is a serious menace to the health, morals, and welfare of the people of this state. Involuntary unemployment is therefore a subject of general interest and concern which requires appropriate action by the legislature to prevent its spread and to lighten its burden which now so often falls with crushing force upon the unemployed worker and his family. The achievement of social security requires protection against this greatest hazard of economic life. This can be provided by encouraging employers to provide more stable employment and by the systematic accumulation of funds during periods of employment to provide benefits for periods of unemployment, thus maintaining purchasing power and limiting the serious social consequences of poor relief assistance. The legislature, therefore, declares that in its considered judgment the public good, and the general welfare of the citizens of this state require the enactment of this measure, under the police powers of the state, for the compulsory setting aside of unemployment reserves to be used for the benefit of persons unemployed through no fault of their own.

Sec. 2. Sec. 56-1002, Arizona Code of 1939, is amended to read:

56-1002. DEFINITIONS. As used in this act, unless the context otherwise requires:

(a) "Base period" means the period beginning with the first day of the nine completed calendar quarters immediately preceding the first day of an individual's benefit year and ending with the last day of the next to the last completed calendar quarter immediately preceding any week with respect to which benefits are payable.

(b) "Benefits" means the money payments payable to an individual, as provided in this act, with respect to his unemployment.

(c) "Benefit year" with respect to any individual means the fifty-two consecutive weeks period beginning with the first day of the week with respect to which benefits are first payable to him, and thereafter the fifty-two consecutive weeks period beginning with the first day of the first week with respect to which benefits are next payable to him after the termination of his last preceding benefit year.

Any claim for benefits made in accordance with section 6 (a) of this act shall be deemed a valid claim for the purpose of this subsection if the individual has been paid the wages for insured work required under section 4 (d) (4) of this act. For the purposes of this subsection a week with respect to which an individual files a valid claim shall be deemed to be "in", "within", or "during" that benefit year which includes the greater part of such week.

(d) "Calendar Quarter" means the period of three consecutive calendar months ending on March 31, June 30, September 30, or December 31, or the equivalent thereof as the commission may by regulation prescribe.

(e) "Contributions" means the money payments required by this act to be made into the state unemployment compensation fund by any employing unit on account of having individuals in its employ.

(f) "Commission" means the employment security commission of Arizona.

(g) "Employing unit" means any individual or type of organization, including any partnership, association, trust, estate, joint-stock company, insurance company or corporation, whether domestic or foreign, or the receiver, trustee in bankruptcy, trustee or successor of any of the foregoing, or the legal representative of a deceased person, which has or subsequent to January 1, 1936, had one or more individuals performing services for it within this state.

(1) All individuals performing services within this state for any employing unit which maintains two or more separate establishments within this state shall be deemed to be performing services for a single employing unit for all the purposes of this act.

(2) Each individual employed to perform or to assist in performing the work of any person in the service of an employing unit shall be deemed to be engaged by such employing unit for all the purposes of this act, whether such individual was hired or paid directly by such employing unit or by such person, provided the employing unit had actual or constructive knowledge of the work.

(h) "Employer" means:

(1) Any employing unit which, prior to January 1,

1941, was an employer as defined by this law prior to that date, or which, subsequent to December 31, 1940, for some portion of a day, but not necessarily simultaneously, in each of twenty different calendar weeks, whether or not such weeks are or were consecutive, within either the current or the preceding calendar year (and for the purpose of this definition if any week includes both December 31 and January 1, the days up to January 1 shall be deemed one calendar week and the days beginning January 1 another such week), has or had in employment, three or more individuals (irrespective of whether the same individuals are or were employed in each such day).

(2) Any individual or employing unit which acquired the organization, trade or business or substantially all the assets thereof, of another which at the time of such acquisition was an employer subject to this act; or which acquired a part of the organization, trade, or business of another which at the time of such acquisition was an employer subject to this act provided such other would have been an employer under paragraph (1) of this subsection if such part had constituted its entire organization, trade or business.

(3) Any individual or employing unit which acquired the organization, trade or business, or substantially all the assets thereof, of another employing unit if the employment record of such individual or employing unit subsequent to such acquisition, together with the employment record of the acquired unit prior to such acquisition, both within the same calendar year, would be sufficient to constitute an employing unit an employer subject to this act under paragraph (1) of this subsection; or

(4) Any employing unit which, together with one or more other employing units, is owned or controlled (by legally enforceable means or otherwise) directly or indirectly by the same interests, or which owns or controls (by legally enforceable means or otherwise) one or more other employing units, and which if treated as a single unit with such other employing units or interests, or both, would be an employer under paragraph (1) of this subsection;

(5) Any employing unit not an employer by reason of any other paragraph of this subsection for which services in employment are performed with respect to which such employing unit is liable for any federal tax against which credit may be taken for contributions required to

be paid into a state unemployment compensation fund; but service performed for such employing unit shall constitute employment for the purposes of this act only to the extent that such services constitute employment with respect to which such federal tax is payable.

(6) Any employing unit which, having become an employer under paragraph (1), (2), (3), or (4), has not, under section 8, ceased to be an employer subject to this act; or

(7) For the effective period of its election pursuant to section 8 (c), any other employing unit which has elected to become subject to this act.

(i) (1) "Employment" means any service performed prior to January 1, 1941, which was employment as defined in this section prior to such date, and subject to the other provisions of this subsection, service performed after December 31, 1940, including service in interstate commerce, performed for wages or under any contract for hire, written or oral, express or implied.

(2) The term "employment" shall include an individual's entire service, performed within or both within and without this state if:

(A) the service is localized in this state; or

(B) the service is not localized in any state but some of the service is performed in this state and (i) the individual's base of operations, or, if there is no base of operations, then the place from which such service is directed or controlled is not in any state in which some part of the service is performed but the individual's residence is in this state.

(3) (A) services covered by an election pursuant to section 8 (c) of this act, and

(B) services covered by an arrangement pursuant to section 14 of this act between the commission and the agency charged with the administration of any other state or federal unemployment compensation law, pursuant to which all services performed by an individual for an employing unit are deemed to be performed entirely within this state, shall be deemed to be employment if the commission has approved an election of the employing unit for whom such services are performed, pursuant to which the entire service of such individual during the per-

iod covered by such election is deemed to be insured work.

(4) service shall be deemed to be localized within a state if:

(A) the service is performed entirely within such state; or

(B) the service is performed both within and without such state, but the service performed without such state is incidental to the individual's service within the state, for example, is temporary or transitory in nature or consists of isolated transactions.

(5) services performed by an individual for wages or under any contract of hire shall be deemed to be employment subject to this act unless and until it is shown to the satisfaction of the commission that:

(A) such individual has been and will continue to be free from control or direction over the performance of such services, both under his contract of hire and in fact; and

(B) such service is either outside the usual course of the business for which such service is performed or that such service is performed outside of all the places of business of the enterprise for which such service is performed; and

(C) such individual is customarily engaged in an independently established trade, occupation, profession, or business of the same nature as that involved in the contract of service.

(6) The term "employment" shall not include:

(A) agricultural labor as defined in paragraph (7) of this subsection;

(B) domestic service in a private home, local college club, or local chapter of a college fraternity or sorority;

(C) service performed as an officer or member of the crew of a vessel on the navigable waters of the United States;

(D) service performed by an individual in the employ of his son, daughter, or spouse, and service perform-

ed by a child under the age of twenty-one in the employ of his father or mother;

(E) service performed in the employ of the United States government or an instrumentality of the United States exempt under the Constitution of the United States from the contributions imposed by this act, except that to the extent that the Congress of the United States shall permit states to require any instrumentalities of the United States to make payments into an unemployment fund under a state unemployment compensation law, all of the provisions of this act shall be applicable to such instrumentalities, in the same manner, to the same extent and on the same terms as to all other employers, employing units, individuals and services; provided that if this state shall not be certified for any year by the social security board under section 1603 (c) of the Federal Internal Revenue Code, the payments required of such instrumentalities with respect to such year shall be refunded by the commission from the fund in the same manner and within the same period as is provided in section 13 (c) of this act with respect to contributions erroneously collected;

(F) service performed in the employ of this state or of any other state, or of any political subdivision thereof, or any instrumentality of any one or more of the foregoing which is wholly owned by this state or by one or more states or political subdivisions and which exercises only governmental as distinguished from proprietary functions; and any service performed in the employ of any instrumentality of this state or of one or more states or political subdivisions to the extent that the instrumentality is, with respect to such service, exempt under the Constitution of the United States from the tax imposed by section 1600 of the Federal Internal Revenue Code;

(G) service with respect to which unemployment compensation is payable under an unemployment compensation system established by an act of Congress;

(H) (i) service performed in any calendar quarter in the employ of any organization exempt from income tax under section 101 of the Federal Internal Revenue Code, if:

(I) the remuneration for such service does not exceed forty-five dollars, or

(II) such service is in connection with the collection

of dues or premiums for a fraternal beneficiary society, order, or association, and is performed away from the home office, or is ritualistic service in connection with any such society, order, or association, or

(III) such service is performed by a student who is enrolled and is regularly attending classes at a school, college, or university;

(ii) service performed in the employ of an agricultural or horticultural organization exempt from income tax under section 101 (1) of the Federal Internal Revenue Code;

(iii) service performed in the employ of a voluntary employees' beneficiary association providing for the payment of life, sick, accident, or other benefits to the members of such association or their dependents, if (I) no part of its net earnings inures (other than through such payments) to the benefit of any private shareholder or individual, and (II) eighty-five per centum or more of the income consists of amounts collected from members for the sole purpose of making such payments and meeting expenses;

(iv) service performed in the employ of a voluntary employees' beneficiary association providing for the payment of life, sick, accident, or other benefits to the members of such association or their dependents or their designated beneficiaries, if (I) admission to membership in such association is limited to individuals who are officers or employees of the United States Government, and (II) no part of the net earnings of such association inures (other than through such payments) to the benefit of any private shareholder or individual;

(v) service performed in any calendar quarter in the employ of a school, college, or university, not exempt from income tax under section 101 of the Federal Internal Revenue Code, if such service is performed by a student who is enrolled and is regularly attending classes at such school, college, or university, and the remuneration for such service does not exceed forty-five dollars (exclusive of room, board, and tuition);

(vi) service performed in the employ of a corporation, community chest, fund, or foundation, organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals, no part of the

net earnings of which inures to the benefit of any private shareholder or individual, and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting, to influence legislation;

(vii) service performed as a student nurse in the employ of a hospital or a nurses' training school by an individual who is enrolled and is regularly attending classes in a nurses' training school chartered or approved pursuant to state law; and service performed as an interne in the employ of a hospital by an individual who has completed a four years' course in a medical school chartered or approved pursuant to state law;

(viii) service performed by an individual for a person as an insurance agent or as an insurance solicitor, if all such service performed by such individual for such person is performed for remuneration solely by way of commission; or

(ix) service performed by an individual in the delivery, distribution, or sale of newspapers or shopping news, not including delivery or distribution to any point for subsequent delivery or districution.

(I) service performed in the employ of a foreign government (including service as a consular or other officer or employee or a nondiplomatic representative);

(J) service performed in the employ of an instrumentality wholly owned by a foreign government:

(i) if the service is of a character similar to that performed in foreign countries by employees of the United States Government or of an instrumentality thereof; and

(ii) if the commission finds that the United States secretary of state has certified to the United States secretary of the treasury that the foreign government, with respect to whose instrumentality exemption is claimed, grants an equivalent exemption with respect to similar service performed in the foreign country by employees of the United States government and of instrumentalities thereof;

(K) service covered by an arrangement between the commission and the agency charged with the administration of any other state or federal unemployment compensation law pursuant to which all services performed by an individual for an employing unit during the period

covered by such employing unit's duly approved election, are deemed to be performed entirely within such agency's state.

(7) Agricultural labor. The term "agricultural labor" includes all services performed:

(A) On a farm, in the employ of any person, in connection with cultivating the soil, or in connection with raising or harvesting any agricultural or horticultural commodity, including the raising, shearing, feeding, caring for, training and management of livestock, bees, poultry, and fur-bearing animals and wildlife;

(B) In the employ of the owner or tenant or other operator of a farm, in connection with the operation, management, conservation, improvement or maintenance of such farm and its tools and equipment, or in salvaging timber or clearing land of brush and other debris left by a hurricane, if the major part of such service is performed on a farm;

(C) In connection with the production or harvesting of maple sugar or maple syrup, or in connection with the raising or harvesting of mushrooms, or in connection with the hatching of poultry, or in connection with the ginning of cotton, or in connection with the operation or maintenance of ditches, canals, reservoirs, or waterways used exclusively for supplying and storing water for farming purposes;

(D) In handling, planting, drying, packing, packaging, processing, freezing, grading, storing or delivery to storage or to market, or to a carrier for transportation to market, any agricultural or horticultural commodity; but only if such service is performed as an incident to ordinary farming operations or, in the case of fruits and vegetables, as an incident to the preparation of such fruits or vegetables for market. The provision of this paragraph shall not be deemed to be applicable with respect to service performed in connection with commercial canning or commercial freezing or in connection with any agricultural or horticultural commodity after its delivery to a terminal market for distribution for consumption.

As used in this subsection, the term "farm" includes stock, dairy, poultry, fruit, fur-bearing animal, and truck farms, plantations, ranches, nurseries, ranges, greenhouses or other similar structures used primarily for the raising of agricultural or horticultural commodities, and orchards.

(j) "Employment office" means a free public employment office or branch thereof operated by this or any other state as a part of a state-controlled system of public employment offices.

(k) "Fund" means the unemployment compensation fund established by this act.

(l) "State" includes, in addition to the states of the United States of America, Alaska, Hawaii, and the District of Columbia.

(m) "Unemployment". An individual shall be deemed "unemployed" with respect to any week during which he performs no services and with respect to which no wages are payable to him, or with respect to any week of less than full-time work if the wages payable to him with respect to such week are less than his weekly benefit amount.

(n) "Wages" means all remuneration for services from whatever source, including commissions and bonuses and the cash value of all remuneration in any medium other than cash. Gratuities customarily received by an individual in the course of his work from persons other than his employing unit shall be treated as wages received from his employing unit. The reasonable cash value of remuneration in any medium other than cash, and the reasonable amount of gratuities, shall be estimated and determined in accordance with rules prescribed by the commission; provided that the term "wages" shall not include:

(1) For the purposes of section 3(d), section (d)(4), and section 7 of this act, that part of the remuneration which, after remuneration equal to three thousand dollars has been paid to an individual by an employer with respect to employment during any calendar year, is paid to such individual by such employer with respect to employment occurring during such calendar year and after January 1, 1940.

(2) The amount of any payment with respect to services performed after January 1, 1941, to, or on behalf of, an individual in its employ under a plan or system established by an employing unit which makes provision for individuals in its employ generally or for a class or classes of such individuals (including any amount paid by an employing unit for insurance or annuities, or into a fund, to provide for any such payment), on ac-

count of (A) retirement, or (B) sickness or accident disability, or (C) medical and hospitalization expenses in connection with sickness or accident disability, or (D) death, provided the individual in its employ (i) has not the option to receive, instead of provision for such death benefit, any part of such payment or, if such death benefit is insured, any part of the premiums (or contributions to premiums) paid by his employing unit, and (ii) has not the right, under the provisions of the plan or system or policy of insurance providing for such death benefit, to assign such benefit, or to receive cash consideration in lieu of such benefit either upon his withdrawal from the plan or system providing for such benefit or upon termination of such plan or system or policy of insurance or of his services with such employing unit;

(3) The payment by an employing unit (without deduction from the remuneration of the individual in its employ) of the tax imposed upon an individual in its employ under section 1400 of the Federal Internal Revenue Code with respect to services performed after January 1, 1941, or

(4) Dismissal payments after January 1, 1941, which the employing unit is not legally required to make.

(o) "Week" means such period of seven consecutive days, as the commission may by regulation prescribe.

(p) "Insured work" means employment for employers.

Sec. 3. Sec. 56-1003, Arizona Code of 1939, is amended to read:

56-1003. BENEFITS. (a) Payment of benefits. All benefits provided herein shall be payable from the fund. All benefits shall be paid through employment offices, in accordance with such regulations as the commission may prescribe.

(b) (1) Benefit amount. An individual's weekly benefit amount shall be an amount equal to fifty per centum of his full-time weekly wage, except that if such amount is more than fifteen dollars the weekly benefit amount shall be fifteen dollars, or if less than five dollars shall be five dollars, and if not a multiple of one dollar, shall be computed to the next higher multiple of one dollar.

(2) Weekly benefit for unemployment. Each eligible

individual who is unemployed with respect to any week shall be paid with respect to such week a benefit in an amount equal to his weekly benefit amount less that part of the wages (if any) payable to him with respect to such week which is in excess of three dollars.

Such benefit, if not a multiple of one dollar, shall be computed to the next higher multiple of one dollar.

(c) Determination of full-time weekly wage. (1) The full-time weekly wage of any individual means the weekly wages that such individual would receive if he were employed at the most recent wage rate earned by him for employment by an employer during the period prescribed pursuant to subsection (3) of this section, and for the customary scheduled full-time weekly hours prevailing for his occupation in the enterprise in which he last earned wages for employment by an employer during the same period.

(2) If the commission finds that the full-time weekly wage, as above defined, would be unreasonable or arbitrary and not readily determinable with respect to any individual, the full-time weekly wage of such individual shall be deemed to be one-thirteenth of his total wages for employment by employers during that quarter in which such total wages were highest during the period prescribed pursuant to subsection (3) of this section.

(3) The full-time weekly wage of any individual shall be determined and redetermined at such reasonable time as the commission may find necessary to administer this act and may by regulation prescribe. The period hereinabove referred to shall consist of the next to the last completed calendar quarter immediately preceding the date with respect to which an individual's full-time weekly wage is determined, and such of the seven immediately preceding consecutive calendar quarters as the commission may by regulation prescribe.

(d) Duration of benefits. The commission shall compute wage credits for each individual by crediting him with the wages earned by him for employment by employers during each quarter, or three hundred and ninety dollars, which ever is the lesser. Benefits paid to any eligible individual shall be charged, in the same chronological order as such wages were earned, against one-sixth of his wage credits which are based upon wages earned during his base period and which have not been previously charged hereunder. The maximum total amount of bene-

fits payable to any eligible individual during any benefit year shall not exceed whichever is the lesser of: 1. fourteen times his weekly benefit amount, or 2. one-sixth of such uncharged wage credits with respect to his base period, provided that such total amount of benefits, if not a multiple of one dollar shall be computed to the next higher multiple of one dollar for the purposes of this section, wages shall be counted as "wages for insured work" for benefit purposes with respect to any benefit year only if such benefit year begins subsequent to the date on which the employing unit by whom such wages were paid has satisfied the conditions of section 2(h) with respect to becoming an employer.

(e) Part-time workers. (1) as used in this subsection the term "part-time worker" means an individual whose normal work is in an occupation in which his services are not required for the customary scheduled full-time hours prevailing in the establishment in which he is employed or who, owing to personal circumstances, does not customarily work the customary scheduled full-time hours prevailing in the establishment in which he is employed;

(2) The commission shall prescribe fair and reasonable general rules applicable to part-time workers for determining their full-time weekly wage and the total wages for employment by employers required to qualify such workers for benefits;

(f) Seasonal employment. (1) Whenever in any employment it is customary to operate because of climatic conditions or the seasonal nature of the employment only during the regularly recurring period or periods of less than forty-four (44) weeks' duration in any calendar year, then benefits shall be payable only on account of unemployment occurring during the regular period or periods of such seasonal employment, and no benefits shall be paid for unemployment occurring or existing during the seasonal period or periods of unemployment;

(2) As used in this section: (A) "Seasonal industry" means an occupation or industry in which, because of the seasonal nature thereof it is customary to operate only during a regularly recurring period or periods of less than forty-four (44) weeks in a calendar year; the commission shall, after investigation and hearing, determine, and may thereafter from time to time redetermine, the longest seasonal period or periods during which, by the best practice of the occupation or industry in question, operations are conducted;

(B) "Seasonal worker" means an individual who is ordinarily engaged in a seasonal industry and who during the portion or portions of the year when such industry is not in operation, is ordinarily not engaged in any other work.

(3) Determining rules for seasonal workers. The commission shall prescribe fair and reasonable general rules applicable to seasonal workers for determining the total wages in employment by an employer required to qualify such workers for benefits and the period during which benefits shall be payable to them.

(g) Benefits after termination of military service. (1) Notwithstanding any inconsistent provisions of this act the benefit rights of trainees shall be determined in accordance with the following provisions of this subsection for the periods and with respect to the matters specified herein. Except as herein otherwise provided, all other provisions of this act shall continue to be applicable in connection with such benefits.

(2) The term "military service" as used in this subsection means active service in the land or naval forces of the United States, but the service of an individual in any reserve component of the land or naval forces of the United States who is ordered to active duty in any such force for a period of thirty days or less shall not be deemed to be active service in such force during such period.

(3) The term "trainee" as used in this subsection means an individual who entered military service after April 1, 1940, who continued such service for not less than ninety consecutive days and whose military service was terminated on or before March 31, 1943.

(4) With respect to any trainee, the first benefit year following the termination of his military service shall be the one year period beginning on the day next following the date of such termination.

(5) (A) With respect to a benefit year as defined in paragraph (4) of this subsection, the base period of a trainee with respect to whom a benefit year had been current upon the date of his entry into military service shall be the base period applicable to such benefit year plus all completed and uncompleted calendar quarters occurring subsequent to the last day of such base period but prior to the date of his entry into military service,

and the base period of a trainee with respect to whom no benefit year was current upon the date of his entry into military service shall be the first eight out of the last nine completed calendar quarters immediately preceding the date of his entry into such service and the completed and uncompleted calendar quarters, if any, subsequent to the last day of such first eight out of the last nine completed calendar quarters but prior to the date of his entry into such service.

(B) With respect to the first benefit year as defined in section 2 (c), which commences subsequent to the date of termination of a trainee's period of military service but within the five completed calendar quarters next succeeding such date of termination, the base period shall be all completed and uncompleted calendar quarters occurring subsequent to such date of termination and prior to the first day of such next following benefit year, exclusive, however, of the completed calendar quarter and the uncompleted calendar quarter (if any) immediately preceding the first day of such next following benefit year; but if the base period with respect to any such next following benefit year as defined in section 2 (c) includes less than four calendar quarters (and for the purposes of this exception an uncompleted calendar quarter shall be deemed to be a completed calendar quarter) (i) the maximum total amount of benefits otherwise payable with respect to such next following benefit year shall be increased by the difference if any between the maximum total amount of benefits payable with respect to the trainee's benefit year as defined in paragraph 4 of this subsection and the total amount of benefits actually paid with respect to the same benefit year provided that the total amount of benefits so payable with respect to such next following benefit year shall not exceed an amount equal to whichever is the lesser of fourteen times the weekly benefit amount or one-third of base period wages, and (ii) the qualifying wage requirement for such next following benefit year shall be an amount having the same relation to the amount provided in section 4 (d) (4) as the number of calendar quarters in such base period bears to four.

(6) The provisions of section 4 (d) of this act with respect to the waiting period shall not be applicable to a benefit year as defined in paragraph (4) of this subsection.

(7) An otherwise eligible trainee shall be entitled during a benefit year as defined in paragraph (4) of this

subsection to a total amount of benefits equal to whichever is the lesser of (i) one-sixth of his wages for insured work paid during his base period and (ii) the product obtained by multiplying his weekly benefit amount by three and one-half times the number of completed and uncompleted calendar quarters included within the base period applicable to such benefit year, except that such total amount of benefits shall be reduced by the total amount of benefits, if any, paid to him with respect to weeks of unemployment beginning within the benefit year, if any, current as of the date of his entry into military service.

(8) If under an Act of Congress, payments with respect to the unemployment of individuals who have completed a period of military service are payable by the United States, a trainee shall be disqualified for benefits with respect to any week beginning within a benefit year as defined in paragraph (4) of this subsection until he has exhausted all his rights to such payments from the United States.

Sec. 4. Sec. 56-1004, Arizona Code of 1939, is amended to read:

56-1004. BENEFIT ELIGIBILITY CONDITIONS. An unemployed individual shall be eligible to receive benefits with respect to any week only if the commission finds that:

(a) he has registered for work at and thereafter has continued to report at an employment office in accordance with such regulations as the commission may prescribe;

(b) he has made a claim for benefits in accordance with the provisions of subsection (a) section 6;

(c) he is able to work, and is available for work;

(d) he has been unemployed for a waiting period of one week (and for the purposes of this paragraph, two weeks of partial unemployment shall be deemed to be equivalent to one week of total unemployment). No week shall be counted as a week of unemployment for the purposes of this subsection:

(1) Unless it occurs within the benefit year which includes the week with respect to which he claims payment of benefits, provided that this requirement shall not

interrupt the payment of benefits for consecutive weeks of unemployment, and provided further that the week immediately preceding a benefit year shall be deemed (for the purposes of this subsection only) to be within such benefit year as well as within the preceding benefit year.

(2) If benefits have been paid with respect thereto.

(3) Unless the individual was eligible for benefits with respect thereto as provided in sections 4 and 5 of this act, except for the requirements of this subsection and of subsections (e) and (f) of section 5.

(4) He has within the first three out of the last four completed calendar quarters immediately preceding the first day of his benefit year, earned wages for employment by employers equal to not less than fourteen times his weekly benefit amount. For the purposes of this subsection, wages shall be counted as "wages for insured work" for benefit purposes with respect to any benefit year only if such benefit year begins subsequent to the date on which the employing unit by which such wages were paid has satisfied the conditions of section 2 (h) with respect to becoming an employer.

Sec. 5. Sec. 56-1005, Arizona Code of 1939, is amended to read:

56-1005. DISQUALIFICATION FOR BENEFITS. An individual shall be disqualified for benefits:

(a) For the week in which he has left work voluntarily without good cause in connection with his employment, if so found by the commission, and for the four weeks which immediately follow such week (in addition to the waiting period), and his maximum benefit amount shall be reduced by an amount equivalent to four times his weekly benefit amount.

(b) For the week in which he has been discharged for misconduct connected with his work, if so found by the commission, and for the four weeks which immediately follow such week (in addition to the waiting period); and his maximum benefit amount shall be reduced by an amount equivalent to four times his weekly benefit amount.

(c) If the commission finds that he has failed without cause, either to apply for available, suitable work,

when so directed by the employment office or the commission, or to accept suitable work when offered him, or to return to his customary self-employment (if any) when so directed by the commission. Such disqualification shall continue for the week in which such failure occurred and for not more than five weeks which immediately follow such week as determined by the commission according to the circumstances in each case. In determining whether or not any work is suitable for an individual, the commission shall consider the degree of risk involved to his health, safety, and morals, his physical fitness and prior training, his experience and prior earnings, his length of unemployment and prospects for securing local work in his customary occupation, and the distance of the available work from his residence. Notwithstanding any other provisions of this law, no work shall be deemed suitable and benefits shall not be denied under this law to any otherwise eligible individual for refusing to accept new work under any of the following conditions: c(1) if the position offered is vacant due directly to a strike, lock-out or other labor dispute; c(2) if the wages, hours, or other conditions of the work offered are substantially less favorable to the individual than those prevailing for similar work in the locality; c(3) if as a condition of being employed the individual would be required to join a company union or to resign from or refrain from jointing any bona fide labor organization.

(d) For any week with respect to which the commission finds that his total or partial unemployment is due to a stoppage of work which exists because of a labor dispute, strike or lock-out at the factory, establishment, or other premises at which he is or was last employed. This provision shall not apply if it is shown to the satisfaction of the commission that: (1) he is not participating in, financing, or directly interested in the labor dispute, strike or lock-out which has caused the stoppage of work; and (2) he does not belong to a grade or class of workers of which, immediately before the commencement of the stoppage, there were members employed at the premises at which the stoppage occurs, any of whom are participating in or financing or directly interested in the dispute, strike or lock-out. In the case of separate branches of work which are commonly conducted as separate businesses in separate premises, each such department shall, for the purposes of this subsection, be deemed to be a separate factory, establishment, or other premises.

If the commission, upon investigation, shall find that the dispute, strike, or lock-out is caused by the failure or

refusal of any employer to conform to the provisions of any agreement or contract between employer and employee or any law of the state of Arizona or of the United States pertaining to hours, wages, or other conditions of work, such dispute, strike or lock-out shall not render the workers ineligible for benefits.

(e) For any week with respect to which he is receiving or has received remuneration in the form of a primary insurance benefit under Title II of the Social Security Act, as amended, or similar old-age benefits under any Act of Congress:

Provided, that if such remuneration is less than the benefits which would otherwise be due under this act, he shall be entitled to receive for such week, if otherwise eligible, benefits reduced by the amount of such remuneration.

(f) For any week with respect to which or a part of which he has received or is seeking unemployment benefits under an unemployment compensation law of another state or of the United States, provided that if the appropriate agency of such other state or of the United States finally determines that he is not entitled to such unemployment benefits, this ineligibility shall not apply.

(g) For the week in which he becomes unemployed and for not more than the following three weeks, if the commission finds that his unemployment is due solely to a customary suspension of all operations, except maintenance work, at the factory or plant at which he was last employed, which suspension will not occur more than once in any calendar year and will not exceed four consecutive weeks duration, and that his employment will again be available to him upon the resumption of such operations.

(h) Recovery and recoupment. Any person who, by reason of his fraud has received any sum as benefits under this act to which he was not entitled shall, in the discretion of the commission, be liable to repay such sum to the commission for the fund or, if the existence of such fraud has been found by a court of competent jurisdiction or in a determination proceeding pursuant to subsection (b) of section 6, to have such sum deducted from any future benefits payable to him under this act. If any person, other than by reason of his fraud, has received any sum as benefits under this act to which under a determination or review pursuant to section 6,

he has been found not entitled, he shall not be liable to repay such sum but shall, in the discretion of the commission, be liable to have such sum deducted from any future benefits payable to him with respect to the benefit year current at the time of such receipt: Provided, however, that no such recoupment from future benefits shall be had if such sum was received by such person without fault on his part and such recoupment would defeat the purpose of this act or would be against equity and good conscience. In any case in which under this subsection a claimant is liable to repay to the commission any sum for the fund, such sum shall be collectible without interest by civil action in the name of the commission.

Sec. 6. Sec. 56-1006, Arizona Code of 1939, is amended to read:

56-1006. CLAIMS FOR BENEFITS. (a) Filing. Claims for benefits shall be made in accordance with such regulations as the commission may prescribe. Each employer shall post and maintain printed statements of the regulations in places readily accessible to individuals in his service, and shall make available to each thereof, at the time he becomes unemployed, a printed statement of the same. Printed statements shall be supplied by the commission to each employer without cost to him.

(b) Initial determination. A representative designated by the commission and hereinafter referred to as a deputy, shall promptly examine the claim and, on the basis of the facts found by him, shall either determine whether or not it is valid, and if valid, the week with respect to which benefits shall commence, the weekly benefit amount payable and the maximum duration thereof, or shall refer the claim or any question involved therein to an appeal tribunal or to the commission, which shall make its decision with respect thereto in accordance with the procedure described in subsection (c) of this section, except that in any case in which the payment or denial of benefits will be determined by the provisions of section 5(d), the deputy shall promptly transmit his full finding of fact with respect to such paragraph to the commission, which, on the basis of the evidence submitted and such additional evidence as it may require, shall affirm, modify, or set aside such finding of fact and transmit to the deputy a decision upon the issues involved under that paragraph, which shall be deemed to be the decision of the deputy. The deputy shall promptly notify the claimant and any other interested party of the decision and the reasons therefor. Unless

the claimant or an interested party, within seven calendar days after the delivery of notification, or within ten calendar days after notification was mailed to his last known address, files an appeal from the decision, it shall be final, and benefits shall be paid or denied in accordance therewith. If an appeal is duly filed, benefits with respect to the period prior to the final decision of the commission shall be paid only after the decision, except that in the event an appeal tribunal affirms a decision of a deputy, or the commission affirms a decision of an appeal tribunal, allowing benefits, such benefits shall be paid regardless of any appeal which may thereafter be taken, but if such decision is finally reversed, no employer's account shall be charged with benefits so paid.

(c) Appeals. Unless the appeal is withdrawn, an appeal tribunal, after affording the parties reasonable opportunity for a fair hearing, shall affirm or modify the findings of fact and decision of the deputy. The parties shall be duly notified of the tribunal's decision, together with its reasons therefor, which shall be deemed to be the final decision of the commission, unless within ten days after the date of notification or mailing of the decision, further appeal is initiated pursuant to subsection (e) of this section.

(d) Appeal tribunals. To hear and decide disputed claims, the commission shall establish one or more impartial appeal tribunals, consisting in each case of three members, one of whom shall be a salaried examiner, selected in accordance with subsection (d), section 11 of this act, who shall serve as chairman, one of whom shall be a representative of employers, and the other of whom shall be a representative of employees; each of the latter two members shall serve at the pleasure of the commission and be paid a fee of not more than ten dollars per day of active service on the tribunal, plus necessary expenses. No person shall participate on behalf of the commission in any case in which he is an interested party. The commission may designate alternates to serve in the absence or disqualification of any member of an appeal tribunal. In no case shall the hearing proceed unless the chairman of the appeal tribunal is present.

(e) Commission review. The commission may on its own motion, affirm, modify, or set aside any decision of an appeal tribunal on the basis of evidence previously submitted in the case, or direct the taking of additional evidence, or may permit any of the parties to the decision to initiate further appeals before it. The commission shall

permit such further appeal by any of the parties interested in a decision of an appeal tribunal which is not unanimous, or by the deputy whose decision has been overruled or modified by an appeal tribunal. The commission may remove to itself or transfer to another appeal tribunal the proceedings of any claim pending before an appeal tribunal. Any proceeding so removed to the commission shall be heard by a quorum thereof in accordance with the requirements in subsection (c) of this section. The commission shall promptly notify the interested parties of its findings and decisions.

(f) Procedure. The manner in which disputed claims shall be presented, the reports thereon required from the claimant and from employers, and the conduct of hearings and appeals shall be in accordance with regulations prescribed by the commission for determining the rights of the parties, whether or not such regulations conform to common law or statutory rules of evidence and other technical rules of procedure. A full and complete record shall be kept of all proceedings in connection with a disputed claim. All testimony at any hearing upon a disputed claim shall be recorded, but need not be transcribed unless the disputed claim is further appealed.

(g) Witness fees. Witnesses subpoenaed pursuant to this section shall be allowed fees, not less than those paid in the United States district courts of Arizona, at a rate fixed by the commission. Such fees shall be deemed a part of the expense of administering this act.

(h) Appeal to courts. Any decision of the commission in the absence of an appeal therefrom shall become final ten days after the date of notification or mailing, and judicial review shall be permitted only after any party claiming to be aggrieved by the decision has exhausted his remedies before the commission. The commission shall be deemed to be a party to any judicial action involving any such decision, and may be represented in any such judicial action, or at the commission's request, by the attorney general.

(i) Court review. Within ten days after the decision of the commission has become final, any party aggrieved may secure judicial review thereof by commencing an action against the commission in any court of competent jurisdiction in the county of claimant's residence, and in the action any other party to the proceeding before the commission shall be made a defendant. In such action, a petition which need not be verified, but which shall

state the grounds upon which a review is sought shall be served upon a member of the commission or upon such person as the commission may designate, and it shall be deemed completed service on all parties, but there shall be left with the party so served as many copies of the petition as there are defendants, and the commission shall forthwith mail one such copy to each defendant. With its answer the commission shall certify and file with the court all documents and papers and a transcript of all testimony taken in the matter, together with its findings of fact and decision therein. The commission may also certify to the court questions of law involved in any decision by it. In any judicial proceeding under this section, the findings of the commission as to the facts, if supported by evidence and in the absence of fraud, shall be conclusive, and the jurisdiction of the court shall be confined to questions of law. Such actions, and the questions so certified, shall be heard in a summary manner and shall be given precedence over all other civil cases except cases arising under the workmen's compensation law of this state. An appeal may be taken from the decision of said court to the superior court or the supreme court of Arizona, in the same manner, but not inconsistent with the provisions of this act, as is provided in civil cases. It shall not be necessary, in any judicial proceeding under this section, to enter exceptions to the rulings of the commission, and no bond shall be required for entering an appeal. Upon the final determination of such judicial proceeding, the commission shall enter an order in accordance therewith. A petition for judicial review shall not act as a supersedeas or stay unless the commission shall so order.

Sec. 7. Sec. 56-1007, Arizona Code of 1939, is amended to read:

56-1007. CONTRIBUTIONS. (a) Payment. (1) Contributions shall accrue and become payable by each employer for each calendar year in which he is subject to this act, with respect to wages for employment. Such contributions shall become due and be paid by each employer to the commission for the fund in accordance with such regulations as the commission may prescribe, and shall not be deducted, in whole or in part, from the wages of individuals in such employer's employ.

(2) In the payment of any contributions, a fractional part of a cent shall be disregarded unless it amounts to one-half cent or more, in which case it shall be increased to one cent.

(b) Rate and base of contributions. (1) Each employer shall pay contributions equal to the following percentages of wages payable by him with respect to employment:

(A) Nine-tenths per centum with respect to employment occurring during the calendar year 1936.

(B) One and eight-tenths per centum with respect to employment occurring during the calendar year 1937.

(C) Two and seven-tenths per centum with respect to employment occurring during the calendar years 1938, 1939, and 1940.

(2) Each employer shall pay contributions equal to 2.7 per centum of wages paid by him during the calendar year 1941, and during each calendar year thereafter, with respect to employment occuring after December 31, 1940, (except as may be otherwise prescribed in subsection (c) of this section).

(c) Future rates based on benefit experience. (1) The commission shall maintain a separate account for each employer, and shall credit his account with all the contributions paid by him. Nothing in this act shall be construed to grant any employer or individuals in his service prior claims or rights to the amounts paid by the employer into the fund.

(2) Benefits paid to an individual shall be charged against the accounts of his base-period employers. The amount of benefits so chargeable against each base-period employer's account shall bear the same ratio to the total benefits paid to an individual as the base-period wages paid to the individual by such employer bear to the total amount of base-period wages paid to the individual by all his base-period employers.

(3) The standard rate of contributions payable by each employer shall be 2.7 per centum.

(4) No employer's rate shall be reduced below the standard rate for any calendar year unless and until his account has been chargeable with benefits throughout the 36-consecutive-calendar-month period ending on June 30 of the preceding calendar year.

(5) The commission shall, for the year 1942 and each calendar year thereafter, classify employers in accord-

ance with their actual experience in the payment of contributions and with respect to benefits charged against their accounts, with a view to fixing such contribution rates as will reflect such benefit experience. Each employer's rate for any calendar year shall be determined on the basis of his record as of July 1 of the preceding calendar year. If as of the date such classification of employers is made, the commission finds that any employing unit has failed to file any report required in connection therewith, or has filed a report which the commission finds incorrect or insufficient, the commission shall make an estimate of the information required from such employing unit on the basis of the best evidence reasonably available to it at the time, and notify the employing unit thereof by registered mail addressed to its last known address. Unless such employing unit shall file the report or a corrected or sufficient report as the case may be, within fifteen days after the mailing of such notice, the commission shall compute such employing unit's rate of contributions on the basis of such estimates, and the rate as so determined shall be subject to increase but not to reduction, on the basis of subsequently ascertained information.

(6) For the purpose of establishing benefit experience and fixing contributions to be paid, an employing unit which in any manner succeeds to or acquires substantially all of the organization, trade, business, or the assets thereof, of any employing unit shall upon request be substituted to the position and all rights of the predecessor employing unit with respect to such predecessor employing unit's separate account, actual contributions and benefit experience, annual payroll, or otherwise, as if no change with respect to such separate account, contributions and benefit experience, payrolls or otherwise had occurred. And the commission upon notification thereof shall forthwith transfer to such succeeding employing unit all rights, accounts, contributions, benefit experience and all ratings of such predecessor employing unit; provided that if good cause can be shown to the commission why such transfer would be inequitable, the commission may refuse the same.

(7) Variations from the standard rate of contribution shall be determined in accordance with the following requirements:

(A) If the total of all an employer's contributions paid on or before July 31 of the preceding calendar year with respect to wages paid by him prior to the first day

of July of such preceding calendar year, exceeds the total benefits which were chargeable to his account and were paid on or before July 31 with respect to weeks of unemployment beginning prior to such first day of July, his contribution rate for the ensuing calendar year shall be:

(i) Two and seven-tenths per centum if such excess is less than seven and one-half per centum of his average annual pay roll;

(ii) Two per centum if such excess equals or exceeds seven and one-half but is less than ten per centum of his average annual pay roll;

(iii) One per centum if such excess equals or exceeds ten per centum of his average annual pay roll;

(B) If the total benefits chargeable against an employer's account for all periods prior to July 1 of the preceding calendar year (including benefits paid on or before such July 31, with respect to weeks of unemployment beginning prior to such July 1), exceeds the total contributions paid by such employer for the same period (including contributions paid on or before July 31 with respect to wages paid prior to July 1 of the same year). his contribution rate for the ensuing calendar year shall be three and six-tenths per centum, provided such increased rate shall not apply to any employer until subsequent to December 31, 1942.

(C) No employer's rate for the period of twelve months commencing January 1 of any calendar year shall be less than two and seven-tenths per centum, unless the total assets of the fund, excluding contributions not yet paid at the beginning of such calendar year, exceed the total benefits paid from the fund within the last preceding calendar year; and no employer's rate shall be less than two per centum unless such assets at such time were at least twice the total benefits paid from the fund within such last preceding year.

(8) As used in this subsection,

(A) The term "annual pay roll" means the total amount of wages for employment paid by an employer during a twelve-month period ending on June 30 of any calendar year; except that, if any such period includes employment prior to January 1, 1941, then the computation of that portion of such annual payroll as includes

employment prior to January 1, 1941, shall be based on the wages payable for such employment rather than the wages paid, and in such event any wages payable for employment prior to January 1, 1941, shall not again be included in such computation as wages paid subsequent to that date; the term "average annual pay roll" means the average of the annual pay rolls of an employer for the last 3 preceding such 12-month periods.

(B) The term "base-period wages" means the wages paid to an individual during his base period for insured work;

(C) The term "base-period employers" means the employers by whom an individual was paid his base-period wages.

(9) The commission

(A) Shall promptly notify each employer of his rate of contributions as determined for any calendar year pursuant to this section. Such determination shall become conclusive and binding upon the employer unless, within 15 days after the mailing of notice thereof to his last known address or in the absence of mailing, within 15 days after the delivery of such notice, the employer files an application for review and redetermination, setting forth his reasons therefor. If the commission grants such review, the employer shall be promptly notified thereof and shall be granted an opportunity for a fair hearing, but no employer shall have standing, in any proceeding involving his rate of contributions or contribution liability, to contest the chargeability to his account of any benefits paid in accordance with a determination, redetermination or decision pursuant to section 6 of this act except upon the ground that the services on the basis of which such benefits were found to be chargeable did not constitute services performed in employment for him and only in the event that he was not a party to such determination, redetermination or decision or to any other proceedings under this act in which the character of such services was determined. The employer shall be promptly notified of the commission's denial of his application, or of the commission's redetermination, both of which shall become final unless within fifteen days after the mailing of notice thereof to his last known address or in the absence of mailing, within fifteen days after the delivery of such notice, a petition for judicial review is filed in the superior court of the state of Arizona. In any proceeding under this subsection the findings of the commis-

sion as to the facts, if supported by evidence and in the absence of fraud, shall be conclusive and the jurisdiction of said court shall be confined to questions of law. No additional evidence shall be received by the court but the court may order additional evidence to be taken before the commission and the commission may, after hearing such additional evidence, modify its determination, and file such modified determination, together with a transcript of the additional record, with the court. Such proceedings shall be heard in a summary manner and shall be given precedence over all other civil cases except cases arising under section 6 of this act and the workmen's compensation law of this state. An appeal may be taken from the decision of the superior court of the state of Arizona to the supreme court of the state of Arizona in the same manner, but not inconsistent with the provisions of this act, as is provided in civil cases;

(B) May provide by regulation for periodic notification to employers of benefits paid and chargeable to their accounts or of the status of such accounts, and any such notification, in the absence of an application for redetermination filed in such manner and within such period as the commission may prescribe, shall become conclusive and binding upon the employer for all purposes. Such redeterminations, made after notice and opportunity for hearing, and the commission's findings of fact in connection therewith, may be introduced in any subsequent administrative or judicial proceedings involving the determination of the rate of contributions of any employer for any calendar year and shall be entitled to the same finality as is provided in this subsection with respect to the findings of fact made by the commission in proceedings to redetermine the contribution rate of an employer.

Sec. 8. Sec. 56-1008, Arizona Code of 1939, is amended to read:

56-1008. PERIOD, ELECTION, AND TERMINATION OF EMPLOYER COVERAGE. (a) Except as provided in subsection (c) of this section, any employing unit which is or becomes an employer subject to this act within any calendar year shall be deemed to be an employer during the whole of such calendar year.

(b) Except as otherwise provided in subsection (c) of this section, an employing unit shall cease to be an employer subject to this act only as of the first day of January of any calendar year, and only if it files with the commission during January of such year, a written appli-

cation for termination of coverage, and the commission finds that there were not four different days, each day being in a different calendar week within the preceding calendar year, within which such employing unit employed one or more individuals in employment subject to this act. For the purposes of this subsection, the two or more employing units mentioned in paragraph (2) or (3) or (4) of section 2 (h) shall be treated as a single employing unit.

(c) An employing unit, not otherwise subject to this act, which files with the commission its written election to become an employer subject hereto for not less than two calendar years, shall, with the written approval of such election by the commission, become an employer subject hereto to the same extent as all other employers, as of the date stated in such approval, and shall cease to be subject hereto as of January 1 of any calendar year subsequent to such two calendar years, only if during January of such year it has filed with the commission a written notice to that effect.

(2) Any employing unit for which services that do not constitute employment as defined in this act are performed, may file with the commission a written election that all such services with respect to which payments are not required under an employment security law of any other state or of the federal government, and which are performed by individuals in its employ in one or more distinct establishments or places of business shall be deemed to constitute employment by an employer for all the purposes of this act for not less than two calendar years. Upon the written approval of such election by the commission, such services shall be deemed to constitute employment subject to this act from and after the date stated in such approval. Such services shall cease to be deemed employment subject hereto as of January 1 of any calendar year subsequent to such two calendar years, only if during January of such year such employing unit has filed with the commission a written notice to that effect.

Sec. 9. Sec. 56-1009, Arizona Code of 1939, is amended to read:

56-1009. UNEMPLOYMENT COMPENSATION FUND. (a) Establishment and control. There is hereby established as a special fund, separate and apart from all public moneys or funds of this state, and unemployment compensation fund, which shall be administered by the com-

mission exclusively for the purpose of this act. This fund shall consist of (1) all contributions collected pursuant to this act, together with any interest thereon collected pursuant to section 14 of this act; (2) all fines and penalties collected pursuant to the provisions of this act; (3) interest earned upon any moneys in the fund; (4) any property or securities acquired through the use of moneys belonging to the fund; (5) all earnings of such property or securities; and (6) all other moneys received for the fund from any other source. All moneys in the fund shall be mingled and undivided.

(b) Account and deposits. The state treasurer shall be ex-officio the treasurer and custodian of the fund. He shall administer such fund in accordance with the provisions of this act and the direction of the commission, and shall pay all warrants drawn thereon in accordance with such regulations as the commission shall prescribe. He shall maintain within the fund three separate accounts: (1) a clearing account, (2) an unemployment trust fund account, and (3) a benefit account. All moneys payable to the fund, upon receipt thereof by the commission, shall be forwarded to the treasurer who shall immediately deposit them in the clearing account. Refunds payable pursuant to section 13 of this act may be paid from the clearing account or the benefit account upon warrants issued on the treasurer under the direction of the commission. After clearance thereof, all other moneys in the clearing account shall be immediately deposited with the secretary of the treasury of the United States of America to the credit of the account of this state in the unemployment trust fund, established and maintained pursuant to section 904 of the social security act, as amended, any provisions of law in this state relating to deposit, administration, release, or disbursement of moneys in the possession or custody of this state to the contrary notwithstanding. Except as herein otherwise provided, moneys in the clearing and benefit accounts may be deposited by the treasurer, under the direction of the commission, in any bank or public depository in which general funds of the state may be deposited, but no public deposit insurance charge or premium shall be paid out of the fund. Moneys in the clearing and benefit accounts shall not be commingled with other state funds, but shall be maintained in separate accounts on the books of the depository. Such moneys shall be secured by said depository to the same extent and in the same manner as required by the general depository law of the state. The treasurer shall give a separate bond conditioned upon the faithful performance of his duties as custodian of the fund in an

amount fixed by the commission and in a form prescribed by law or approved by the attorney general. The bond shall be filed with the secretary of state. Premiums for said bond shall be paid from the employment security administration fund. All sums recovered on any bond for loss es sustained by the unemployment compensation fund shall be deposited in said fund.

(c) Withdrawals. Moneys requisitioned from this state's account in the unemployment trust fund shall be used exclusively for the payment of benefits and for refunds pursuant to section 13 in accordance with regulations prescribed by the commission. The commission shall from time to time requisition from the unemployment trust fund such amounts, not exceeding the amounts standing to this state's account therein, as it deems necessary for the payment of such benefits and refunds for a reasonable future period. Such requisitions shall bear the signatures of not less than two members of the commission and the counter signature of the treasurer. Upon receipt thereof the treasurer shall deposit such moneys in the benefit account and shall pay warrants for payment of benefits and refunds solely from such benefit account. If the commission believes more efficient administration will result from such practice, it may in turn withdraw from the benefit account certain amounts as it deems necessary for the payment of benefits for a reasonable future period and deposit the same to the account of the commission in a bank or public depository of its choosing and issue checks against the same in payment of benefits to claimants entitled thereto under the law. Such moneys shall be secured by said depository to the same extent and in the same manner as required by the general depository law of the state. Expenditures of such moneys in the benefit account and refunds from the clearing account shall not be subject to any provisions of law requiring specific appropriations or other formal release by state officers of money in their custody. All claims, warrants or other instruments utilized by the commission for the payment of benefits and refunds shall bear the signature of any employee designated for that purpose by the commission and the counter signature of a member of the commission. Any balance of moneys requisitioned from the unemployment trust fund which remains unclaimed or unpaid in the benefit account after the expiration of the period for which such sums were requisitioned shall either be deducted from estimates for, and may be utilized for the payment of, benefits and refunds during succeeding periods, or in the discretion of the commission, shall be redeposited with the secretary

of the treasury of the United States of America, to the credit of this state's account in the unemployment trust fund, as provided in subsection (b) of this section.

Sec. 10. Sec. 56-1010, Arizona Code of 1939, is amended to read:

56-1010. EMPLOYMENT SECURITY COMMISSION. (a) Organization. There is hereby created a commission of three members to be known as the Employment Security Commission of Arizona. The members of the commission shall be appointed by the governor and shall hold office coterminous with the term of the governor. Each commissioner shall be paid from the employment security administration fund, created by section 12 of this act, a fixed monthly salary of one hundred dollars per month, and in addition to such salaries, each commissioner shall be paid mileage and expenses, as may be allowed by law, in traveling from his regular place of residence to meetings of the commission, or as otherwise required in the discharge of his duties.

(b) Quorum. Any two members of the commission shall constitute a quorum. No vacancy shall impair the right of the remaining commissioners to exercise all of the powers of the commission.

(c) Divisions. The commission shall establish and supervise the conduct of two coordinate divisions: the Arizona State Employment Service Division created pursuant to section 56-1012, Arizona Code of 1939, and the Unemployment Compensation Division. Each division shall be responsible for the discharge of its distinctive functions. Each division shall be a separate administrative unit with respect to personnel, budget, and duties, except in so far as the commission may find that such separation is impracticable. The commission is authorized to appoint, fix the compensation of, and prescribe the duties of the director of the Unemployment Compensation Division, provided that such appointment shall be made on a nonpartisan merit basis, in accordance with the provisions of this act relating to personnel. The director of the Arizona State Employment Service Division created pursuant to section 56-1012, Arizona Code of 1939, may, in addition to his other duties, be appointed director of the Unemployment Compensation Division and shall be the executive official of the commission.

(d) Transfer of duties and effects. (1) The duties and powers imposed upon and vested in the Arizona Unemployment Compensation Commission by law shall

devolve and be imposed upon, vested in and merged with the duties and powers of the Employment Security Commission of Arizona.

(2) All records, files and property, together with the unexpended balance of any appropriation or other funds of the Arizona Unemployment Compensation Commission, are hereby transferred and made available to the Employment Security Commission of Arizona.

Sec. 11. Sec. 56-1011, Arizona Code of 1939, is amended to read:

56-1011. ADMINISTRATION. (a) Duties and powers of commission. It shall be the duty of the commission to administer this act; and it shall have power and authority to adopt, amend, or rescind such rules and regulations, to employ such persons, make such expeditures, require such reports, make such investigations, and take such other action as it deems necessary or suitable to that end. Such rules and regulations shall be effective upon publication in the manner, not inconsistent with the provisions of this act, which the commission shall prescribe. The commission shall determine its own organization and methods of procedure in accordance with the provisions of this act and shall have an official seal which shall be judicially noticed. Not later than January 1 of each year, the commission shall submit to the governor a report covering the administration and operation of this act during the fiscal year ending June 30 prior to such report, and shall make such recommendations for amendments to this act as it deems proper. The commission may compromise any claim for contributions more than two years in arrears, or any action in relation thereto. Whenever a compromise is made by the commission there shall be placed in the files thereof a statement of the amount of the contributions due, assessed, and the amount of additional contributions, penalty and interest imposed by law in consequence of the neglect or delinquency of the employer in question, and the amount actually paid, in accordance with the terms of the compromise.

(b) (1) Regulations and general and special rules. General and special rules may be adopted, amended, or rescinded by the commission only after public hearing or opportunity to be heard thereon, of which proper notice has been given. General rules shall become effective ten days after filing with the secretary of state and publication in one or more newspapers of general circulation

in this state. Special rules shall become effective ten days after notification to or mailing to the last known address of the individuals or employing units affected thereby. Regulations may be adopted, amended, or rescinded by the commission and shall become effective in the manner and at the time prescribed by the commission.

(2) Administrative determinations of coverage: The commission may, upon its own motion or upon application of an employing unit, and after notice and opportunity for hearing, make findings of fact and on the basis thereof, determinations with respect to whether an employing unit constitutes an employer and whether services performed for, or in connection with the business of an employing unit constitute employment for such employing unit. Appeal from any such determination may be taken to the superior court of the state of Arizona within fifteen days after the mailing of notice of such findings and determination to the employing unit, or, in the absence of mailing, within fifteen days after the delivery of such notice. If supported by substantial evidence and in the absence of fraud, a determination of the commission, in the absence of appeal therefrom shall be conclusive except as to errors of law for all the purposes of this Act except as herein otherwise provided, and, together with the record therein made, shall be admissable in any subsequent judicial proceeding involving liability for contributions. A determination of the commission which has not been appealed, together with the record thereof, may be introduced in any proceeding involving a claim for benefits and the facts therein found and the determination therein made, shall be conclusive unless substantial evidence to the contrary is introduced by or on behalf of the interested parties.

(c) Publication. The commission shall cause to be printed for distribution to the public the text of this Act, its regulations and general rules, its annual reports to the Governor, and any other material it deems relevant and suitable and shall furnish the same to any person upon application therefor.

(d) Personnel. Subject to other provisions of this Act, the commission is authorized to appoint, fix the compensation, and prescribe the duties and powers of such officers, accountants, attorneys, experts, and other persons as may be necessary in the performance of its duties. All positions shall be filled by persons selected and appointed on a nonpartisan merit basis. The commission may delegate to any such person so appointed such power and

authority as it deems reasonable and proper for the effective administration of this Act, and may in its discretion bond any person handling moneys or signing checks hereunder.

(e) Advisory councils. The commission shall appoint a state advisory council and local advisory councils, composed in each case of an equal number of employer representatives and employee representatives who may fairly be regarded as representative because of their vocation, employment, or affiliations, and of such members representing the general public as the commission may designate. Such councils shall aid the commission in formulating policies and discussing problems related to the administration of this Act and in assuring impartiality and freedom from political influence in the solution of such problems. Such advisory councils shall serve without compensation, but shall be reimbursed for any necessary expenses.

(f) Employment stabilization. The commission with the advice and aid of its advisory councils, and through its appropriate divisions, shall take all appropriate steps to reduce and prevent unemployment; to encourage and assist in the adoption of practical methods of vocational training, retraining and vocational guidance; to investigate, recommend, advise, and assist in the establishment and operation, by municipalities, counties, school districts, and the state, or reserve for public works to be used in times of business depression and unemployment; to promote the reemployment of unemployed workers throughout the state in every other way that may be feasible; and to these ends to carry on and publish the results of investigations and research studies.

(g) Records and reports. Each employing unit shall keep true and accurate work records, for such periods of time and containing such information as the commission may prescribe. Such records shall be open to inspection and be subject to being copied by the commission or its authorized representatives at any reasonable time and as often as may be necessary. The commission and the chairman of any appeal tribunal may require from any employing unit any sworn or unsworn reports, with respect to persons employed by it, which it deems necessary for the effective administration of this Act. Information thus obtained shall not be published or be open to public inspection (other than to public employees in the performance of their public duties) in any manner revealing the employing unit's identity, but any claimant at a hearing before an appeal tribunal or the commission

shall be supplied with the information from such records to the extent necessary for the proper presentation of his claim. The commission may request the Comptroller of the Currency of the United States to cause an examination of the correctness of any return or report of any national banking association rendered pursuant to the provisions of this Act, and may in connection with such request transmit any such report or return to the Comptroller of the Currency of the United States as provided in section 1606 (c) of the Federal Internal Revenue Code. Any employee or member of the commission who violates any provision of this section shall be fined not less than twenty dollars nor more than two hundred dollars, or imprisoned for not longer than ninety days, or both.

(h) Oaths and witnesses. In the discharge of the duties imposed by this Act, the chairman of an appeal tribunal and any duly authorized representative or member of the commission shall have power to administer oaths and affirmations, take depositions, certify to official acts, and issue subpoenas to compel the attendance of witnesses and the production of books, papers, correspondence, memoranda, and other records deemed necessary as evidence in connection with a disputed claim or the administration of this Act.

(i) Subpoenas. In case of contumacy by, or refusal to obey a subpoena issued to any person, any court of this state within the jurisdiction of which the inquiry is carried on or within the jurisdiction of which said person guilty of contumacy or refusal to obey is found or resides or transacts business, upon application by the commission or its duly authorized representative, shall have jurisdiction to issue to such person an order requiring such person to appear before a commissioner, the commission, or its duly authorized representative, there to produce evidence if so ordered or there to give testimony touching the matter under investigation or in question; and any failure to obey such order of the court may be punished by said court as a contempt thereof. Any person who shall without just cause fail or refuse to attend and testify or to answer any lawful inquiry or to produce books, papers, correspondence, memoranda, and other records, if it is in his power so to do, in obedience to a subpoena of the commission shall be punished by a fine of not less than two hundred dollars or by imprisonment for not longer than sixty days, or by both such fine and imprisonment, and each day such violation continues shall be deemed to be a separate offense.

(j) Protection against self-incrimination. No person shall be excused from attending and testifying or from producing books, papers, correspondence, memoranda, and other records before the commission or in obedience to the subpoena of the commission or any member thereof or any duly authorized representative of the commission in any cause or proceeding before the commission, on the ground that the testimony or evidence, documentary or otherwise, required of him may tend to incriminate him or subject him to a penalty or forfeiture but no individual shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, documentary or otherwise, except that such individual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.

(k) State-Federal cooperation. In the administration of this Act, the commission shall cooperate to the fullest extent consistent with the provisions of this Act, with the Social Security Board, created by the Social Security Act, approved August 14, 1935, as amended; shall make such reports, in such form and containing such information as the Social Security Board may from time to time require, and shall comply with such provisions as the Social Security Board may from time to time find necessary to assure the correctness and verification of such reports; and shall comply with the regulations prescribed by the Social Security Board governing the expenditures of such sums as may be allotted and paid to this state under Title III of the Social Security Act for the purpose of assisting in the administration of this Act.

Upon request therefor the commission shall furnish to any agency of the United States charged with the administration of public works or assistance through public employment, the name, address, ordinary occupation, and employment status of each recipient of benefits and such recipient's rights to further benefits under this Act.

Sec. 12. Sec. 56-1013, Arizona Code of 1939, is amended to read:

56-1013. EMPLOYMENT SECURITY ADMINISTRATION FUND. (a) Special fund. There is hereby created in the state treasury a special fund to be known as the Employment Security Administration Fund. All moneys which are deposited or paid into this fund are hereby

appropriated and made available to the commission. All moneys in this fund shall be expended solely for the purposes and in the amounts found necessary by the Social Security Board and the Employment Security Commission of Arizona for the proper and efficient administration of this Act. The fund shall consist of all moneys appropriated by this state, and all moneys received from the United States of America, or any agency thereof, including the Social Security Board or from any other source for such purpose. Moneys received from the Railroad Retirement Board as compensation for services or facilities supplied to said board shall be paid into this fund. All moneys in this fund shall be deposited, administered, and disbursed, in the same manner and under the same conditions and requirements as is provided by law for other special funds in the state treasury, except that moneys in this fund shall not be commingled with other state funds, but shall be maintained in a separate account on the books of the depository. Such moneys shall be secured by the depository in which they are held to the same extent and in the same manner as required by the general depository law of the state. Any balance in this fund shall not lapse at any time, but shall be continuously available to the commission for expenditure consistent with this Act. The state treasurer shall be liable on his official bond for the faithful performance of his duties in connection with the Employment Security Administration Fund provided for under this Act. Such liability on the official bond shall be effective immediately upon the enactment of this provision, and such liability shall exist in addition to any liability upon any separate bond existent on the effective date of this provision, or which may be given in the future. All sums recovered on any surety bond for losses sustained by the Employment Security Administration Fund shall be deposited in said fund.

(b) Employment service account. A special "employment service account" shall be maintained as a part of the Employment Security Administration Fund for the purpose of maintaining the public employment offices established pursuant to section 56-1012, Arizona Code of 1939, and for the purpose of cooperating with the United States Employment Service. There is hereby transferred to the employment service account of the Employment Security Administration Fund the unexpended balance to the credit of the Arizona Employment Service and consisting of funds appropriated under chapter 55, Session Laws Twelfth Legislature of Arizona 1935, for the fiscal year ending June 30, 1937, and funds received by this

state from the United States Government for the purpose of establishing free employment offices. In addition, there shall be paid into such account the moneys designated in section 56-1012(b), Arizona Code of 1939, and such moneys as are apportioned for the purposes of this account from any moneys received by this state under Title III of the Social Security Act, as amended.

(c) Reimbursement of Fund. This state recognizes its obligation to replace, and hereby pledges the faith of this state that funds will be provided in the future, and applied to the replacement of, any moneys received after July 1, 1941, from the Social Security Board under Title III of the Social Security Act, any unencumbered balances in the Employment Security Administration Fund as of that date, any moneys thereafter granted to this state pursuant to the provisions of the Wagner-Peyser Act, and any moneys thereafter made available by this state or its political subdivisions and matched by moneys granted to this state pursuant to the provisions of the Wagner-Peyser Act, which the Social Security Board finds have, because of any action or contingency, been lost or have been expended for purposes other than, or in amounts in excess of, those found necessary by the Social Security Board and the Employment Security Commission of Arizona for the proper administration of this Act. Such moneys shall be replaced within a reasonable time by moneys appropriated by the legislature from the general funds of this state to the Employment Security Administration Fund for expenditure as provided in subsection (a) of this section. The commission shall report to the state budget officer, in the same manner as is provided generally for the submission of financial requirements for the ensuing biennium, and the Governor shall include in his budget report to the next regular session of the Legislature the amount required for such replacement. This subsection shall not be construed to relieve this state of its obligation with respect to funds received prior to July 1, 1941, pursuant to the provisions of Title III of the Social Security Act.

Sec. 13. Sec. 56-1014, Arizona Code of 1939, is amended to read:

56-1014. (a) COLLECTION OF CONTRIBUTIONS. (1) if contributions are not paid on the date on which they are due and payable as prescribed by the commission, the whole or part thereafter remaining unpaid shall bear interest at the rate of one per centum per month from and after such date until payment is received by

the commission. In computing interest for any period less than a full month, the rate shall be one-thirtieth of one per centum for each day or fraction thereof. The date as of which payment of contributions, if mailed, is deemed to have been received may be determined by such regulations as the commission may prescribe. Interest collected pursuant to this subsection shall be paid into the Employment Security Fund.

(2) If, after due notice, any employer defaults in any payment of contributions or interest, the amount due shall be collected by civil action in the name of the commission, and the employer adjudged in default shall pay the court costs. Civil actions brought under this subsection shall be heard by the court at the earliest possible date and shall have precedence over all other civil actions, except petitions for judicial review under this Act and cases arising under the Workmen's Compensation Law.

(3) In the event an employer neglects or refuses to make a return as required by this Act, the commission shall make an estimate, based upon any information in its possession, of the amount of contributions due from such employer for the period for which he failed to make a return, and shall assess such estimated amount against the delinquent, adding to such amount a penalty equal to ten per cent thereof. Such delinquency assessment shall bear interest at the rate of one per cent per month, or fraction thereof, from the fifteenth day after the close of the period for which such assessment is imposed until the date of payment. If such neglect or refusal to file a return is due to fraud or an intent to evade payment of contributions, there shall be added to the amount due a penalty equal to twenty-five per cent thereof in addition to the ten per cent penalty provided herein. The commission shall promptly notify the delinquent employer of such estimate. Any employer against whom a delinquency assessment is made may petition for reassessment within thirty days after service of notice thereof. If such petition for reassessment is not filed within said thirty days the amount of the assessment shall become final at the expiration thereof.

(4) In the event the commission believes that the collection of any contribution or assessment imposed pursuant to this Act will be jeopardized by delay, it shall thereupon make a jeopardy assessment of such amount, noting such fact upon the assessment, and the amount thereof shall be immediately due and payable. If the

amount of the contribution, interest, and penalty specified in the jeopardy assessment is not paid within ten days after service of notice thereof, such jeopardy assessment shall become final at the expiration thereof, unless a petition for reassessment is filed within such period, and the delinquency penalty and interest shall attach. An employer against whom a jeopardy assessment is levied may petition for reassessment by filing his petition with the commission, not more than ten days after service of notice of such assessment, and by depositing at the same time such security as the commission may deem necessary to insure compliance with the provisions of this Act. Such security may be sold by the commission in accordance with rules and regulations adopted by it.

(5) Upon the filing of a petition for reassessment, the commission shall reconsider the assessment, and if the petition so requests shall grant the employer an oral hearing, of which he shall be given not less than ten days' notice. The commission shall have power to continue the hearing from time to time as may be necessary. The order or decision of the commission upon a petition for reassessment shall become final thirty days after service upon the employer of notice thereof, or, in the case of a jeopardy assessment, at such time as the commission may specify. Any assessment made by the commission shall become due and payable at the time it becomes final, and if not paid when due and payable there shall be added thereto a penalty of ten per cent of the amount thereof.

(6) Any notice required by this section shall be served personally or by registered mail addressed to the last known address of the person.

(7) In the event of any distribution of an employer's assets pursuant to court order, including receivership, assignment for benefit of creditors, adjudicated insolvency, composition, or similar proceeding, contributions then or thereafter due shall be paid in full prior to all other claims except taxes and claims for wages of not more than two hundred and fifty dollars to each claimant, earned within six months prior to commencement of the proceeding. The existence of a condition of insolvency, or the institution of any judicial proceeding for dissolution or distribution of assets, shall cause such priority to attach without action on behalf of the commission. In the event of an employer's adjudication in bankruptcy, judicially confirmed extension proposal, or composition, under the Federal Bankruptcy Act of 1898, as amended,

contributions then or thereafter due shall be entitled to such priority as is provided in section 64 (b) of that Act.

(b) Lien for contributions. (1) Separate and apart from and in addition to the other provisions of this chapter, contributions, interest and penalties due under this Act shall be a lien, prior and superior to all other liens except taxes, prior recorded realty mortgages and unpaid wage claims, not only against the interests of any employer, but against the interests of all others, in the real estate, plant, works, equipment and buildings, improved, operated and constructed by any employer, and also upon any products or articles manufactured by such employer.

(2) The lien created by this section shall attach from the date of the commencement of the labor for which the contributions, interest and penalties are due. In order to avail itself of the lien hereby created, the commission shall, within three months after such employer shall have delivered to the commission all reports required by it and shall have become delinquent in the payment of contributions due thereon, file with the county recorder of the county within which such property then be situate, a statement in writing describing in general terms the property upon which a lien is claimed and stating the amount claimed, after deducting credits and offsets, and that the same is delinquent. The county recorder shall record every claim of lien filed pursuant to this section in a lien docket kept for that purpose, which record shall be indexed as deeds and other instruments. If any employer shall fail, delay or refuse to file with the commission all reports required by it, the lien hereby created shall continue in full force and effect although the amount thereof be undetermined and the three months' time within which the commission shall file its claim of lien shall not begin to run until the actual receipt by the commission of all such reports. From and after the filing of such claim of lien, the commission shall be entitled to commence suit to foreclose such lien in the manner provided by law for the foreclosure of other liens on personal or real property.

(3) The employer against whose property the lien is filed may cause his property to be released by filing with the commission a bond in double the amount claimed in the lien, executed by a surety licensed to do business in the state, running to the commission and conditioned for the payment of all contributions, interest, penalties, damages, costs, charges, and disbursements that may be recovered by the commission against such employer or

that may be found to be a lien upon his property. Upon the filing of such bond the commission shall execute and deliver to such employer a release of such lien, but such release shall not operate in any manner to satisfy the indebtedness secured by said lien. In the event the commission establishes the validity of its lien by suit to foreclosure, it shall be entitled to judgment against the surety on said bond.

(4) The transfer, through sale, exchange, or otherwise, of a major portion of the assets of a delinquent employer shall not defeat or impair the lien in favor of the commission and the person acquiring such assets shall be liable for payment of all delinquent contributions, interest or penalties owed by his predecessor in interest. In any suit or action involving title to real or personal property against which the commission has or may claim a lien, the commission shall be made a party.

(c) Refunds and adjustments. (1) Not later than three years after the date on which any contribution or interest thereon becomes due, an employer who has paid such contribution or interest may apply for an adjustment thereof in connection with subsequent contribution payments, or for a refund thereof in the event such adjustment cannot be made. If the commission finds that such contribution or interest, or any part thereof, was erroneously collected, it shall allow such employer to make an adjustment, without interest, in connection with subsequent contribution payments, or if such adjustment cannot be made the commission shall refund said amount, without interest, from the clearing account of the fund. For like cause and within the same period, adjustment or refund may be made on the commission's own initiative, provided, however, that payments of contributions made prior to July 19, 1940 on wages payable in excess of three thousand dollars for employment performed subsequent to January 1, 1940 shall be deemed to have been erroneously collected within the meaning of this subsection, and shall be subject to adjustment or refund as herein provided.

(2) Any employer aggrieved by any contribution required by this Act shall pay the same before the delinquent date and shall at the same time give notice to the commission that all or part of such payment is made under protest. Such notice shall be in writing, addressed to the commission, stating the reasons for protest and that all or a portion of the payment is protested. Within ten days thereafter he may petition for a hearing, setting

forth the reasons why the petition should be granted and the amount in which the contribution should be reduced. The commission shall grant such hearing, which shall be not later than twenty days after filing the petition, and shall notify the petitioner of the time and place thereof. After the hearing the commission shall make such order as may appear just and lawful and shall furnish a copy thereof to the petitioner. Within twenty days after entry of the order the petitioner may bring an action against the commission in the superior court of the state of Arizona, or in the United States district court, to recover the payment claimed to be invalid. The procedure and the right of appeal from any judgment entered therein shall be subject to the rules applicable to civil suits in said courts, but no judgment for the refund of such contribution shall provide for interest thereon. In the event final judgment is rendered in favor of the employer, the commission shall refund from the clearing account of the fund, the amount found by the judgment to have been invalid or illegally collected.

Sec. 14. Sec. 56-1018, Arizona Code of 1939, is amended to read:

56-1018. RECIPROCAL ARRANGEMENTS. (a) The commission is hereby authorized to enter into reciprocal arrangements with appropriate and duly authorized agencies of other states or of the federal government, or both, whereby:

(1) Services performed by an individual for a single employing unit for which services are customarily performed in more than one state shall be deemed to be services performed entirely within any one of the states (i) in which any part of such individual's service is performed or (ii) in which such individual has his residence or (iii) in which the employing unit maintains a place of business, provided there is in effect, as to such services, an election, approved by the agency charged with the administration of such state's unemployment compensation law, pursuant to which all the services performed by such individual for such employing unit are deemed to be performed entirely within such state:

(2) Potential rights to benefits accumulated under the unemployment compensation laws of one or more states or under one or more such laws of the federal government, or both, may constitute the basis for the payment of benefits through a single appropriate agency upon terms which the commission finds will be fair and

reasonable as to all affected interests and will not result in any substantial loss to the fund:

(3) Wages or services, upon the basis of which an individual may become entitled to benefits under an unemployment compensation law of another state or of the federal government, shall be deemed to be wages for insured work for the purpose of determining his rights to benefits under this Act, and wages for insured work, on the basis of which an individual may become entitled to benefits under this Act shall be deemed to be wages or services on the basis of which unemployment compensation under such law of another state or of the federal government is payable, but no such arrangement shall be entered into unless it contains provisions for reimbursements to the fund for such of the benefits paid under this Act upon the basis of such wages or services, and provisions for reimbursements from the fund for such of the compensation paid under such another law upon the basis of wages for insured work, as the commission finds will be fair and reasonable as to all affected interest; and

(4) Contributions due under this Act with respect to wages for insured work shall for the purposes of section 13 of this Act be deemed to have been paid to the fund as of the date payment was made as contributions therefor under another state or federal unemployment compensation law, but no such arrangement shall be entered into unless it contains provisions for such reimbursement to the fund of such contributions and the actual earnings thereon as the commission finds will be fair and reasonable as to all affected interests.

(b) Reimbursements paid from the fund pursuant to paragraph 3 of subsection (a) of this section shall be deemed to be benefits for the purpose of sections 3 and 9 of this Act. The commission is authorized to make to other state or federal agencies and to receive from such other state or federal agencies, reimbursements from or to the fund, in accordance with arrangements entered into pursuant to subsection (a) of this section.

(c) The administration of this Act and of other state and federal unemployment compensation and public employment service laws will be promoted by cooperation between this state and such other states and the appropriate federal agencies in exchanging services, and making available facilities and information. The commission is therefore authorized to make such investigations, secure and transmit such information, make available such

services and facilities and exercise such of the other powers provided herein with respect to the administration of this Act as it deems necessary or appropriate to facilitate the administration of any such unemployment compensation or public employment service law, and in like manner, to accept and utilize information, services and facilities made available to this state by the agency charged with the administration of any such other unemployment compensation or public employment service law.

(d) To the extent permissible under the Laws and Constitution of the United States, the commission is authorized to enter into or cooperate in arrangements whereby facilities and services provided under this Act and facilities and services provided under the unemployment compensation law of any foreign government, may be utilized for the taking of claims and the payment of benefits under the employment security law of this state or under a similar law of such government.

Sec. 15. Sec. 56-1019, Arizona Code of 1939, is amended to read:

56-1019. SAVING CLAUSE. The Legislature reserves the right to amend or repeal all or any part of this Act at any time; and there shall be no vested private right of any kind against such amendment or repeal. All the rights, privileges, or immunities conferred by this Act or by acts done pursuant thereto shall exist subject to the power of the Legislature to amend or repeal this Act at any time.

Sec. 16. Sec. 56-1020, Arizona Code of 1939, is amended to read:

56-1020. SEPARABILITY OF PROVISIONS. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the remainder of this Act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

Sec. 17. REPEAL. Sections 56-1021 and 56-1022, Arizona Code of 1939, are repealed. This section does not negative an implied repeal of any statute which conflicts with this Act.

Approved: March 27, 1941.

CHAPTER 125

(Senate Bill No. 215)

AN ACT

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

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

Section 1. APPROPRIATION. The sum of six thousand six hundred sixty-six dollars and forty-one cents is appropriated to the offices, departments, and agencies enumerated in section 2.

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

1. Board of directors of state institutions (capitol buildings and grounds), to pay indebtedness incurred in excess of funds available and to pay claims not presented until after the close of the fiscal year; 1a. Central Arizona Light and Power Company, services rendered, February 28 to June 30, 1938, November and December, 1938, and January to June, 1939, five thousand dollars; 1b. City of Phoenix Water Works, services rendered and materials furnished, July 1, 1938 to June, 1, 1939, six hundred dollars; 1c. Mountain States Telephone and Telegraph Company, services rendered, April 21, 1937 to May 21, 1937, eight dollars and fifty-five cents; and 1d. Korricks' Dry Goods Company, supplies furnished, October 26, 1938, six dollars and eighty-eight cents; a total of five thousand six hundred fifteen dollars and forty-three cents.

2. Board of directors of state institutions (state prison), to pay indebtedness incurred in excess of funds available: 2a. clerk of the superior court of Pinal county, court costs, May 8, 1933, and June 30, 1933 to June 30, 1936, two hundred seventy dollars; 2b. R. J. Reynolds Tobacco Company, supplies furnished, September 10, 1938, two hundred thirty-seven dollars and sixty cents; 2c. Linde Air Products, supplies furnished, June, 1938 twenty-

three dollars and thirty-four cents; and, 2d. Electrical District Number 2, Pinal county, services rendered and supplies furnished, two hundred thirty-six dollars and sixty-five cents; a total of seven hundred sixty-seven dollars and fifty-nine cents.

3. Governor, to pay claim not presented until after the close of the fiscal year; Texas Company, supplies furnished, June, 1940, fourteen dollars and six cents.

4. State examiner, to pay indebtedness incurred in excess of funds available: 4a. Mountain States Telephone and Telegraph Company, services rendered, January 21, 1939 to March 21, 1939, and June, 1940, thirty dollars and ninety cents; 4b. Heinze, Bowen and Harrington, supplies furnished, January 29, 1939, and March 2, 1939, twenty-two dollars and thirteen cents; 4c. Chambers Transfer Company, services rendered, January 10, 1939, four dollars and fifty cents; 4d. H. M. Clark Office Supply Company, materials furnished, January 3, 1939, January 7, 1939, February 11, 1939, and March 12, 1939, twenty-nine dollars and sixty-two cents; 4e. Sims Printing Company, services rendered and supplies furnished, February 2, 1939, seven dollars; 4f. Manufacturing Stationers, supplies furnished, February 24, 1939, six dollars; 4g. Western Union Telegraph Company, services rendered, February 1939, one dollar and sixty-seven cents; and, 4h. Novelty Printers, services rendered and supplies furnished, March 3, 1939, five dollars and seventy-five cents; a total of one hundred seven dollars and fifty-seven cents.

5. State inspector of weights and measures, to pay claim not presented until after the close of the fiscal year; Shell Oil Company, supplies furnished, June, 1937, thirty-seven dollars and thirty-seven cents.

6. Loan commissioners of the state of Arizona, to pay indebtedness for which no appropriation was made, for advertising call of territorial bonds and paper for printing bonds: 6a. Arizona Daily Star, services rendered, January 11, 1940, nine dollars and thirty cents; 6b. Sims Printing Company, services rendered and supplies furnished, January 17, 1940, and November 20, 1940, thirty-seven dollars: 6c. San Francisco Chronicle, services rendered, January 19, 1940, twenty-two dollars and forty cents; and, 6d. Holbrook Tribune-News, services rendered, January 19, 1940, twelve dollars; a total of eighty dollars and seventy cents.

7. Livestock sanitary board, to pay indebtedness in-

curred in excess of funds available and to pay claims presented after the close of the fiscal year: 7a. Tom Holden, services rendered and supplies furnished, March 26, 1938, eight dollars; 7b. Heinze, Bowen and Harrington, supplies furnished, June 28, 1939, six dollars and sixty-five cents; and, 7c. Clem Lumber Company, materials furnished, June 26, 1939, twenty-nine dollars and four cents; a total of forty-three dollars and sixty-nine cents.

Approved: March 27, 1941.

MEMORIALS

HOUSE MEMORIAL NO. 1

A MEMORIAL

RELATING TO THE PROTECTION OF THE LIVESTOCK INDUSTRY.

TO THE CONGRESS OF THE UNITED STATES:

Your memorialist respectfully represents:

In the United States, the livestock industry is an integral part of the national economic structure, not only because of the large number of persons who gain their livelihood therefrom, the gross income from livestock and livestock products constituting more than half of the total income of farms and ranges, but also because of the important part the livestock industry plays in feeding the nation's civilian population and armed forces.

The conclusion follows that whatever may be done to establish and maintain the prosperity of the livestock industry is a movement in behalf of national welfare. Whatever tends to break down and demoralize the livestock industry works an injury to all industry, to business, and to the wage earner, and endangers an important food supply in the event of national emergency.

Authorities agree that the livestock industry of the United States can and is ready and anxious to supply the domestic demand for meat and meat products at reasonable prices. Despite this fact, the livestock industry of the nation is faced with ruinous competition, inasmuch as foreign peoples are raising a large part of the livestock consumed in the United States, and American packers and manufacturers of meat products have established plants in South American and other countries, and are shipping in huge quantities of meat products, produced with cheap labor, and underselling the local product. It is an established fact that these imports have increased by leaps and bounds in the past nine years.

Wherefore your memorialist, the House of Representatives of the state of Arizona, urgently requests:

1. That effective legislative means be adopted to protect this nation's livestock market for this nation's livestock producers.

2. That the import duty on livestock and livestock products be maintained at a level representing at least the difference in cost of production between this country and foreign livestock producing countries.

3. That reciprocal trade agreements with South American and other countries which permit the flooding of our market with livestock or livestock products be discouraged.

Adopted by the House, January 20, 1941.

Filed in the office of the Secretary of State, January 21, 1941.

HOUSE MEMORIAL NO. 3

A MEMORIAL

RELATING TO THE ERECTION BY THE UNITED STATES GOVERNMENT OF A FLOOD CONTROL DAM ON THE SAN PEDRO RIVER, IN COCHISE COUNTY, ARIZONA.

TO THE CONGRESS OF THE UNITED STATES AND TO THE UNITED STATES SENATORS AND CONGRESSMAN FROM THE STATE OF ARIZONA:

Your memorialist respectfully represents:

Wherefore your memorialist, the House of Representatives of the state of Arizona urgently requests:

1. That great damage is done annually by flood waters in the San Pedro river, in Cochise County, Arizona;

2. That particularly great damage is done to that portion of said county in and around the town of Benson, Arizona;

3. That some method of the control of said flood waters is necessary.

Wherefore, your memorialist requests, that the members of the United States Senate from the state of Arizona, and the Congressman from the state of Arizona use their influence with the proper agencies of the United States Government, and with the United States Congress to procure the erection by the United States Government of a flood control dam on said San Pedro river at some specific location above the town of Benson.

Adopted by the House, March 13, 1941.

Filed in the office of the Secretary of State, March 13, 1941.

HOUSE MEMORIAL NO. 4

A MEMORIAL

A HOUSE MEMORIAL URGING PASSAGE BY CONGRESS OF H. R. 1036, RELATING TO THE GENERAL WELFARE.

TO THE CONGRESS OF THE UNITED STATES OF AMERICA:

Your memorialist respectfully represents:

The problems of unemployment and social security are among the most vital economic issues now confronting the people of the state of Arizona, as well as of other states of the union.

These pressing problems cannot be solved satisfactorily by

individual states, but are national issues involving the general welfare of the nation.

There has been introduced in the present session of Congress H. R. 1036, relating to the general welfare, which will, if enacted, alleviate in large measure the economic distress resulting from widespread unemployment and poverty among the aged. Wherefore your memorialist, the House of Representatives of the State of Arizona, prays:

That H. R. 1036, now pending in the first session of the seventy-seventh Congress, be enacted into law, to the end that deserving old people may be properly cared for and the states relieved of the burden resting upon them in that regard.

Adopted by the House, March 17, 1941.

Filed in the Office of the Secretary of State, March 18, 1941.

HOUSE CONCURRENT MEMORIAL NO. 2

A CONCURRENT MEMORIAL

RELATING TO AUTHORIZATION BY CONGRESS OF PAYMENT TO THE SAN CARLOS APACHE INDIANS FOR LANDS CEDED BY THEM AND THE REOPENING OF THE LANDS TO LOCATION AND ENTRY.

TO THE CONGRESS OF THE UNITED STATES OF AMERICA:

Your memorialist respectfully represents:

A bill (S.254) is now pending in the Congress to authorize payment to the San Carlos Apache Indians for the lands ceded by them in the agreement of February 25, 1896, and reopening the lands to mineral entry and making them a part of the public domain.

The bill in question is designed to rectify errors made by governmental agencies in permitting citizens to homestead lands in the so called San Carlos strip and in issuing patents to the state of Arizona and leases to other persons for lands therein, whereas, under the agreement above referred to, the land should have been opened to mineral entry only.

The proposed bill appears to provide the only equitable method of preserving the rights of all parties concerned, and all parties concerned favor passage of the measure. It is unjust that citizens who have expended much time and money in developing lands in the San Carlos strip should be ousted therefrom, when the fault lies not with the citizens but with governmental agencies. It is likewise unjust that the lands be used without compensating the San Carlos Apache Indians therefor, and it appears that, if other settlement be not soon made, the Indians and the Indian Service will demand complete restoration of the lands involved.

Wherefore your memorialist, the House of Representatives of the State of Arizona, the Senate concurring, prays:

That the Congress of the United States speedily enact S. 254, authorizing payment to the San Carlos Apache Indians for lands ceded by them, and reopening those lands to mineral entry, in order to settle for all time the confusing and conflicting claims to the lands, and to do justice to all parties.

Passed the House March 14, 1941.

Passed the Senate March 15, 1941.

Approved by the Governor March 22, 1941.

Filed in the Office of the Secretary of State March 24, 1941.

HOUSE JOINT MEMORIAL NO. 1

A JOINT MEMORIAL

RELATING TO GOVERNMENT LOANS FOR PRIMARY MINERAL DEVELOPMENT.

TO THE CONGRESS OF THE UNITED STATES OF AMERICA:

Your memorialist respectfully represents:

The Honorable E. W. McFarland, junior senator from Arizona, has introduced a bill in the Senate of the United States, known as S. 268, to authorize the Reconstruction Finance Corporation to make loans up to five thousand dollars to mine operators for un-watering or retimbering mines, or for sampling and assaying ore.

The Reconstruction Finance Corporation is now empowered to make mining loans for operation and development purposes only.

Mines today can be located only as a result of extensive work of a prospecting nature, for the high grade ore deposits situated close to the surface of the earth which do not require extensive drilling, sampling, and other exploratory work have already been discovered.

Passage of the bill in question would stimulate the search for new mines and would supplement the work of the United States Bureau of Mines and the United States Geological Survey in their quest for strategic and critical minerals, as well as deposits of other minerals vital to the defense of the nation.

The opening and operation of new mines would increase employment and taxable wealth, and would strengthen the economy of the nation as well as that of the mining states.

It is logical to assume that extensive ore deposits remain undiscovered, and that they will be located only as a result of scientific prospecting at a substantial cost.

Wherefore your memorialist, the Legislature of the State of Arizona prays:

That the Congress of the United States speedily enact the bill known as S. 268, in order to stimulate and foster discovery of new mining properties which are essential to the defense of the nation.

Passed the House February 5, 1941.

Passed the Senate February 11, 1941.

Approved by the Governor February 12, 1941.

Received by the Secretary of State February 12, 1941.

RESOLUTIONS

HOUSE RESOLUTION NO. 12

A RESOLUTION

A RESOLUTION PROVIDING FOR THE INVESTIGATION OF THE LAND DEPARTMENT FOR THE PURPOSE OF DETERMINING WHETHER THE STATE AGRICULTURAL LANDS ARE BEING IMPROPERLY LEASED, AND TO ASCERTAIN WHETHER THE STATE HAS BEEN LOSING RENTALS THEREON, AND FOR THE PURPOSE OF GATHERING SUFFICIENT DATA IN ORDER THAT REMEDIAL LEGISLATION MAY BE ENACTED WITH REFERENCE THERETO, AND PROVIDING FOR THE PAYMENT THEREFOR.

WHEREAS, the State of Arizona has many thousands of acres of land under the direction and control of the State Land Department now being leased for grazing and agricultural purposes; and

WHEREAS, it appears that a part of said land, agricultural in nature, has been and is being leased at only a fraction of its true rental value, and the State of Arizona has lost and is thereby losing thousands of dollars of revenue yearly; and

WHEREAS, it appears necessary to draft remedial legislation to correct the existing conditions in the department;

NOW, THEREFORE, BE IT RESOLVED that the Speaker of this House appoint a committee of three members of the House for the purpose of fully investigating the practice of classifying and leasing agricultural lands and as to whether agricultural land is being leased for less than its actual rental value.

BE IT FURTHER RESOLVED that said committee is hereby authorized and empowered in the making of such investigation to issue subpoenas for witnesses and records; to compel the attendance of witnesses; to certify to the House any witness or witnesses for contempt for failure to obey such subpoenas; to administer oaths; to do and perform each and every act necessary in the premises; and to report their findings and recommendations to this body at least ten (10) days before the adjournment date thereof.

BE IT FURTHER RESOLVED that all expenses in making said investigation, as well as mileage for witnesses and witness fees, be paid from the House contingent fund of the fifteenth legislature.

Adopted by the House this 13th day of February, 1941.

J. R. HERON /s/
Speaker of the House.

LALLAH RUTH /s/
Chief Clerk.

HOUSE RESOLUTION NO. 14

A RESOLUTION

PROPOSING THE APPOINTMENT OF WIRT G. BOWMAN AS AMBASSADOR TO THE REPUBLIC OF MEXICO.

TO THE PRESIDENT AND THE SENATE OF THE UNITED STATES OF AMERICA:

It has come to the attention of this body that the Honorable Josephus Daniels, who has served faithfully for eight arduous years as the Ambassador of the United States of America to the Republic of Mexico, may soon wish to retire.

In the present state of troubled world affairs, and in view of the praiseworthy efforts of the government of the United States to achieve closer cooperation with Latin-American nations, which policy should not be jeopardized at this time, it is imperative that a person of extraordinary qualifications be selected as a successor to Mr. Daniels.

It is our belief, and of all who know him, that Wirt G. Bowman, of Arizona, is exceptionally well qualified to serve his country as its Ambassador to the Republic of Mexico.

Mr. Bowman has a long and honorable background of experience in state and national affairs, extending as far back as 1904. In filling responsible positions in both government and party, he has repeatedly demonstrated an unexcelled ability to promote harmony and to serve with unswerving loyalty.

Even more important, Mr. Bowman has a knowledge of and friendship for the Mexican nation and the Mexican people equaled by few, if any, Americans. Long a resident of a border community, he is personally acquainted with and admired by countless Mexican citizens and officials, and was a personal friend and counselor of at least three presidents of the Republic of Mexico. He speaks and writes Spanish fluently. In addition, he is a firm champion of the foreign policy of this nation, particularly as it touches Latin-American relations. Therefore

Be it Resolved by the House of Representatives of the State of Arizona:

That, if and when the Honorable Josephus Daniels retires, Wirt G. Bowman be nominated by the President, and confirmed by the Senate, of the United States of America, as this nation's Ambassador to the Republic of Mexico.

Adopted by the House, February 11, 1941.

Filed in office of the Secretary of State, February 12, 1941.

HOUSE JOINT RESOLUTION NO. 2

A JOINT RESOLUTION

ON THE ESTABLISHMENT OF A TRAINING CENTER FOR THE UNITED STATES ARMY AT FORT HUACHUCA.

WHEREAS, the United States army is now completing the erection of a cantonment for an additional brigade at Fort Huachuca where American youth dedicated to the service of our country for a period of one year under the Selective Service Act may receive adequate training; and

WHEREAS, climatic conditions at Fort Huachuca are ideal for the training of troops, providing an even climate, a minimum of rainfall, and a maximum training period in each year; and

WHEREAS, the military reservation at Fort Huachuca is the third largest reservation under control of the United States army, the terrain of which is entirely suitable for the training of soldiers in all branches of the service; and

WHEREAS, adequate water supplies are now available, natural gas is piped to the Fort, and the avenues of transportation are rapidly being constructed providing easy access to Fort Huachuca; therefore

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

1. That Senators Hayden and McFarland, and Congressman Murdock, be delegated by this Legislature to urge the Chief of Staff of the United States Army and his able assistants to enlarge the housing at Fort Huachuch so that it may accommodate a square division with all its component parts, and to urge that this enlargement be authorized immediately that no cessation of the present building operations shall be necessary until the housing for the square division has been completed.

2. Copies of this resolution shall be transmitted immediately by the Secretary of State to Senators Hayden and McFarland, and to Representative Murdock at their respective offices in Washington.

Passed the House, January 27, 1941.

Passed the Senate, January 28, 1941.

Approved by the Governor, January 28, 1941.

Filed in the office of the Secretary of State, January 29, 1941.

SENATE CONCURRENT RESOLUTION NO. 12

A CONCURRENT RESOLUTION

ON THE DEATH OF MORRIS GOLDWATER.

Whereas, on April 11, 1939, death removed Morris Goldwater from his beloved Arizona; and

Whereas, the spirit of this revered pioneer, who devoted seventy-two years of his life to this state, can never leave Arizona nor be forgotten by any Arizonan; and

Whereas, Mr. Goldwater's abiding faith in the destiny of Arizona will forever stand as an example to those who follow; and

Whereas, the deceased during his life was universally recognized as one of Arizona's most distinguished, capable, and illustrious builders, who contributed inestimably to the civic, business, and social development of the territory and state; and

Whereas, the state of Arizona is infinitely better for having had the public services of the deceased, who generously gave of his time as mayor of Prescott, as county supervisor, as member of the twelfth territorial council and president of the twentieth territorial council, as vice-president of the constitutional convention of 1910, and as a member of the senate of the second legislature, all of which offices he filled admirably, contributing notably to the organic and statutory law of Arizona, therefore

Be it resolved by the Senate of the State of Arizona, the House of Representatives concurring:

1. This body, while mourning the passing of Morris Goldwater, records the belief of all citizens that his spirit and his good works can never die, but will forever live in the memory of the people.

2. The sympathy of the people of Arizona, through their legislative representatives, is extended to the bereaved relatives of the deceased.

Adopted by the House, January 28, 1941.

Adopted by the Senate, January 28, 1941.

Filed in the office of the Secretary of State, January 28, 1941.

SENATE JOINT RESOLUTION NO. 2

A JOINT RESOLUTION

ON THE LOCATION OF AN ARMY CANTONMENT IN ARIZONA.

Whereas, representatives of the United States Army have recently inspected possible sites in Arizona for the location of a new army cantonment; and

Whereas, climatic conditions in Arizona are ideal for the

training of troops, providing an even climate, a minimum of rainfall, and a maximum training period in each year; and

Whereas, it is entirely logical and seems possible that some site in Arizona may be selected; therefore
Be it resolved by the Legislature of the State of Arizona:

1. Senator Hayden, Senator McFarland, and Representative Murdock, of Arizona, are requested by the Legislature, on behalf of the people of Arizona, to urge the mobilization branch of the general staff of the United States Army to designate, as an army cantonment, such suitable site in Arizona as a representative of the Army may recommend.

2. Copies of this Resolution shall be promptly transmitted by the Secretary of State to Senator Hayden, Senator McFarland, and Representative Murdock.

Adopted by the House February 13, 1941.

Adopted by the Senate February 13, 1941.

Approved by the Governor February 13, 1941.

Received by Secretary of State February 13, 1941.

INITIATIVE AND REFERENDUM MEASURES

Receiving a majority of the votes cast at the general election held November 5, 1940, became a law on proclamation issued by the Governor November 27, 1940.

* A PROCLAMATION BY THE GOVERNOR OF ARIZONA *

TO ALL WHOM THESE PRESENTS SHALL COME, GREETINGS:

WHEREAS, Section 11, Article VII Constitution of the State of Arizona provides that there shall be a general election of Representatives in Congress and of State, county and precinct officers on the first Tuesday after the first Monday In November of the first even numbered year in which Arizona is admitted to Statehood and biennially thereafter; and,

WHEREAS, Articles IV and XXI of the Constitution of the State of Arizona, and Article I, 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 on the first Tuesday after the first Monday in November, 1940, there was, in accordance with the provisions of said Articles IV and XXI of the Constitution of the State of Arizona, and said Article I, Chapter 34, Revised Code of Arizona, 1928, submitted to the electors of the State of Arizona six proposed amendments to the Constitution of the State of Arizona, all of which said proposed amendments were proposed by Initiative Petitions, and, at said general election in accordance with the provisions of said Article IV, Constitution of the State of Arizona and Article I, Chapter 34, Revised Code of Arizona, 1928, there was also submitted to the electors of the State of Arizona, one referendum measure, which referendum was ordered by Petition, of the people of the State of Arizona, and, at said general election in accordance with the provisions of said Article IV, Constitution of the State of Arizona, and Article I, Chapter 34, Revised Code of Arizona, 1928, there was also submitted to the electors of the State of Arizona, three Initiative Measures, all of which said Initiative Measures were proposed by Petition of the people of the State of Arizona; and

WHEREAS, Sub-section 13, Section I, 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, it appears from the returns of said general election held on the said first Tuesday after the first Monday in November, 1940, as canvassed and certified by said Canvassing Board, in accordance with said Article IV of the Consti-

tution of the State of Arizona, and Section 1268, Chapter 22, and Section 1748, Chapter 34, Revised Code of Arizona, 1928, that a proposed amendment to the Constitution of the State of Arizona entitled

"AN ACT

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, INCLUDING THE FURNISHINGS AND HOUSEHOLD FURNITURE THEREIN, UP TO THE TOTAL 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 EXEMPTION SHALL APPLY TO THE EQUITABLE BENEFICIAL TITLE UNDER BONA FIDE CONTRACTS TO PURCHASE AS WELL AS THE LEGAL TITLE, 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 UP TO THE FIRST FIVE THOUSAND DOLLARS 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 51,739 votes cast in favor of said amendment, and 60,068 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 said first Tuesday after the first Monday in November, 1940, as canvassed and certified by said Canvassing Board, in accordance with said Article IV of the Constitution of the State of Arizona, and Section 1268, Chapter 22, and Section 1748, Chapter 34, Revised Code of Arizona, 1928, that a proposed amendment to the Constitution of the State of Arizona entitled

"HOUSE CONCURRENT RESOLUTION NO. 3

FOURTEENTH LEGISLATURE, REGULAR SESSION

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.

Section 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."

was submitted to the electors of the State of Arizona at said election and that there were of legal votes cast at said election 45,228 votes cast in favor of said amendment, and 39,008 votes cast against said amendment, and that, therefore, a majority of the legal votes cast at said general election upon said amendment were in favor thereof; and

WHEREAS, it appears from the returns of said general election held on the said first Tuesday after the first Monday in November, 1940, as canvassed and certified by said Canvassing Board, in accordance with said Article IV of the Constitution of the State of Arizona, and Section 1268, Chapter 22, and Section 1748, Chapter 34, Revised Code of Arizona, 1928, that a proposed amendment to the Constitution of the State of Arizona entitled

"HOUSE CONCURRENT RESOLUTION NO. 13

FOURTEENTH LEGISLATURE, REGULAR SESSION

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 telephone 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".

was submitted to the electors of the State of Arizona at said election and that there were of legal votes cast at said election 20,981 votes cast in favor of said amendment, and 60,531 votes cast against said amendment, and therefore, a majority of the legal votes cast at said election upon said amendment were opposed thereto; and

WHEREAS, it appears from the returns of said general election held on the said first Tuesday after the first Monday in November, 1940, as canvassed and certified by said Canvassing Board, in accordance with said Article IV of the Constitution of the State of Arizona, and Section 1268, Chapter 22, and Section 1748, Chapter 34, Revised Code of Arizona, 1928, a proposed amendment to the Constitution of the State of Arizona entitled

"AN ACT

AMENDING SECTION 12 OF ARTICLE IX OF THE CONSTITUTION OF THE STATE OF ARIZONA, PRESCRIBING LIMITATIONS UPON THE AUTHORITY TO LEVY AND COLLECT TAXES."

was submitted to the elections of the State of Arizona at said election and that there were of legal votes cast at said election 41,696 cast in favor of said amendment, and 42,748 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 elec-

tion held on the said first Tuesday after the first Monday in November, 1940, as canvassed and certified by said Canvassing Board, in accordance with said Article IV of the Constitution of the State of Arizona, and Section 1268, Chapter 22, and Section 1748, Chapter 34, Revised Code of Arizona, 1928, that a proposed amendment to the Constitution of the State of Arizona entitled

"AN ACT

RELATING TO IRRIGATION, POWER, ELECTRICAL, AGRICULTURAL IMPROVEMENT, DRAINAGE, FLOOD CONTROL, AND TAX LEVYING PUBLIC IMPROVEMENT DISTRICTS; FIXING THEIR STATUS; PRESCRIBING THEIR RIGHTS, PRIVILEGES, BENEFITS, IMMUNITIES AND EXEMPTIONS; AND AMENDING ARTICLE XIII OF THE CONSTITUTION OF THE STATE OF ARIZONA BY ADDING SECTION 7.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF ARIZONA:

That Article XIII of the Constitution of the State of Arizona be amended by adding a section to be numbered 7 and to read as follows:

"Section 7. Irrigation, power, electrical, agricultural improvement, drainage, and flood control districts, and tax levying public improvement districts, now or hereafter organized pursuant to law, shall be political subdivisions of the state, and vested with all the rights, privileges and benefits, and entitled to the immunities and exemptions granted municipalities and political subdivisions under this Constitution or any law of the state or of the United States; but all such districts shall be exempt from the provisions of Sections 7 and 8 of Article IX of this constitution"."

was submitted to the electors of the State of Arizona at said election, and that there were of legal votes cast at said election 61,795 votes cast in favor of said amendment, and 32,646 votes cast against said amendment, and that, therefore, a majority of the legal votes cast at said general election upon said amendment were in favor thereof; and

WHEREAS, it appears from the returns of said general election held on the said first Tuesday after the first Monday in November, 1940, as canvassed and certified by said Canvassing Board, in accordance with said Article IV of the Constitution of the State of Arizona, and Section 1268, Chapter 22, and Section 1748, Chapter 34, Revised Code of Arizona, 1928, a proposed amendment to the Constitution of the State of Arizona entitled

"AN ACT

AMENDING SECTION II OF ARTICLE IX OF THE CONSTITUTION OF THE STATE OF ARIZONA RELATING TO THE MANNER, METHOD AND MODE OF ASSESSING, EQUALIZING AND LEVYING TAXES AND IMPOSING A LICENSE TAX ON REGISTERED VEHICLES IN LIEU OF AD VALOREM PROPERTY TAXES."

was submitted to the electors of the State of Arizona at said

election and that there were of legal votes cast at said election 53,124 votes cast in favor of said amendment, and 37,856 votes cast against said amendment, and that, therefore, a majority of the legal votes cast at said general election upon said amendment were in favor thereof; and

WHEREAS, it appears from the returns of said general election held on the said first Tuesday after the first Monday in November, 1940, as canvassed and certified by said Canvassing Board, in accordance with said Article IV of the Constitution of the State of Arizona, and Section 1268, Chapter 22, and Section 1748, Chapter 34, Revised Code of Arizona, 1928, that a Referendum measure entitled

"AN ACT

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

Passed by the Fourteenth Session of said Legislature of the State of Arizona, at the general session of said Legislature, shall be referred to a vote of the qualified electors of the State for their approval or rejection, at the next regular general election; said Parts 7, 8, 9, 10, 11 and 12 of said subsection 6 or as follows:

6. For unprofessional conduct. Unprofessional conduct means: ———— 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".

was submitted to the electors of the State of Arizona at said election, and that there were of legal votes cast at said election 33,511 votes cast in favor of said referendum measure, and 67,404 votes cast against said referendum measure, 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 said first Tuesday after the first Monday in November, 1940, as canvassed and certified by said Canvassing Board, in accordance with said Article IV of the Constitution of the State of Arizona, and Section 1268, Chapter 22, and Section 1748, Chapter 34, Revised Code of Arizona, 1928, that an Initiative measure entitled

"AN ACT

PERMITTING AND AUTHORIZING THE LICENSING AND OPERATING AND REGULATING OF GAMES OF CHANCE, GAMBLING DEVICES, AND GAMBLING GAMES; PROVIDING FOR CERTAIN FEES AND FOR THE DIVISION OF THE REVENUES OF THIS ACT BETWEEN THE STATE, THE SEVERAL

COUNTIES OF THE STATE, AND THE INCORPORATED MUNICIPALITIES OF THE STATE; PROVIDING FOR THE CREATION OF THE DEPARTMENT OF GAMING CONTROL AND PROVIDING FOR A DIRECTOR THEREOF; PROVIDING FOR AN APPROPRIATION FOR THE ADMINISTRATION OF SUCH DEPARTMENT; PROHIBITING MINORS FROM PLAYING SUCH GAMES; PROVIDING PENALTIES FOR VIOLATION OF THE PROVISIONS OF THIS ACT; REPEALING ALL ACTS AND PARTS OF ACTS CONFLICTING WITH THE PURPOSES AND PROVISIONS OF THIS ACT; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATIVE THERETO:"

was submitted to the electors of the State of Arizona at said election and that there were of legal votes cast at said election 43,564 votes cast in favor of said initiative measure, and 70,154 votes cast against said initiative measure, 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 said first Tuesday after the first Monday in November, 1940, as canvassed and certified by said Canvassing Board, in accordance with said Article IV of the Constitution of the State of Arizona, and Section 1268, Chapter 22, and Section 1748, Chapter 34, Revised Code of Arizona, 1928, that an Initiative measure entitled

"AN ACT

RELATING TO MOTOR VEHICLE FUEL TAX, FIXING THE TAX AND THE DISTRIBUTION AND USE THEREOF, AND AMENDING SECTION 1673, REVISED CODE OF ARIZONA OF 1928, AS AMENDED".

was submitted to the electors of the State of Arizona at said election and that there were of legal votes cast at said election 37,203 votes cast in favor of said initiative measure, and 53,251 votes cast against said initiative measure, 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 said first Tuesday after the first Monday in November, 1940, as canvassed and certified by said Canvassing Board, in accordance with said Article IV of the Constitution of the State of Arizona, and Section 1268, Chapter 22, and Section 1748, Chapter 34, Revised Code of Arizona, 1928, that an Initiative measure entitled

"AN ACT

RELATING TO EDUCATION; PRESCRIBING THE STATE LEVY FOR COMMON AND HIGH SCHOOL PURPOSES, AND AMENDING SECTION 1088, REVISED CODE OF 1928, AS AMENDED."

was submitted to the electors of the State of Arizona at said election, and that there were of legal votes cast at said election 58,149 votes cast in favor of said initiative measure, and 41,215 votes cast against said initiative measure, and that, therefore,

a majority of the legal votes cast at said election were in favor thereof; and

NOW, THEREFORE, I, R. T. JONES, Governor of the State of Arizona, under and by virtue of the authority in me vested by sub-section 13 of Section 1, of Article IV of the Constitution of the State of Arizona, and Section 1270, Chapter 22, and Section 1748, Chapter 34, Revised Code of Arizona, 1928, do hereby declare that said proposed amendments to the Constitution of the State of Arizona hereinbefore referred to and entitled respectively as follows:

"HOUSE CONCURRENT RESOLUTION NO. 3

FOURTEENTH LEGISLATURE, REGULAR SESSION

A CONCURRENT RESOLUTION

PROPOSING AN AMENDMENT TO THE CONSTITUTION 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 auxtion 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."

"AN ACT

RELATING TO IRRIGATION, POWER, ELECTRICAL, AGRICULTURAL IMPROVEMENT, DRAINAGE, FLOOD CONTROL, AND TAX LEVYING PUBLIC IMPROVEMENT DISTRICTS; FIXING THEIR STATUS; PRESCRIBING THEIR RIGHTS, PRIVILEGES, BENEFITS, IMMUNITIES AND EXEMPTIONS; AND AMENDING ARTICLE XIII OF THE CONSTITUTION OF THE STATE OF ARIZONA BY ADDING SECTION 7.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF ARIZONA:

That Article XIII of the Constitution of the State of Arizona be amended by adding a section to be numbered 7 and to read as follows:

Section 7. Irrigation, power, electrical, agricultural improvement, drainage, and flood control districts, and tax levying public improvement districts, now or hereafter organized pursuant to law, shall be political subdivisions of the state, and vested with all the rights, privileges and benefits, and entitled to the immunities and exemptions granted municipalities and political subdivisions under this Constitution or any law of the state or of the United States; but all such districts shall be exempt from the provisions of Sections 7 and 8 of Article IX of this Constitution."

"AN ACT

AMENDING SECTION II OF ARTICLE IX OF THE CONSTITUTION OF THE STATE OF ARIZONA RELATING TO THE MANNER, METHOD AND MODE OF ASSESSING, EQUALIZING AND LEVYING TAXES AND IMPOSING A LICENSE TAX ON REGISTERED VEHICLES IN LIEU OF AD VALOREM PROPERTY TAXES."

to have been duly and regularly approved and adopted by the electors of the State of Arizona at said general election so held on said first Tuesday after the first Monday in November, 1940, and I do therefore hereby proclaim said amendments to have become and be a part of the Constitution of the State of Arizona, from and as of the date of these presents; and I do hereby further declare that the said proposed initiative measure hereinbefore referred to and entitled as follows:

"AN ACT

RELATING TO EDUCATION; PRESCRIBING THE STATE LEVY FOR COMMON AND HIGH SCHOOL PURPOSES, AND AMENDING SECTION 1088, REVISED CODE OF 1928, AS AMENDED."

to have been duly and regularly approved and adopted by the electors of the State of Arizona at said general election so held on said first Tuesday after the first Monday in November, 1940, and I do therefore hereby proclaim said initiative measure to

have become and be a part of the laws of the State of Arizona, from and as of the date of these presents.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State to be affixed thereto.

Done at Phoenix, the Capitol, this 27th day of November, 1940.

R. T. Jones /s/
GOVERNOR

ATTEST:

Harry M. Moore /s/
SECRETARY OF STATE

INITIATIVE MEASURE
VOTED ON BY THE PEOPLE
AT THE GENERAL ELECTION
HELD ON NOVEMBER 5, 1940.

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 5, 1940

Proposed by Initiative Petition of the People and filed in the office of the Secretary of State, July 1, 1940, and printed in pursuance of Paragraph 1746, Chapter 34, Article I, Revised Code of Arizona, 1928, as amended by Chapter 62, Laws of 1935.

HARRY M. MOORE, Secretary of State

(On Official Ballot Nos. 306-307)

INITIATIVE PETITION

PROPOSED BY INITIATIVE PETITION

AN ACT

RELATING TO EDUCATION; PRESCRIBING THE STATE LEVY FOR COMMON AND HIGH SCHOOL PURPOSES, AND AMENDING SECTION 1088, REVISED CODE OF 1928, AS AMENDED.

Be it enacted by the people of the state of Arizona:

SECTION 1. Sec. 1088, Revised Code of 1928, as amended, is amended to read:

1088. STATE LEVY FOR COMMON AND HIGH SCHOOLS. (a) The legislature shall appropriate not less than sixty-five dollars for common school education, and not less than ninety-five dollars for high school education, per capita per annum, computed according to average daily attendance in common and high schools during the previous year as shown by the records of the superintendent of public instruction, which shall constitute the aggregate sum to be raised by state taxation for the support of common and high school education. The legislature may designate the source of the revenue and prescribe a method of apportionment.

(b) In the event the legislature fails to make the appropriation prescribed by subsection (a), the state board of equalization, when determining the annual tax levy for state purposes, shall include a sum sufficient to meet the minimum requirements thereof, and the minimum requirements of subsection (a) shall be deemed to constitute a continuing annual appropriation thereof.

(c) All moneys appropriated pursuant to subsections (a) and (b), and in addition thereto, all income derived from the permanent fund for the benefit of common and high school education, and receipts for such purpose from any other source, shall be placed in the state school fund to the credit of the state board of education and disbursed as provided by law. Not more than twenty-five per cent of state moneys apportioned to common and high schools shall be used for other than administrative and instructional costs, as defined by the state board of education.

The following is the form and number in which the question will be printed on the Official Ballot.

PROPOSED BY INITIATIVE PETITION

"STATE AID FOR PUBLIC EDUCATION"

"RELATING TO EDUCATION: PRESCRIBING THE STATE LEVY FOR COMMON AND HIGH SCHOOL PURPOSES, AND AMENDING SECTION 1088, REVISED CODE OF 1928, AS AMENDED."

If you favor the above law, vote YES; if opposed, vote NO.

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306 Yes ☐ 58149
307 No ☐ 41215

INITIATIVE MEASURE

VOTED ON BY THE PEOPLE
AT THE GENERAL ELECTION
HELD ON NOVEMBER 5, 1940.

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 5, 1940

Proposed by Initiative Petition of the People and filed in the office of the Secretary of State, July 2, 1940, and printed in pursuance of Paragraph 1746, Chapter 34, Article I, Revised Code of Arizona, 1928, as amended by Chapter 62, Laws of 1935.

HARRY M. MOORE, Secretary of State.

(On Official Ballot Nos. 110-111)

INITIATIVE PETITION

AMENDMENT TO THE CONSTITUTION BY INITIATIVE PETITION PROPOSED AMENDMENT TO THE CONSTITUTION OF THE STATE OF ARIZONA

AN ACT

AMENDING SECTION 11 OF ARTICLE IX OF THE CONSTITUTION OF THE STATE OF ARIZONA RELATING TO THE MANNER, METHOD AND MODE OF ASSESSING, EQUALIZING AND LEVYING TAXES AND IMPOSING A LICENSE TAX ON REGISTERED VEHICLES IN LIEU OF AD VALOREM PROPERTY TAXES.

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

That Section 11 of Article IX of the Constitution of the State of Arizona be and is hereby amended to read as follows:

SECTION 11. The manner, method and mode of assessing, equalizing and levying taxes in the State of Arizona shall be such as is prescribed by law.

Beginning January 1, 1941, a license tax is hereby imposed on vehicles registered for operation upon the highways in Arizona, which license tax shall be in lieu of all ad valorem property taxes on any vehicle subject to such license tax. Such license tax shall be collected annually by the registering officer at the time of application for and before registration of the vehicle each year and shall be (a) at a rate equal to the average ad valorem rate for all purposes in the several taxing districts of the state for the preceding year, but in no event to exceed a rate of four dollars on each one hundred dollars in value, and (b) during the first calendar year of the life of the vehicle upon a value equal to sixty per cent of the manufacturer's list price of such vehicle, and during each succeeding calendar year upon a value twenty-five per cent less than the value for the preceding calendar year.

In the event application is made after the beginning of the registration year for registration of a vehicle not previously registered in the state, the license tax for such year on such vehicle shall be reduced by one-twelfth for each full month of the registration year already expired.

The legislature shall provide for the distribution of the proceeds from such license tax to the state, counties, school districts, cities and towns.

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

"UNIFORM AUTO LIEU TAX"

AMENDING SECTION 11 OF ARTICLE IX OF THE CONSTITUTION OF THE STATE OF ARIZONA RELATING TO THE MANNER, METHOD AND MODE OF ASSESSING, EQUALIZING AND LEVYING TAXES AND IMPOSING A LICENSE TAX ON REGISTERED VEHICLES IN LIEU OF AD VALOREM PROPERTY TAXES.

If you favor the above law, vote YES; if opposed, vote NO.

110	Yes	☐	53124
111	No	☐	37856

INITIATIVE MEASURE

VOTED ON BY THE PEOPLE
AT THE GENERAL ELECTION
HELD ON NOVEMBER 5, 1940.

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 5, 1940

Proposed by Initiative Petition of the People and filed in the office of the Secretary of State, July 2, 1940, and printed in pursuance of Paragraph 1746, Chapter 34, Article I, Revised Code of Arizona, 1928, as amended by Chapter 62, Laws of 1935.

HARRY M. MOORE, Secretary of State.

(On Official Ballot Nos. 108-109)

INITIATIVE PETITION

AMENDMENT TO THE CONSTITUTION BY INITIATIVE PETITION PROPOSED AMENDMENT TO THE CONSTITUTION OF THE STATE OF ARIZONA

AN ACT

RELATING TO IRRIGATION, POWER, ELECTRICAL, AGRICULTURAL IMPROVEMENT, DRAINAGE, FLOOD CONTROL, AND TAX LEVYING PUBLIC IMPROVEMENT DISTRICTS; FIXING THEIR STATUS; PRESCRIBING THEIR RIGHTS, PRIVILEGES, BENEFITS, IMMUNITIES AND EXEMPTIONS; AND AMENDING ARTICLE XIII OF THE CONSTITUTION OF THE STATE OF ARIZONA BY ADDING SECTION 7.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF ARIZONA:

That Article XIII of the Constitution of the State of Arizona be amended by adding a section to be numbered 7 and to read as follows:

"Section 7. Irrigation, power, electrical, agricultural improvement, drainage, and flood control districts, and tax levying public improvement districts, now or hereafter organized pursuant to law, shall be political subdivisions of the state, and vested with all the rights, privileges and benefits, and entitled to the immunities and exemptions granted municipalities and political subdivisions under this Constitution or any law of the state or of the United States; but all such districts shall be exempt from the provisions of Sections 7 and 8 of Article IX of this constitution."

The following is the form and number in which the quesiton will be printed on the Official Ballot:

PROPOSED AMENDMENT TO THE CONSTITUTION

PROPOSED BY INITIATIVE PETITION

"AN ACT RELATING TO AND FIXING THE STATUS OF IRRIGATION AND OTHER TAX LEVYING IMPROVEMENT DISTRICTS."

RELATING TO IRRIGATION, POWER, ELECTRICAL, AGRICULTURAL IMPROVEMENT, DRAINAGE, FLOOD CONTROL, AND TAX LEVYING PUBLIC IMPROVEMENT DISTRICTS; FIXING THEIR STATUS; PRESCRIBING THEIR RIGHTS, PRIVILEGES, BENEFITS, IMMUNITIES AND EXEMPTIONS; AND AMENDING ARTICLE XIII OF THE CONSTITUTION OF THE STATE OF ARIZONA BY ADDING SECTION 7.

If you favor the above law, vote YES; if opposed vote NO.

108	Yes	☐	61795
109	No	☐	32646

REFERENDUM MEASURE

VOTED ON BY THE PEOPLE
AT THE GENERAL ELECTION
HELD ON NOVEMBER 5, 1940.

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 5, 1940

Referred to the people by the Legislature and filed in the office of the Secretary of State, March 13, 1939, and printed in pursuance of Paragraph 1746, Chapter 34, Article I, Revised Code of Arizona, 1928, as amended by Chapter 62, Laws of 1935.

HARRY M. MOORE, Secretary of State.

(On Official Ballot Nos. 102-103)

HOUSE CONCURRENT RESOLUTION NO. 3

FOURTEENTH LEGISLATURE, REGULAR SESSION

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.

HARRY M. MOORE, Secretary of State.

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 THE LEGISLATURE

"RELATING TO STATE LANDS"

PROPOSING AN AMENDMENT TO THE CONSTITUTION OF ARIZONA RELATING TO STATE LANDS.

If you favor the above law, vote YES; if opposed, vote NO.

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102 Yes ☐ 45228
103 No ☐ 39008

BILLS VETOED BY THE GOVERNOR

EXECUTIVE OFFICE

STATE HOUSE

PHOENIX, ARIZONA

March 27th, 1941

Honorable Harry M. Moore,
Secretary of State,
Capitol Building,
Phoenix, Arizona.

My dear Mr. Moore:

I hand you herewith House Bill No. 33, being "An Act providing for the taxation of banks measured by their net income; and providing for the taxation of real property owned by banks", which I have this day disapproved.

This measure proposes a new system for taxing banking institutions in the State of Arizona.

Those engaged in the banking business in Arizona complain that banks pay more taxes proportionately than other classes of property. It may be that the banks in this connection have a just complaint. However, they are not the only ones so situated. Many classes of property and many citizens in Arizona pay out of proportion in comparison with other classes, such as mines, utilities, railroads, telephone and telegraph systems, and packing companies, and, therefore, I can see no good reason why banks should be singled out to have their situation remedied, while nothing is done for the relief of farmers and home owners and others similarly situated.

It is obvious that the entire tax structure is lop-sided, and it is my hope that before the date on which House Bill No. 33, if signed, would function, opportunity can be given to correct the situation as a whole, but it is equally obvious that no general corrective plan can be instituted when we go about it in piece-meal fashion.

For the above reasons I feel it my duty to disapprove House Bill No. 33, and have this day done so.

Sincerely,

Sidney P. Osborn /s/
Governor

SPO:E

HOUSE BILL NO. 33

AN ACT

PROVIDING FOR THE TAXATION OF BANKS MEASURED BY THEIR NET INCOME; AND PROVIDING FOR THE TAXATION OF REAL PROPERTY OWNED BY BANKS.

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

Section 1. NATIONAL BANKING ASSOCIATIONS. Every bank located or doing business within this state, including national banking associations, shall annually pay to this state a tax measured by its net income received after December 31, 1941, from all sources, including the interest on bonds and other securities issued by or under authority of the United States government and bonds and other securities issued by the state of Arizona or any political or other subdivision, or municipal or other public corporation thereof, and such tax shall be computed at the rate of eight per cent of the amount of its net income.

Sec. 2. INCOME TAX 1933. All the provisions of article 15, chapter 73, Arizona Code of 1939, (Income Tax Act of 1933, first special session, as amended), not in conflict with any provision of this act, are hereby adopted by reference and made applicable to the tax provided herein.

Sec. 3. TAXING NATIONAL BANK ASSOCIATIONS. The state of Arizona is hereby adopting the method of taxing national banking associations, numbered 4, authorized by section 5219, United States Revised Statutes, as amended. The tax imposed by section 1 shall be in lieu of any tax on the shares of stock or on net income of any bank liable to tax hereunder. On and after January 1, 1942, all real property of every bank located or doing business within this state, including national banking associations shall be assessed and taxed as other real estate is taxed in the state of Arizona and in the political subdivisions wherein the real estate is situate.

Sec. 4. BRANCH OFFICE. From the amount of tax collected under section 1 which would otherwise go to the general fund by application of the provisions of the Income Tax Act of 1933, as amended, the state treasurer shall instead distribute fifty per cent of said amount to the general fund of the state, twenty-five per cent to the county or counties in which the main office or branches of any bank are located, twenty-five per cent to the incorporated city or town or cities or towns in which the main

office or branch offices of any bank are located. If a bank maintains branch offices in more than one city or town, the percentage above set forth as going to the cities and towns shall be prorated between said cities and towns in proportion to the ratio of the bank's deposits in said cities and towns to the total deposits of said bank. If the city or town is incorporated its share of said tax shall be paid to it; if the city is unincorporated the share apportioned to it shall be paid to the general fund of the county in which it is located.

Sec. 5. TAX ON REAL ESTATE. The object for which the said tax is imposed by section 1 is to assist in defraying the necessary and ordinary expenses of the state and the counties, cities and towns. The tax on real estate of banks levied and assessed by or for the state and the political subdivisions thereof shall be used by each for the same purposes as taxes levied and assessed on other real estate.

Sec. 6. REPEAL. All laws and parts of laws in conflict with the provisions of this act are hereby repealed.

Sec. 7. SEVERABILITY. If any part or provisions of this act shall be adjudged to be invalid, such judgment shall not invalidate the remainder of the act, but shall be confined in its operation to the particular clause, sentence or paragraph directly involved in the controversy out of which interpretation may arise.

Disapproved: March 27, 1941.

EXECUTIVE OFFICE
STATE HOUSE
PHOENIX, ARIZONA

March 27th, 1941

Honorable Harry M. Moore
Secretary of State
Phoenix, Arizona

My dear Mr. Moore:

I am handing you herewith Substitute House Bill No. 54 being "An Act relating to unemployment compensation and amending Section 56-1007, Arizona Code of 1939, by postponing increase of contribution rates by employers, and declaring an emergency", which measure I have this day disapproved.

The reason for my disapproval is that the provisions of Substitute House Bill No. 54 are incorporated in Senate Bill No. 194, which I have this day approved.

Sincerely,

Sidney P. Osborn /s/
Governor

SPO:E

SUBSTITUTE HOUSE BILL NO. 54

AN ACT

RELATING TO UNEMPLOYMENT COMPENSATION AND AMENDING SECTION 56-1007, ARIZONA CODE OF 1939, BY POSTPONING INCREASE OF CONTRIBUTION RATES BY EMPLOYERS, AND DECLARING AN EMERGENCY.

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

Section 1. Sec. 56-1007, Arizona Code of 1939, is hereby amended to read:

56-1007. CONTRIBUTIONS. (a) Payment. On and after January 1, 1936, contributions shall accrue and become payable by each employer for each calendar year in which he is subject to this act, with respect to wages payable for employment as defined in Section 19 (Sec. 56-1019), occurring during such calendar year. Such contributions shall become due and be paid in accordance with such regulations as the commission may prescribe, and shall not be deducted in whole or in part from the wages of individuals in such employer's employ. In the payment of contributions a fractional part of a cent shall be disregarded unless it amounts to one-half cent (½¢) or more, in which case it shall be increased to one cent (1¢).

(b) Rate of Contribution. Each employer shall pay contributions equal to the following percentages of wages payable by him with respect to employment: 1. nine-tenths of one per centum with respect to employment during the calendar year of 1936; 2. one and eight-tenths per centum with respect to employment during the calendar year of 1937; 3. with respect to employment after December 31, 1937, two and seven-tenths per centum, except as otherwise provided in subsection (c) of this section.

(c) Future Rates Based On Benefit Experience. The commission shall maintain a separate account for each employer, and shall credit his account with all the contributions paid on his own behalf in excess of one (1) per centum of his annual payroll for each calendar year; but nothing in this act shall be construed to grant any employer or individuals in his service prior claims or rights to the amounts paid by him into the fund either on his own behalf or on behalf of such individuals. Benefits paid to an eligible individual shall be charged, in the amount

hereinafter provided, against the account of his most recent employer, except that if such individual had not earned within the completed calendar quarter and the expired portion of the uncompleted calendar quarter immediately preceding the first week of any continuous period of unemployment, wages for employment by such most recent employer equal to more than fourteen (14) times his weekly benefit amount, such benefits may also be charged against the account of his next most recent employer, in the inverse chronological order in which the employment of such individual occurred. The maximum amount so charged against the account of any employer shall not exceed one-sixth of the wages payable to such individual by each such employer for employment which occurs on and after the first day of such individual's base period, but not more than sixty-five dollars ($65.00) per completed calendar quarter or portion thereof, which occurs within such base period; but nothing in this section shall be construed to limit benefits payable pursuant to section 3 (sec. 56-1003) of this act. The commission shall by general rules prescribe the manner in which benefits shall be charged against the accounts of several employers for whom an individual performed employment at the same time.

(d) Prescribing Rules Governing Joint Accounts. The commission may prescribe regulations for the establishment, maintenance, and dissolution of joint accounts by two (2) or more employers, and shall, in accordance with such regulations and upon application by two (2) or more employers to establish such an account, or to merge their several individual accounts in a joint account, maintain such joint account as if it constituted a single employer's account.

(e) Employer's Experience Classification. The commission shall, for the year 1941 and for each calendar year thereafter, classify employers in accordance with their actual experience in the payment of contributions on their own behalf and with respect to benefits charged against their accounts, with a view to fixing such contribution rates as will reflect such experience. The commission shall determine the contribution rate of each employer in accordance with the following requirements:

1. Each employer's rate shall be two and seven-tenths per centum, except as otherwise provided in the following provisions. No employer's rate shall be less than two and seven-tenths per centum unless and until there shall have been three (3) calendar years throughout which any individual in his employ could have received benefits

if eligible nor shall any employer's rate be more than two and seven-tenths per centum until the year beginning January 1, 1943.

2. Each employer's rate for the twelve (12) months commencing January 1 of any calendar year shall be determined on the basis of his record up to the beginning of such calendar year. If, at the beginning of such calendar year, the total of all his contributions paid on his own behalf and credited to his account for all past years exceeds the total benefits charged to his account for all such years, his contribution rate shall be: 2a. two per centum, if such excess equals or exceeds seven and one-half but is less than ten per centum of his average annual payroll; 2b. one per centum, if such excess equals or exceeds ten per centum of his average annual payroll. If the total of his contributions, paid on his own behalf and credited to his account, for all past periods or for the past sixty (60) consecutive calendar months, whichever period is more advantageous to such employer for the purposes of this paragraph, is less than the total benefits charged against his account during the same period, his rate after January 1, 1943, shall be three and six-tenths per centum, unless such employer shows to the satisfaction of the commission that such experience was due to an act of God, fire or other catastrophe or act of civil or military authority, directly affecting the place in which individuals were employed by him, in which case his rate shall be two and seven-tenths per centum.

3. No employer's rate for the period of twelve (12) months commencing January 1 of any calendar years shall be less than two and seven-tenths per centum, unless the total assets of the fund, excluding contributions not yet paid at the beginning of such calendar year, exceed the total benefits paid from the fund within the last preceding calendar year; and no employer's rate shall be less than two per centum unless such assets at such time were at least twice the total benefits paid from the fund within such last preceding year.

4. As used in this section the term "annual payroll" means the total amount of wages payable by an employer (regardless of the time of payment) for employment during a calendar year, and the term "average annual payroll" means the average of the annual payrolls of an employer for the last three (3) or five (5) preceding calendar years, whichever average is higher.

Provided, however, that an employing unit which in

any manner succeeds to or acquires substantially all of the organization, trade, business, or the assets thereof, of any employing unit shall thereupon be substituted to the position and all rights of such predecessor employing unit with respect to such predecessor employing unit's separate account, actual contributions and benefit experience, annual payroll, or otherwise, as if no change with respect to such separate account, contributions and benefit experience, payrolls or otherwise had occurred. And the commission upon notification thereof shall forthwith transfer to such succeeding employing unit all rights, accounts, contributions, benefit experience and all ratings of such predecessor employing unit.

Sec. 2. EMERGENCY. Whereas, owing to the unsettled conditions in various industries created by the National Defense Emergency, it is necessary that this act shall become immediately operative to preserve the public peace, health and safety. It is, therefore, declared to be an emergency measure and shall take effect upon its passage in the manner provided by law.

Disapproved: March 27, 1941.

EXECUTIVE OFFICE
STATE HOUSE
PHOENIX, ARIZONA

March 27th, 1941

Honorable Harry M. Moore,
Secretary of State,
Capitol Building,
Phoenix, Arizona.

My dear Mr. Moore:

I hand you herewith House Bill No. 151, being "An Act relating to Motor Carriers; providing for the taxation thereof and exempting Star Route Mail Carriers, and amending Section 66-518, Arizona Code of 1939", which I have this day disapproved.

This measure proposes to exempt star route mail carriers from the two and one-half per cent gross receipts tax which is imposed under existing law upon common motor carriers of property and contract motor carriers of property.

Section 1822, United States Postal Laws and Regulations of 1932, reads as follows:

"The term 'star route' shall mean a post route on which the mails are carried under a formal contract awarded to the lowest bidder tendering sufficient guaranties for faithful performance in accordance with the terms of the advertisement, and requiring due celerity, certainty, and security in the performance of the service."

It is also noted that the star route carriers operating privately owned vehicles, are not exempt from the payment of state and federal taxes on gasoline.

There are eighty-one star routes operating in Arizona, seven of which originate at Phoenix.

I am unable to find any reason in justice or fair dealing why one class of citizens engaged in transporting property for remuneration should be exempted from a tax, while others engaged in transporting other classes of property should be taxed.

Also this measure, if allowed to become law, would exempt all star route carriers, large or small. I cannot believe that this is sound public policy, nor can I believe that fairness nor justice will permit my approval of this measure, therefore, I have this day disapproved it.

Sincerely,

Sidney P. Osborn /s/
Governor

SPO:E

HOUSE BILL NO. 151

AN ACT

RELATING TO MOTOR CARRIERS; PROVIDING FOR THE TAXATION THEREOF AND EXEMPTING STAR ROUTE MAIL CARRIERS, AND AMENDING SECTION 66-518, ARIZONA CODE OF 1939.

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

Section 1. Sec. 66-518, Arizona Code of 1939 (section 17, chapter 100, Session Laws of 1933, regular session, as amended), is amended to read:

66-518. LICENSE TAX. (a) In addition to all other taxes and fees every common motor carrier of property and every contract motor carrier of property shall pay to the state a license tax of two and one-half per cent of the gross receipts from its operations as such carrier within the state, other than receipts for carrying United States mail on a star route under a contract with the United States; and every common motor carrier of passengers and every contract motor carrier of passengers shall pay to the state a license tax of two and one-fourth per cent of the gross receipts from its operations as such carrier within the state.

(b) When any carrier operates partly within and partly without the state, gross receipts within the state shall be deemed to be all receipts of business beginning and ending within the state, and such proportion of the total receipts of the carrier for all business passing through, into, or out of the state as the mileage thereof within the state bears to the entire mileage over which the business of the carrier is done.

(c) The license tax shall be paid to the vehicle superintendent not later than the fifteenth day of each month, on the gross receipts for the next preceding calendar month; Upon receipt of the taxes the vehicle superintendent shall forthwith transmit the same to the state treasurer, who shall credit the same to the state highway fund.

Disapproved: March 27, 1941.

EXECUTIVE OFFICE

STATE HOUSE

PHOENIX, ARIZONA

March 27th, 1941

Honorable Harry M. Moore
Secretary of State,
Capitol Building,
Phoenix, Arizona.

My dear Mr. Moore:

I am handing you herewith House Bill No. 190, being "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, 1941, and ending June 30, 1942, hereinafter designated as the 30th fiscal year, and beginning July 1, 1942, and ending June 30th, 1943, hereinafter designated as the 31st fiscal year, all of which constitute a general appropriation bill for said fiscal years", which I have this day approved with the exception of Sub-Division 27, Department of Mineral Resources, which said Sub-Division 27 is disapproved in its entirety. Sub-Division 27 of House Bill No. 190, which is hereby disapproved, reads as follows:

Subdivision 27. Department of Mineral Resources.

	For the 30th Fiscal Year	For the 31st Fiscal Year
Salaries:		
Director	$ 3,600.00	$ 3,600.00
Assistant Director	2,700.00	2,700.00
Field Engineers (4 @ $2,400.00 each)	9,600.00	9,600.00
Statistical Engineer	2,100.00	2,100.00
Secretary	1,500.00	1,500.00
Periodic help	1,600.00	1,600.00
Total Salaries	$21,100.00	$21,100.00
Operation	1,600.00	1,600.00
Travel	6,000.00	6,000.00
Total Appropriation	$28,700.00	$28,700.00
		$57,400.00

The measure providing for the establishment of a State Board of Mineral Resources was enacted by the Fourteenth Legislature to encourage and protect those engaged in prospecting and small mining operations. This is a worthy purpose and, had the Department of Mineral Resources carried out that purpose, I would not feel called upon to disapprove the appropriation made for its conduct. However, I am certain that those charged with the conduct of the department have lost sight of the purpose for which the measure was enacted and apparently have become imbued with the delusion that the primary purpose of the department is to act as a propaganda agency for the large mining companies of Arizona.

There can be no criticism of large mining companies for placing their views before the public on matters of taxation, social legislation and kindred subjects. However, there can be proper criticism of any state authority which spends the people's money for such purpose.

I had hoped the present members of the Board of Mineral Resources would resign so the Board could be reorganized in a manner which would permit the operation of the department to be devoted entirely to the protection and progress of the prospectors and small mine owners. However, they have failed to do so, and apparently persist in the mistaken idea that the department shall function other than was intended by those responsible for the passage of the act. I can see no other manner in which this department can be brought to the realization of the error into which it has fallen than to veto this appropriation in its entirety. I feel that in so doing the interest of the prospector and small mine owner is best served. I am confident in the belief, that as time goes on, we can obtain a Mineral Resources Board which will function for the sole benefit and protection of those courageous citizens who, with commendable enthusiasm and sublime faith, pit their time and their resources against the forces of nature in an endeavor to produce new wealth. Until this can be brought about it appears that the appropriation carried in Sub-Division 27 of House Bill No. 190 is a waste of the public's funds, therefore, I feel myself compelled to disapprove said Sub-Division 27 of House Bill No. 190, and approve all of the various Sections of the Measure other than Sub-Division 27.

Sincerely,

Sidney P. Osborn
Governor

SPO:E

EXECUTIVE OFFICE

STATE HOUSE

PHOENIX, ARIZONA

March 27th, 1941

Honorable Harry M. Moore
Secretary of State
Capitol Building
Phoenix, Arizona

My dear Mr. Moore:

I hand you herewith House Bill No. 223, being "An Act relating to employment agents; requiring bonds, and amending Section 56-706, Arizona Code of 1939", which I have this day disapproved.

This measure provides that any person, firm, corporation, or association entering the business of employment agents may post either a personal, cash or surety bond, whereas the present law provides that the bond must be posted in cash.

I cannot, for the life of me, see any good reason why the present requirements as to the nature of the bond posted should be softened. The present act became law in order to cure many abuses to the working men and women of the State and I am fearful that should this measure become law, those same abuses would again be made possible.

Sincerely,

Sidney P. Osborn /s/
Governor

SPO:E

HOUSE BILL NO. 223

AN ACT

RELATING TO EMPLOYMENT AGENTS; REQUIRING BONDS, AND AMENDING SECTION 56-706, ARIZONA CODE OF 1939.

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

Section 1. Sec. 56-706, Arizona Code of 1939 (section 1, chapter 112, Session Laws of 1931, regular session, as amended), is amended to read:

56-706. APPLICATION AND BOND. Any person, firm, corporation, or association desiring a license as employment agent shall make application therefor to the industrial commission, and shall accompany the same with a personal, cash or surety bond in the sum of five hundred dollars, to be approved by the commission, conditioned that the agent will conform in all particulars to the requirements of law relating to the business of employment agent.

Disapproved: March 27, 1941.

EXECUTIVE OFFICE
STATE HOUSE
PHOENIX, ARIZONA

March 27th, 1941

Honorable Harry M. Moore
Secretary of State
Capitol Building
Phoenix, Arizona

My dear Mr. Moore:

I am handing to you herewith Senate Bill No. 116, being "An Act relating to checks, drafts, and orders on insufficient accounts, and amending Section 43-2613, Arizona Code of 1939", which I have this day disapproved.

This measure, I am sure, was passed by the Legislature in a sincere desire to tighten the law relative to the issuance of bogus and fictitious checks and drawing of checks on insufficient bank accounts. However, its provisions are so hazy and ambiguous that I fear that should it be allowed to become law it would disserve the purposes which prompted its passage.

It is noted that in Section (a) the crime mentioned is not designated as either a felony or misdemeanor. Further, in the same section there is uncertainty as to whether the crime is petit larceny or grand larceny, which makes it apparent that a County Attorney in such prosecutions would have considerable difficulty in determining whether to prosecute as a misdemeanor or a felony.

In Section (d) this measure provides that a Notary's certificate of protest or a certificate under oath of an officer of the bank would be admissible in evidence against a defendant in any prosecution as prima facie proof of his claim. This, I believe is in direct conflict with the general rule of law providing that a defendant is entitled to be confronted by his accusers and is further entitled to cross examine all witnesses appearing against him.

The public should be fully protected against the possibility of being defrauded by check artists and the intent of Senate Bill No. 116 is good; however, it is so hazy and ambiguous, so uncertain in the things that it proposes to do, that it would be dangerous to have it on the statute books.

Sincerely,

Sidney P. Osborn /s/
Governor

SPO:E

SENATE BILL NO. 116

AN ACT

RELATING TO CHECKS, DRAFTS, AND ORDERS ON INSUFFICIENT ACCOUNTS, AND AMENDING SECTION 43-2613, ARIZONA CODE OF 1939.

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

Section 1. Sec. 43-2613, Arizona Code of 1939 (section 4789, Revised Code of 1928), is amended to read:

43-2613. DRAWING CHECK ON INSUFFICIENT ACCOUNT. (a) Any person who, with intent to defraud, either for himself or purporting to be an agent or representative of another or an officer of a corporation, and with or without express representations, makes, draws, utters, or delivers any check, draft, or order for the payment of money upon any bank or other depositary, knowing at the time that the maker or drawer has not sufficient funds in or credit with the bank or depositary for the payment thereof in full upon its presentation, or, after having made, drawn, uttered, or delivered any such check, draft, or order, withdraws or causes to be withdrawn such amount of money to the credit of the maker or drawer as to leave a sum insufficient to cover the same, is guilty of a crime, and shall be punished in the same manner and to the same extent as for theft of the money or property of another obtained thereby. If no money or property be so obtained, the offender shall be imprisoned in the county jail not more than one year.

(b) In any prosecution under this section against the maker or drawer, the act of making, drawing, uttering, or delivering the check, draft, or order shall be prima facie evidence of intent to defraud and of knowledge of the lack of funds or credit.

(c) In any prosecution under this section against the payee or endorser, the act of uttering, cashing, or delivering the check, draft, or order, payment of which is refused by the drawee because of insufficient funds or lack of credit, shall be prima facie evidence of intent to defraud and of knowledge of the lack of funds or credit, but only in the event the payee or endorser fails to pay the holder of the check, draft, or order the amount due thereon in full within five days after receiving notice that payment of the same was refused by the drawee.

(d) A notary's certificate of protest of nonpayment of any check, draft, or order, or, where not protested, a certificate under oath of an officer of the bank or depositary that there were insufficient funds or credit for payment of the same, shall be admissible in evidence in any prosecution under this section as proof of presentment, nonpayment, and protest, and shall be presumptive evidence that there was a lack of funds in or credit with the bank or depositary.

(e) In this section, "credit" means an arrangement or understanding with a bank or other depositary for the payment of a check, draft, or order.

Disapproved: March 27, 1941.

EXECUTIVE OFFICE
STATE HOUSE
PHOENIX, ARIZONA

March 27th, 1941

Honorable Harry M. Moore,
Secretary of State,
Phoenix, Arizona.

My dear Mr. Secretary:

I have this day disapproved Senate Bill No. 157, "An Act Relating to the Industrial Commission; Providing For Measure of Compensation, Defining Average Monthly Wage and Computation Thereof And Guaranteed Wage, and Amending Section 56-952, Arizona Code of 1939".

While I am heartily in accord with the purported objective of this bill, I feel that the measure as constructed fails to accomplish the desired result, which is to establish a fair and equitable means of determining average monthly wages of injured employees as a basis for computation of the amount of compensation they are entitled to receive.

The first paragraph of the bill implies that the provisions of the present law providing that the wage paid for the thirty days preceding injury is preserved and shall be used as a basis of average monthly wage, and then in the first sentence of Paragraph (d) there is the contradictory provision that 1/12 of the "average annual earnings" shall be "the average monthly wage of the employee". Nor is there any provision as to how many or how few years should be used to determine the "average annual earnings".

If the employee has not worked continuously for the thirty days before injury, Paragraphs (a) and (b) provide a definite and probably fair method of determining the average monthly wage, except that many Arizona employees work on a full seven-day basis, others on a six-and-a-half day basis, and many work overtime. But the advantages to be gained from (a) and (b) probably are lost in Paragraph (c), which makes the use of (a) and (b) entirely discretionary, and throws the entire matter back on the provisions now in force.

In short, the measure provides too many avenues whereby the uncertainties of the provisions thereof might be used to work a hardship on the injured man who puts his faith in a claims clerk of the Industrial Commission's insurance department. Although a gesture is made to take care of the inadequacy of wages paid those who are hurt, the provision as drawn is entirely discretionary and is probably wholly meaningless. It would appear that the existing law serves the purpose just as well or better, if properly administered.

Lastly, it is noted that the provision which protects certain large employers by depriving thousands of contract workers of compensation based on a true wage, is well preserved in this bill.

For the foregoing reasons, Senate Bill No. 157 is hereby disapproved.

Sincerely yours,

Sidney P Osborn /s/
Governor

SPO:M

SENATE BILL NO. 157

AN ACT

RELATING TO THE INDUSTRIAL COMMISSION; PROVIDING FOR MEASURE OF COMPENSATION, DEFINING AVERAGE MONTHLY WAGE AND COMPUTATION THEREOF AND GUARANTEED WAGE, AND AMENDING SECTION 56-952, ARIZONA CODE OF 1939.

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

Section 1. Sec. 56-952, Arizona Code of 1939, is amended to read:

56-952. MEASURE OF COMPENSATION; AVERAGE MONTHLY WAGE; COMPUTATION. Every employee of any employer subject to the provisions of this article, who shall be injured by accident 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 "average 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 determined as follows:

(a) If the injured employee shall have worked in the employment in which he was working at the time of the injury, whether for the same or another employer, during substantially the whole of the year immediately preceding his injury, his average annual earnings shall consist of three hundred times the average daily wage or salary which he shall have earned in such employment during the days when so employed.

(b) If the injured employee shall not have worked in such employment during substantially the whole of such year, his average annual earnings shall consist of three hundred times the average daily wage or salary which an employee of the same class working substantially the whole of such immediately preceding year in the same or in similar employment in the same or a neighboring place shall have earned in such employment during the days when so employed.

(c) If either of the foregoing methods of arriving at

the annual average earnings of an injured employee cannot reasonably and fairly be applied, such annual earnings shall be such sum as, having regard to the previous earnings of the injured employee and of other employees of the same or most similar class, working in the same or most similar employment in the same or neighboring locality, shall reasonably represent the annual earning capacity of the injured employee in the employment in which he was working at the time of the injury.

(d) The average monthly wage of an employee shall be one-twelfth part of his average annual earnings. If it be established that the injured employee was a minor when injured, and that under normal conditions his wages should be expected to increase during the period of disability, the fact may be considered in arriving at his average monthly wages. 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.

Disapproved: March 27, 1941.

EXECUTIVE OFFICE

STATE HOUSE

PHOENIX, ARIZONA

March 27th, 1941

Honorable Harry M. Moore,
Secretary of State,
Capitol Building,
Phoenix, Arizona.

My dear Mr. Moore:

I hand you herewith Senate Bill No. 182, being "An Act to amend Sections 11-204, 11-304 and 11-410, Arizona Code of 1939, pertaining to classification, minimum rental and minimum price of state lands; and repealing all acts and parts of acts in conflict herewith", which I have this date disapproved for the following reasons:

This measure relates to a classification of state lands and fixing the rental value thereof.

For many years the minimum rental charged for state lands was three cents per acre. Early in the depression years this rental was reduced. I note in this proposed act that upon reclassification, the minimum rental to be charged is one, two and three cents per acre, depending upon the class in which the lands are placed. It is my observation that in the leasing of state lands, the minimum is always the rental fixed. It was proper, in my opinion, that during the depression years the rental should have been lowered. If such is the case, it then becomes obvious that when times grow better, prices of livestock are higher and range conditions excellent, that the rental upon state lands should be increased, and I am fearful that if this measure should become law, such would not be the case.

There are some good points in the bill, but good as they are, they only cover acts which the Commissioner or the department, or both, can perform under the present law.

It is also noted that this proposed Act allows but two days for the department to classify all state lands and make entry thereof on the plats, maps and books in the Commissioner's office. Since there is in state ownership some 10,000,000 acres of land, this requirement is obviously impossible.

For the above-mentioned reasons, I feel it my duty to disapprove Senate Bill No. 182, and have so done.

Sincerely,

Sidney P. Osborn /s/
Governor

SPO:E

SENATE BILL NO. 182

AN ACT

TO AMEND SECTIONS 11-204, 11-304 AND 11-410, ARIZONA CODE OF 1939, PERTAINING TO CLASSIFICATION, MINIMUM RENTAL AND MINIMUM PRICE OF STATE LANDS; AND REPEALING ALL ACTS AND PARTS OF ACTS IN CONFLICT HEREWITH.

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

Section 1. Sec. 11-204, Arizona Code of 1939, is amended to read:

11-204. CLASSIFICATION OF STATE LANDS. For the purpose of fixing the rental value of state lands the commissioner is hereby directed, and before June 14, 1941, to classify all state lands and make an entry thereof on the plats, maps or books in his office containing the descriptions of such lands. Any lands hereafter selected shall be immediately classified. Such classification shall show which lands are suitable for agricultural purposes; which for grazing purposes only; which contain timber, stone or other products that may be valuable, and which lands may become agricultural lands by an expenditure of a reasonable amount for the development of water thereon. Such classification shall not prevent the commissioner from reclassifying any of said leased or unleased lands should he deem it necessary and for the best interests of the state. In classifying lands suitable only for grazing purposes the commissioner is directed to group such lands into three grades, i. e., A grade, B grade and C grade. In classifying lands suitable for agricultural purposes, the commissioner is directed to group such land into three grades, i. e., grade A, grade B, and grade C.

Grade A lands shall include all lands within the limits of any irrigation project or electrical district, where the district owns the wells and pumping plants within its boundaries, and which lands may be irrigated by gravity flow or pumped water, and shall also include all lands without the limits of any irrigation project or electrical district which may be irrigated by water pumped from the same source as that which supplies lands within any such irrigation project or electrical district.

Grade B land shall include lands that are irrigated from wells or gravity water developed by private enterprise, development of which is by individual units, and the water used for such land is not derived from any irrigation project or electrical district, or from the source of

water supplying any irrigation project or electrical district.

Grade C shall include all dry farming lands.

All lands that are not classified as agricultural at the time this act takes effect, and that thereafter are leased for agricultural purposes, shall be classified as Grade A land. This paragraph shall not apply to land suitable only for dry farming purposes.

GRAZING AND AGRICULTURAL LANDS: The commissioner or any lessee or proposed lessee of leased state lands shall be entitled to have lands reclassified. If such reclassification of grazing lands be initiated by the commissioner then the expense thereof shall be paid by the state; should such reclassification be initiated by a lessee or proposed lessee, then such person shall file an application therefor upon forms furnished by the commissioner and upon first paying the expense involved, which is to be estimated by the commissioner.

Such reclassification shall be made by three disinterested persons, one to be appointed by the commissioner, one to be appointed by the lessee or proposed lessee, and the third to be appointed by such two persons and to be a resident and taxpayer of the county in which the land is situated. Such reclassification of agricultural land shall be made by three disinterested persons, one to be appointed by the board of regents of the university of Arizona, one to be appointed by the state land commissioner, and the third to be appointed by such two persons, and to be a resident and taxpayer of the county in which the land is situated. Said persons while so employed in classification of grazing or agricultural lands shall each be paid five dollars per day and expenses while engaged in the performance of their duty.

Said persons shall immediately examine said land and submit a report to the commissioner in writing, classifying said land in its respective grade. Upon receipt of such report the commissioner shall immediately reclassify the said land in accordance therewith. No request for reclassification shall be considered for a period of three years after said reclassification. No appeal from any such report or reclassification shall be permitted except to the state land department.

Sec. 2. Sec. 11-304, Arizona Code of 1939, is amended to read:

11-304. MINIMUM RENTAL. The commissioner shall

assess a fair and equitable rental on an acreage basis for all state lands leased, and the rental of all lands within each grade shall be the same, but in no event shall any lease be executed for an annual rental of less than three cents per acre on A grade grazing lands, or less than two cents per acre on B grade grazing lands, or less than one cent per acre on C grade grazing lands; all agricultural and grazing land shall be leased according to section 3, article 10, constitution of Arizona and amendments thereto, and in no event shall agricultural land be leased for less than $2.50 per acre on grade A agricultural land, or less than $1.50 per acre on grade B agricultural land, or less than 10¢ per acre on grade C agricultural land without advertisement; provided, however, that no existing lease shall be amended until a classification of the land shall have been made; said rental shall be paid in advance, annually, or for such other period not exceeding two years as the commissioner may fix.

Sec. 3. Sec. 11-410, Arizona Code Annotated, 1939, is hereby amended to read as follows:

11-410. MINIMUM PRICE. The minimum price of the lands granted for the payment of the county bonds aforesaid, or of any state lands, not included within said grant, shall be three dollars ($3.00) per acre. The minimum price of lands within the limits of any irrigation project or electrical district which may be irrigated by gravity flow or pumped water, and lands without the limits of any irrigation project or electrical district which may be irrigated by water pumped from the same source as that which supplies lands within any such irrigation project or electrical district, shall be twenty-five dollars ($25.00) per acre. No land shall be sold for less than its appraised value.

Sec. 4. 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. 5. REPEAL. All laws and parts of laws in conflict with the provisions of this act are hereby repealed.

Disapproved: March 27, 1941.

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	For the 30th Fiscal year	For the 31st Fiscal year
Director	$ 3,600.00	$ 3,600.00

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Assistant Director	2,700.00	2,700.00		
Field Engineers (4 @ $2,400.00 each)	9,600.00	9,600.00		
Statistical Engineer	2,100.00	2,100.00		
Secretary	1,500.00	1,500.00		
Periodic Help	1,600.00	1,600.00		
Total Salaries	21,100.00	21,100.00		
Operation	1,600.00	1,600.00		
Travel	6,000.00	6,000.00		
Total appropriation	$28,700.00	$28,700.00		
		$57,400.00		

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Memorials and Resolutions

of the

FIRST SPECIAL SESSION

of the

Fourteenth Legislature

of the

STATE OF ARIZONA

1940

First Special Session Convened September 23, 1940

First Special Session Adjourned Sine Die,
September 27, 1940.

Publication Authorized

(Chapter 122, Sub. Div. 40, Laws of 1941)

Regular Session

15th 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 First Special Session of the Fourteenth Legislature of the State of Arizona, as they appear on file in the office of the Secretary of State of Arizona.

That the First Special Session of the Fourteenth Legislature of the State of Arizona was convened at the Capitol, in the City of Phoenix, September 23, 1940, and adjourned sine die on the 27th day of September 1940.

IN TESTIMONY WHEREOF, I have hereunto set my hand as Secretary and affixed the Great Seal of the State of Arizona, this 16th day of June, 1941.

HARRY M. MOORE (Signature)
Secretary of State

EXECUTIVE DEPARTMENT

STATE OF ARIZONA

PHOENIX, ARIZONA

PROCLAMATION

CALLING THE FOURTEENTH 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 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 Arizonareads in part as follows:

> "He, (the Governor) may convene the Legislature in extraordinary session."

NOW, THEREFORE, I, R. T. JONES, 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 Fourteenth Legislatureof the State of Arizona into First Special Session, in Phoenix, at the Capitol Building, at 10 o'clock, A. M. on the 23rd day of September, 1940, to enact legislation for the following purposes:

* 1 *

To provide for the eradication of dourine.

* 2 *

To provide defense measures made necessary by the absence of the National Guard and other conditions.

* 3 *

To amend the unemployment compensation law of 1936 to conform to the provisions of the Railroad Unemployment Insurance Act.

* 4 *

Teachers' retirement plan.

* 5 *

To make an emergency appropriation to pay members of

the Arizona National Guard for time spent on maneuvers in Louisiana during the summer of 1940.

* 6 *

To amend the Old Age Assistance Act of 1937 to conform to terms of the Federal Social Security Act, and to raise the maximum allotment to $40 per month.

* 7 *

To provide for the creation of a revolving fund by the Arizona Board of Social Security and Public Welfare for the purchase of food stamps and cotton stamps.

* 8 *

To make an appropriation for the defense of the 70-car train limit law and for the purpose of reimbursing the Brotherhood of Railroad Trainmen for legal fees contracted by it in defending this law.

* 9 *

To authorize the issuance of tax anticipation bonds for the purpose of securing a lower rate of interest than that paid on registered warrants.

* 10 *

To empower municipalities to issue revenue bonds to purchase, construct, maintain and operate waterworks.

* 11 *

To create a permanent non-salaried Coronado Quarto Centennial Commission.

* 12 *

To consider the confirmation of recess 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 Phoenix, Arizona, the Capitol, this 18th day of September, 1940.

R. T. Jones /s/
GOVERNOR

ATTEST:
Harry M. Moore /s/
Secretary of State

Order of Acts

ORDER OF ACTS

ORDER OF ACTS
FIRST SPECIAL SESSION
FOURTEENTH LEGISLATURE
STATE OF ARIZONA

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ACTS

CHAPTER 1

HOUSE BILL NO. 8

AN ACT

MAKING AN APPROPRIATION FOR THE FOURTEENTH LEGISLATURE OF THE STATE OF ARIZONA, FIRST SPECIAL SESSION.

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

Section 1. APPROPRIATION. The sum of twenty-three thousand seven hundred sixty-two dollars and twenty cents is appropriated to the fourteenth legislature, first special 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 first special 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, three thousand forty dollars; 1b. of members of the house of representatives, eight thousand three hundred twenty dollars.

2. For the payment of mileage: 2a. of members of the senate, seven hundred ninety-four dollars and twenty cents; 2b. of members of the house of representatives, one thousand three hundred eight dollars.

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 eight hundred dollars.

4. For the payment of contingent expenses: 4a. of the senate, two thousand dollars; 4b. of the house of representatives, three thousand 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 25, 1940.

CHAPTER 2

SUBSTITUTE HOUSE BILL NO. 2

AN ACT

RELATING TO FRANCISCO VASQUEZ DE CORONADO, AND CREATING THE CORONADO INTERNATIONAL MONUMENT COMMISSION OF ARIZONA.

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

Section 1. CORONADO INTERNATIONAL MONUMENT COMMISSION OF ARIZONA. (a) The Coronado international monument commission of Arizona shall consist of not more than five members, who shall be appointed by the governor. One member shall be appointed for a term ending the first Monday in January, 1942, 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 commission shall be citizens of the state recognized for their interest in the history of Coronado.

(c) Members of the commission shall receive no compensation for their services, but may be reimbursed from the Coronado international monument fund for necessary expenses.

Sec. 2. POWERS AND DUTIES. The Coronado international monument commission of Arizona shall have power to: 1. cooperate with the United States, the Republic of Mexico, the government of any other state, with local governmental units, and with private societies, corporations, and individuals, in the promotion and development of a Coronado memorial museum to be located in the area designated as the Coronado national monument; 2. promote any activity, development, or exhibit which will tend to bring to public attention the common cultural tradition and inheritance of neighboring countries for the improvement of cultural relations; 3. purchase and sell real or personal property, or receive donations thereof, to be used for the purposes of this act; 4. employ such assistants and make such other expenditures as may be necessary in carrying out the provisions of this act; 5. solicit the contribution of funds for the purpose of

carrying out the provisions of this act; 6. make application to and contract with the government of the United States, or any agency thereof, to obtain moneys appropriated by the United States for public works, but no such contract shall obligate the state to advance any moneys for such public works other than moneys in the Coronado international monument fund; and, 7. engage in such other activities in connection with its powers under this act as it deems advisable.

Sec. 3. CORONADO INTERNATIONAL MONUMENT FUND. All moneys received by the Coronado international monument commission of Arizona shall be deposited promptly, through the state auditor, with the state treasurer, who shall credit the same to the Coronado international monument fund. No expenditure shall be authorized nor indebtedness incurred unless there shall first be in the fund sufficient moneys to pay such expenditures or indebtedness. All expenditures shall be made upon claims approved by the chairman and one member of the commission.

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 26, 1940.

CHAPTER 3

HOUSE BILL NO. 13

AN ACT

RELATING TO UNEMPLOYMENT COMPENSATION; AND AMENDING CHAPTER 13, SESSION LAWS OF 1936, FIRST SPECIAL SESSION, BY ADDING SECTION 9a; AND DECLARING AN EMERGENCY.

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

Section 1. Chapter 13, Session Laws of 1936, first special session, is amended by adding section 9a.

9a. TRANSFER TO RAILROAD UNEMPLOYMENT INSURANCE ACCOUNT. Notwithstanding any requirements of section 9, the commission shall, prior to thirty

days after the close of the first special session of the fourteenth legislature, authorize and direct the secretary of the treasury of the United States to transfer from this state's account in the unemployment trust fund, established and maintained pursuant to section 904, social security act, to the railroad unemployment insurance account, established and maintained pursuant to section 10 of the railroad unemployment insurance act, an amount hereinafter referred to as the preliminary amount, plus interest thereon at two and one-half per cent per annum from the date such amount is determined by the social security board, and an additional amount, hereinafter referred to as the liquidating amount, plus interest thereon at two and one-half per cent per annum from the date such amount is determined by the social security board. The social security board shall determine both such amounts after consultation with the commission and the railroad retirement board. The preliminary amount shall consist of that proportion of the balance in the unemployment compensation fund as of June 30, 1939, as the total amount of contributions collected from "employers" (as the term "employers" is defined in section 1 (a) of the railroad unemployment insurance act) and credited to the unemployment compensation fund bears to all contributions theretofore collected under this act and credited to the unemployment compensation fund. The liquidating amount shall consist of the total amount of contributions collected from "employers" (as the term "employer" is defined in section 1 (a) of the railroad unemployment insurance act) pursuant to the provisions of this act during the period July 1, 1939, to December 31, 1939, inclusive.

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: September 26, 1940

CHAPTER 4

SENATE BILL NO. 1

AN ACT

RELATING TO CITIES AND TOWNS, AND PROVIDING FOR THE ISSUANCE OF BONDS BY CITIES AND TOWNS FOR THE FINANCING OF WATERWORKS, 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 municipal revenue bond act of 1940.

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

"municipality" means any incorporated city or town;

"governing body" means the board, commission, or other body having charge of the financial affairs of a municipality;

"waterworks" means a system operated for the purpose of furnishing water to the public, and includes filtration plant, treatment plant, pumping plant, dam, reservoir, standpipe, crib, distribution system, valves, and any other property used for such purpose;

"bond" means any bond issued pursuant to this act.

Sec. 3. POWERS OF MUNICIPALITIES. In addition to any powers it may now have, any municipality shall have power: 1. within or without its corporate limits, to construct, improve, reconstruct, extend, operate, maintain, and acquire, by gift, purchase, or the exercise of the right of eminent domain, any waterworks or part thereof, and acquire in like manner land, rights in land, or water rights in connection therewith; 2. to issue its bonds to finance the cost thereof; and, 3. to pledge to the punctual payment of said bonds and interest thereon an amount of the revenue of such waterworks, including improvements or extensions thereafter constructed or acquired, sufficient to pay said bonds and interest as the same shall become due, and to create and maintain reasonable reserves therefor. Such amount may consist of all or any part of such revenue. The governing body of the municipality in determining the cost of the waterworks for which bonds are to be issued, may include all costs and estimated costs of the issuance of the bonds, all engineering, inspection, fiscal, and legal expenses allowed by law, and interest which it is estimated will accrue on money borrowed or which will be borrowed during the construction period and for six months thereafter.

Sec. 4. VOTE ON BOND ISSUES. Questions of bond issues under this act shall be submitted to the real property taxpayers who are in all other respects qualified electors of the municipality. No bonds shall be issued without the assent of a majority of such qualified electors

voting at an election held for that purpose, as provided in this act.

Sec. 5. ELECTION RESOLUTION. (a) The governing body shall adopt an election resolution calling an election upon the question of the issuance of bonds. Such resolution shall state in substance: 1. the maximum amount of bonds to be issued; 2. the purpose for which the bonds are to be issued; 3. the maximum rate of interest which the bonds are to bear; 4. a brief, concise statement (which need not include any detail other than the mere statement of the fact) showing that the bonds will be payable solely from revenues; 5. the date on which the election is to be held; 6. the places where votes may be cast; and, 7. the hours between which polling places will be open.

(b) The election resolution shall be published in full at least once, not less than fifteen days nor more than thirty days prior to the date of the election, in a newspaper published in the county and of general circulation in the municipality; or, if there be no such newspaper, the resolution shall be printed in full and posted in five conspicuous places in the municipality not less than fifteen days nor more than thirty days prior to the date of the election.

Sec. 6. REGISTRATION. The governing body may require the registration of all persons desiring to vote at the election, in which case the election resolution shall state the dates, times, and places when and where such persons may register. Registration shall begin not less than ten days, and shall close not less than five days, prior to the date of the election.

Sec. 7. BALLOTS. At the election the ballot shall contain the phrases "For the Bonds" and "Against the Bonds". To the right of and opposite each of said phrases shall be placed a square, approximately the size of the squares placed opposite the names of candidates on ballots. The voter shall indicate his vote "For the Bonds" or "Against the Bonds" by inserting the mark "X" in the square opposite such phrase. No other question, word, or figure need be printed on any ballot. The ballot need not be any particular size, nor need sample ballots be printed, posted, or distributed. A number of ballots, exceeding by not less than ten per cent the number of registered voters whose names appear on the precinct register of the precinct, town, or city for which printed, shall be printed for and furnished to each polling place. Voting machines shall not be used at any election held under this act.

Sec. 8. CANVASS OF RETURNS. The governing body shall canvass the returns and determine and declare the result of the election. If it shall appear to the governing body that a majority of the qualified real property taxpayers voting thereon assent to the issuance of the bonds, the governing body shall provide for the issuance of such bonds. The determination of the governing body that a majority of the qualified real property taxpayers voting thereon have assented to the issuance of the bonds shall be conclusive in any suit, action, or proceeding involving the validity of such election or the determination or declaration of the result thereof instituted after the date of the delivery of and payment for such bonds.

Sec. 9. APPLICATION OF ELECTION LAWS. Except as otherwise provided in this act, the manner of conducting the registration and election, keeping the poll lists, the returns, declaring the results, and doing all acts relating to such election shall conform to the procedure provided by law for the registration and qualification of electors and the holding of special elections wherein the question of the issuance of the bonds of municipal corporations is submitted to an election.

Sec. 10. FORM OF BONDS. Bonds issued under this act shall be fully negotiable within the meaning of and for all purposes of chapter 53, Revised Code of 1928. They shall bear interest at such rates not exceeding five per cent per annum, payable semi-annually, may be in one or more series, may bear such dates, may mature at such times not exceeding thirty years from their respective dates, may be payable in such medium of payment, at such places, may carry such registration privileges, may be subject to such terms of redemption, may be executed in such manner, may contain such terms, covenants, and conditions, and may be in such form, either coupon or registered, as the governing body may by resolution prescribe. Said bonds shall be sold at not less than par. Pending the preparation of the definitive bonds, interim receipts or certificates may be issued to the purchasers of said bonds in such form and with such provisions as the governing body may determine.

Sec. 11. CHARGES FOR WATERWORKS. The governing body of the municipality issuing the bonds shall prescribe charges, and shall revise such charges whenever necessary, so that any waterworks for which the bonds were issued shall always remain self-supporting with revenue sufficient: 1. to pay when due all bonds, and interest thereon, for the payment of which such revenue shall have been

pledged, encumbered, or charged; 2. to provide for all expenses of operation and maintenance; and, 3. to provide reasonable reserves for said purposes.

Sec. 12. COVENANTS IN RESOLUTION. Any resolution pertaining to the issuance of bonds under this act may contain covenants as to: 1. the purposes to which the proceeds of sale of said bonds may be applied and the use and disposition thereof; 2. the use and disposition of the revenue of the waterworks for which said bonds are to be issued; 3. the issuance of other or additional bonds, payable from the revenue of the waterworks; 4. the operation and maintenance of the waterworks; 5. the insurance to be carried thereon and the use and disposition of insurance moneys; 6. books of account and the inspection and audit thereof; and, 7. the terms and conditions upon which the holders of the bonds, or any proportion of them or any trustee therefor, shall be entitled to the appointment of a receiver, who may enter and take possession of the waterworks, operate and maintain the same, prescribe charges, and collect, receive, and apply all revenue thereafter arising therefrom in the same manner as the municipality itself might do. The provisions of this act and any such resolution shall be deemed a contract with the holders of the bonds, and the duties of the municipality and of its governing body and officers under this act and any such resolution shall be enforceable by mandamus or other appropriate action in any court of competent jurisdiction.

Sec. 13. DISPOSITION OF PROCEEDS. All proceeds received from the sale of the bonds, all fees, rents, tolls, or other charges received by the municipality from any waterworks financed by said bonds, and all moneys received from any source in connection therewith shall be paid to the financial officer of the municipality whom the governing body thereof shall designate for such purposes. Such financial officer shall not commingle any money received under the terms of this act with any other moneys, but the moneys received under the terms of this act shall be deposited in a separate bank account in the name of the municipality. The governing body may by resolution provide that all deposits of such proceeds, fees, rents, tolls, or other charges, and such moneys received under the terms of this act, shall be secured by obligations of the United States or of this state of a market value equal at all times to the amount of such deposits, and all banks or trust companies are authorized to give such security for such deposits.

Sec. 14. VALIDITY OF BONDS. Bonds issued under

this act and bearing the signatures of officers in office on the date of the signing thereof shall be valid and binding obligations, notwithstanding that before the delivery thereof and payment therefor any or all of the persons whose signatures appear thereon shall have ceased to be officers of the municipality issuing the same. The validity of said bonds shall not be dependent on nor affected by the validity or regularity of any proceedings relating to the construction, acquisition, improvement, reconstruction, or extension, of the waterworks financed by said bonds or taken in connection therewith.

Sec. 15. CERTIFICATION BY ATTORNEY GENERAL. Any municipality may submit to the attorney general any bonds to be issued under this act after all proceedings for their issuance have been taken. Upon such submission, it shall be the duty of the attorney general to examine into and pass upon the validity of the bonds and the regularity of all proceedings in connection therewith. If such proceedings conform to the provisions of this act, and such bonds when delivered and paid for will constitute binding and legal obligations of the municipality 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 this state.

Sec. 16. PRIOR LIEN OF BONDS. All bonds of the same issue under this act shall have a prior and paramount lien on the revenue of the waterworks for which said bonds have been issued over and ahead of all bonds of any issue payable from said revenue which may be subsequently authorized, and over and ahead of any claims or other obligations of any nature against said revenue subsequently arising or subsequently incurred. All bonds of the same issue under this act shall be equally and ratably secured, without priority by reason of number, date of bonds, sale, execution, or delivery, by a lien on said revenue in accordance with the terms of the resolution authorizing said bonds.

Sec. 17. BONDS NOT DEBT OF MUNICIPALITY. No holder of any bonds issued under this act shall have the right to compel any exercise of the taxing power of the municipality to pay said bonds or the interest thereon. Each bond issued under this act shall recite in substance that the payment of said bond and the interest thereon is enforceable exclusively from the revenue pledged to its payment. Bonds issued under this act by any municipality shall not be a debt of the municipality, nor shall payment thereof be enforceable out of any funds other

than the revenue pledged to the payment thereof.

Sec. 18. SUPPLEMENTAL NATURE OF ACT. In so far as the provisions of this act are inconsistent with any other provision of law, the provisions of this act shall be controlling. The powers conferred by this act shall be in addition and supplemental to the powers conferred by any other law. The waterworks may be constructed, improved, reconstructed, extended, and acquired, notwithstanding that any other law may provide for the construction, improvement, reconstruction, extension, or acquisition of a like waterworks and without regard to the requirements, restrictions, or other provisions contained in any law, including, but not limited to, section 409, Revised Code of 1928, as amended and supplemented by chapter 77, Session Laws of 1933, regular session. Bonds may be issued under this act for any waterworks, notwithstanding that any other law may provide for the issuance of bonds for a like purpose and without regard to the requirements, restrictions, or other provisions contained in any other law, including, but not limited to, any requirement for the approval by vote of the property taxpayers of any municipality for the issuance of bonds.

Sec. 19. TERMINATION OF ACT. Except in pursuance of any contract or agreement theretofore entered into, no municipality shall borrow any money or issue any bonds pursuant to the provisions of this act after March 1, 1943.

Sec. 20. 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 27, 1940.

CHAPTER 5

HOUSE BILL NO. 3

AN ACT

RELATING TO PUBLIC FINANCE, AUTHORIZING THE ISSUANCE OF TAX ANTICIPATION BONDS AND MAKING AN APPROPRIATION FOR EXPENSE INCURRED IN CARRYING OUT THE PROVISIONS OF THIS ACT.

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

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

"loan commissioners" means loan commissioners of the state of Arizona;

"treasurer" means state treasurer;

"bonds" means tax anticipation bonds issued pursuant to this act;

"taxes" means taxes levied pursuant to lawful appropriations but remaining uncollected, in anticipation of which bonds may be issued.

Sec. 2. WHEN BONDS ISSUED. Whenever the legislature shall have made appropriations for any fiscal year as authorized by law and taxes have been levied upon the taxable property of the state sufficient to produce funds to pay such appropriations, and the loan commissioners of the state of Arizona shall ascertain that the proceeds of such taxes will not be in the state treasury in time to pay in cash the expenses provided for by such appropriations, then the loan commissioners may anticipate the collection of such taxes by issuing and selling, as provided in this act, bonds designated "state of Arizona tax anticipation bonds".

Sec. 3. ISSUANCE OF BONDS. The bonds shall be signed by the governor, attested by the state auditor, and countersigned by the state treasurer, and shall be payable within six months from date. They shall bear such rate of interest not exceeding three per cent per annum, bear such date, and be payable at such place, as may be determined by the loan commissioners. Each bond shall specifically recite that it is issued in anticipation of state taxes theretofore levied for the fiscal year, which year shall be set out in the recital, that it is payable solely from the proceeds of such taxes, and is issued pursuant to this act.

Sec. 4. TOTAL AMOUNT OF BONDS. The total amount of the bonds, including both principal and interest thereon, issued for any fiscal year, shall not exceed fifty per cent of the taxes uncollected and not in the state treasury at the time of the issuance of the bonds.

Sec. 5. RESOLUTION FOR ISSUANCE. The loan commissioners shall by resolution authorize the issuance

of the bonds, which resolution shall prescribe their form, the form of coupons representing interest thereon, the manner in which the coupons shall be signed, and shall fix the manner, terms, and conditions under which the bonds shall be sold.

Sec. 6. SALE AND USE OF PROCEEDS. The bonds shall be sold to the highest bidder who meets the conditions imposed by the loan commissioners, provided however, such bonds shall not be sold at less than the par value thereof. When the issuance and sale of the bonds shall have been consumated, the treasurer shall immediately call in and pay from the proceeds of the sale all state warrants which shall have been registered and accumulated at such date. Otherwise, such proceeds shall be used solely for the purposes for which the taxes upon which they are based are levied.

Sec. 7. PAYMENT OF BONDS AND INTEREST. When bonds are issued, the taxes upon which they are based and by which they are secured shall, when and as collected, be kept by the treasurer and used solely for the payment of such bonds and the interest thereon, until all of the bonds, together with the interest thereon, shall be paid in full. The treasurer may pay the interest on such bonds out of the general fund. No interest shall be paid on any such bond after the date it is payable or after the date the treasurer calls such bond for payment, whichever date shall be later.

Sec. 8. MANDAMUS. The holder of any tax anticipation bond may, in his own name and on his own behalf or on behalf of all the holders of such bonds, by mandamus proceedings in the supreme court, compel the performance of any duty imposed by this act.

Sec. 9. APPLICATION OF ACT. The provisions of this act shall apply to all uncollected taxes for the years 1940 and 1941, and the first half of the year 1942.

Sec. 10. APPROPRIATION. To provide for the expense of printing and issuing the bonds designated under the provisions of this act, the sum of two hundred dollars is appropriated to the loan commission.

Sec. 11. 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 27, 1940.

CHAPTER 6

HOUSE BILL NO. 5

AN ACT

RELATING TO LIVESTOCK, PROVIDING FOR THE ERADICATION OF DOURINE, MAKING AN APPROPRIATION THEREFOR 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 livestock sanitary board;

"bureau" means bureau of animal industry of the United States department of agriculture;

"inspector" includes state veterinarian, any authorized representative of the state veterinarian, and any authorized inspector of the board or the bureau;

"equine" means horse, mule, ass, or other equine animal;

"reactor" means an equine afflicted with dourine, as determined by a test approved by the bureau.

Sec. 2. COOPERATION WITH BUREAU. The livestock sanitary board shall have power to cooperate with and to accept for the state agreements promulgated by the bureau of animal industry of the United States department of agriculture, for the purpose of eradicating the disease of dourine.

Sec. 3. TESTING EQUINES. The state veterinarian, his authorized representative, or any authorized inspector of the board or the bureau shall have power to enter any premises outside an Indian reservation, where an equine may be, for the purpose of testing such equine for dourine.

Sec. 4. DESTRUCTION OF REACTORS. In the event an equine is determine to be a reactor to dourine, as the result of a test approved by the bureau, the state veterinarian shall order such reactor destroyed and the remains disposed of in a manner prescribed by him. Written notice shall be given the owner or custodian, and such

reactor shall be destroyed not later than fifteen days after the date thereof. In the event the reactor is not destroyed as ordered, an inspector shall forthwith seize and destroy such reactor.

Sec. 5. DETERMINATION OF VALUE. When a reactor is destroyed or ordered to be destroyed, the reactor shall be appraised at its actual value by the state veterinarian or his assistant and an inspector or representative of the bureau, and a record of their action shall be filed in the office of the board.

Sec. 6. REPAYMENT. (a) The state shall pay the owner one-half the value of any reactor destroyed pursuant to this act, determined as provided in section 5, but the state's share shall not exceed one hundred dollars for any one reactor.

(b) Any person claiming payment for the destruction of a reactor shall file a written claim therefor with the board. The claim shall contain proof of actual destruction, a statement of the value of the reactor as agreed upon or appraised, an agreement to accept such amount in no event in excess of one hundred dollars, as provided in clause (a) of this section, as compensation in full for the discharge of all claims against the state for the destruction of the reactor, and an affidavit of ownership. If the claim be valid, the board shall certify one-half of the amount thereof to the state auditor, who shall draw his warrant therefor payable to the claimant.

Sec. 7. DISPUTED OWNERSHIP. For the purpose of this act, the person in whose possession or under whose control an equine may be shall be deemed the owner. In the event conflicting claims for repayment for a destroyed reactor are filed, payment shall be withheld until ownership is determined by agreement of the parties or by a competent court. However, in the event such agreement is not reached and no court action is filed within thirty days after the conflicting claim is filed, the board shall forthwith determine the ownership and certify the proper claim. Neither the state nor any state officer or employee shall be liable in damages for any action taken in conformity with this act.

Sec. 8. QUARANTINE. The board, upon the recommendation of the state veterinarian, shall have power to quarantine any premises within which equines afflicted with or exposed to dourine shall be isolated. It shall take such measures as may be necessary to enforce the quaran-

tine and prevent the spread of the disease, and shall not release the quarantine until the danger is past. Reasonable notice of the establishment of a quarantine shall be given all persons affected. Any person willfully permitting, procuring, or aiding the escape or removal of any equine from a quarantined area shall be guilty of a violation of this act.

Sec. 9. EMPLOYEES. The board may employ and fix the compensation of such assistants as may be necessary to carry out the provisions of this act.

Sec. 10. DUTIES OF BOARD. The board shall: 1. purchase such equipment and supplies as may be necessary to carry out the provisions of this act; 2. make a quarterly report to the governor of its activities pursuant to this act, including a detailed financial report, on the tenth days of January, April, July, and October of each year; and, 3. promulgate and enforce such reasonable rules and regulations as may be necessary to eradicate dourine.

Sec. 11. DUTIES OF OFFICERS. The state veterinarian, his assistants, and all sheriffs and deputies sheriff, shall, upon demand, assist the board or any inspector in enforcing the provisions of this act.

Sec. 12. PENALTY. Any person interfering in any way with any inspector acting under the authority of this act, or otherwise violating any provision of this act, shall be guilty of a misdemeanor, and upon conviction punished by a fine of not more than three hundred nor less than fifty dollars, imprisonment in the county jail not more than six months nor less than thirty days, or both.

Sec. 13. APPROPRIATION. The sum of five thousand dollars is appropriated to the livestock sanitary board for the purpose of carrying out the provisions of this act.

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: September 27, 1940.

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MEMORIALS

HOUSE MEMORIAL NO. 3

A MEMORIAL

RELATING TO CONGRESSIONAL ACTION ON H. R. 8264, COMMONLY KNOWN AS THE GENERAL WELFARE BILL.

TO THE CONGRESS OF THE UNITED STATES OF AMERICA:

Your memorialist respectfully represents:

The problems of unemployment and social security are two of the most vital economic issues now confronting the people of the state of Arizona, as well as other states of the union.

The United States government has already incurred a large debt in providing a bare subsistence for millions of unemployed persons.

It will be impossible to continue such relief indefinitely without serious injury to the credit of the nation.

The economic problems of unemployment and social security cannot be properly handled by individual states, but are national problems involving the general welfare of the whole nation.

There has been introduced in the present session of Congress H. R. 8264, commonly known as the general welfare bill, which has a direct bearing on said problems, and is now in committee.

Wherefore your memorialist, the House of Representatives of the State of Arizona, respectfully requests:

That H. R. 8264, now pending in the third session of the seventy-sixth Congress, be brought out onto the floor for open and full discussion, to the end that the merits of the bill may be considered in open debate.

Adopted by the House September 26, 1940

Filed with the Secretary of State September 26, 1940

HOUSE MEMORIAL NO. 4

A MEMORIAL

RELATING TO THE ESTABLISHMENT OF AIR BASES AND TRAINING SCHOOLS FOR PILOTS IN ARIZONA.

TO ARIZONA'S SENATORS AND REPRESENTATIVES IN THE CONGRESS, AND TO THE SECRETARY OF WAR, OF THE UNITED STATES OF AMERICA:

Your memorialist respectfully represents:

The Congress has recently enacted legislation providing for

the unprecedented expansion of the air forces of the United States.

To utilize efficiently this added air strength, it will be necessary to train large numbers of additional pilots and ground crews. Present facilities for such training are believed to be inadequate, and it will be necessary to establish many additional air bases and training schools.

Throughout Arizona there is an abundance of sites admirably suited for such air bases and training schools. Among the many unparalleled advantages afforded by such Arizona sites, the following must be mentioned: ideal for climatic conditions, with nearly three hundred sixty-five clear or almost clear days per year; complete absence of fogs; all-year good flying weather; unexcelled visibility conditions; large areas of level ground, upon which expenditures for clearing and leveling would be negligible; nearness to main transcontinental rail, motor, and air routes; short flying time to the Mexican border and the Pacific coast; intermediate position between air bases in Texas and California; easy accessibility to sources of supply, and many others.

Wherefore your memorialist, the House of Representatives of the State of Arizona, prays:

1. That Arizona's Senators and Representatives in the Congress of the United States make immediate representations to the proper federal authorities urging the establishment of air bases and training schools for pilots within the State of Arizona.

2. That the Secretary of War of the United States investigate the advantages of the many available sites in Arizona for such bases and schools, and order the establishment thereof within this state.

Adopted by the House September 26, 1940.

Filed with the Secretary of State September 26, 1940.

RESOLUTIONS

HOUSE CONCURRENT RESOLUTION NO. 1

A CONCURRENT RESOLUTION

PRAISING THE WORK OF THE COMMITTEE TO INVESTIGATE UN-AMERICAN ACTIVITIES, AND URGING ITS CONTINUANCE.

Whereas, the House of Representatives of the Congress of the United States of America, in 1938, authorized the appointment of a committee of that house to investigate un-American activities, and has since continued that committee's existance; and

Whereas, said committee has eminently justified its existance by bringing to light many activities detrimental to the government of the United States and to American institutions, and deserves the commendation of every patriotic citizen; and

Whereas, despite the invaluable services already performed by said committee, there remains a great deal to be done before the purposes for which it was established can be accomplished; and

Whereas, the events of the past year have shown as never before the imperative necessity for continued and unceasing effort to discover and expose all persons and groups engaging in subversive activities, espionage, sabotage, or other forms of un-American activities; therefore

Be it Resolved by the House of Representatives of the State of Arizona, the Senate concurring:

1. The people of Arizona, through their legislative representatives, commend the committee to investigate un-American activities for the invaluable contribution it has made to the safety of the nation, and particularly commend its chairman, the Honorable Martin Dies, and each and every member thereof.

2. It is the sense of this legislature that the dangers which gave rise to the creation of said committee have not vanished, but are more imminent than ever before, and this body expresses the hope that the Dies committee will be authorized to continue its work until such time as every un-American activity, of whatever nature, is eliminated from the United States of America.

Passed the House September 25, 1940

Passed the Senate September 26, 1940

Approved by the Governor September 26, 1940

Filed with the Secretary of State September 26, 1940

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