

A C T S
Resolutions and Memorials
OF THE
First Special Session
Twelfth Legislature
OF THE
STATE OF ARIZONA
-1936-



**First Special Session Convened November
5th, 1936.**

**First Special Session Adjourned Sine Die
November 24th 1936.**

Publication Authorized
Chapter 73
Subdivision 39
Laws of 1937

NOTICE:

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

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AUTHENTICATION

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

THIS IS TO CERTIFY—That the Acts, Resolutions and Memorials published in this volume, beginning at page — and ending at page — hereof, are full, true and correct copies of the originals, passed at the First Special Session of the Twelfth 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 Twelfth Legislature of the State of Arizona was convened at the Capitol, in the City of Phoenix, November 5th, 1936, and adjourned sine die on the 24th day of November, 1936.

That the Acts, Resolutions and Memorials passed at said Session were officially published on the 23rd day of February 1937.

IN TESTIMONY WHEREOF, I have hereunto set my hand as Secretary and affixed the Great Seal of the State of Arizona, this 23rd day of February, 1937.



JAMES H. KERBY,
Secretary of State.

EXECUTIVE DEPARTMENT
STATE OF ARIZONA
PHOENIX, ARIZONA

PROCLAMATION

CALLING THE TWELFTH LEGISLATURE OF
ARIZONA INTO SPECIAL SESSION

WHEREAS, Article IV, Part 2, Section 3 of the Constitution of Arizona reads in part as follows:

“The Governor may call a special session whenever in his judgment it is advisable. In calling such a special session the Governor shall specify the subjects to be considered at such session, and at such session no laws shall be enacted except such as relate to the subjects mentioned in such call.”

and,

WHEREAS, Article V, Section 4 of the Constitution of Arizona reads in part as follows:

“He (the Governor) may convene the Legislature in extraordinary session.”

NOW, THEREFORE, I, B. B. Moeur, Governor of the State of Arizona, in consideration of these premises, and by virtue of the authority vested in me by this Constitution, do convene the Twelfth Legislature of the State of Arizona into special session, in Phoenix, the Capitol, at ten o'clock A.

M., on Thursday, the fifth day of November, 1936,
to enact legislature for the following purposes:

I.

To confirm with Federal requirements which will enable Arizona to participate in the various benefits of the Federal Social Security Act, and to make the necessary appropriation therefor;

II.

To permit the registration of school warrants and the payment of the same in the order of issuance;

III.

To consider an emergency appropriation for necessary repairs to certain buildings of the University of Arizona and the establishment of an additional experimental farm on the proposed Gila Valley Project;

IV.

To consider joint resolutions and memorials;

V.

Amending our present Luxury Tax Law, including the elimination of the luxury tax on cosmetics and sporting goods;

VI.

Making adjustments of salaries of various state officials commensurate with the present cost of living, and to make the necessary appropriation therefor;

VII.

Validating the issuance of bonds by the various educational institutions of the state in connection with Federal loans;

VIII.

To consider the confirmation of any recess appointments;

IX.

Making a special appropriation to the State Water Department to enable it to carry on the vastly increased business in that department for the balance of the present fiscal year;

X.

To provide for the defense of any and all litigation concerning taxes or the collection thereof, and making adequate appropriation therefor;

XI.

To consider the amendment of Sections 3467 to 3514, inclusive, Revised Code of Arizona, 1928, as amended, relating to Agricultural Improvement Districts;

XII.

To consider a special appropriation for the completion of the State Fair Grounds program in cooperation with the Federal Government, or its agencies;

XIII.

To enact a Basic Science Law;

XIV.

To enact an equitable Fair Trades Act.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Arizona to be affixed.



DONE at the Capitol Building, in Phoenix, this twenty-sixth day of October, 1936.

(SGD) B. B. MOEUR,
Governor.

ATTEST: (SGD) AUSTIN S. GRIMES,
Asst. Secretary of State.

Governor's Message

TO THE TWELFTH LEGISLATURE FIRST SPECIAL SESSION

I wish to extend greetings to the members of the Twelfth Legislature and thank each and every one of you for the splendid assistance and cooperation given me in the past, which I have the utmost confidence will continue during this Special Session.

You have been called together in Special Session because of the immediate necessity for legislation on matters of Social Security, particularly the Unemployment Compensation Program. In order that Arizona may participate in the benefits provided by the Social Security Act for the year 1936, it is imperative that legislation be enacted by the State and be approved by the Social Security Board (which approval will take from fifteen to thirty days) not later than December 31 of this year.

It is roughly estimated that the amount of money to be paid into the Unemployment Fund in 1936 will be about \$480,000.00, which means that if this legislation is not enacted in sufficient time before December 31, 1936, Arizona will lose her rightful share of the funds available for unemployment benefits, which is ninety per cent of the amount so collected or the approximate sum of \$432,000.00, and this amount will go into the General Fund of the United States Treasury.

You will realize that an emergency exists and that this bill should have your first consideration;

and that, if enacted, it carry a two-thirds vote in order to make it operative immediately.

At my request representatives from the Social Security Board in Washington have been in Phoenix, conferring with our Industrial Commissioners, statisticians, able attorneys, employers, and Labor, and after many hours of study and research a bill has been prepared, which meets the requirements of the Social Security Act, and I submit it to you and recommend its passage.

Another important feature of the Social Security Act which should have your consideration at this time is Old Age Assistance. The Federal Government will pay an amount equal to one-half of the total sum expended under the State plan, not to exceed \$30.00 per month, to needy citizens of the United States sixty-five years of age or over and residents of the State for five years during the nine years immediately preceding the application for old age assistance, who have resided therein continuously for one year immediately preceding the date of application.

The State plan must meet the approval of the Social Security Board. This legislation will rescind the present old age pension law and thereby relieve the counties of the burden of contributing to old age pensions, making it a purely Federal and State function.

The Federal representatives, the State Welfare Board, and the Chairman of the Judiciary Committee of the House, have given many hours of thought and study in preparing a bill which will

meet the requirements of the Social Security Act, and I submit it to you and recommend its passage as an emergency measure, which will necessitate a two-thirds vote.

For several months the State Welfare Board has received Federal assistance for dependent children, crippled children, and aid to the needy blind, but it is felt that legislation should be enacted making specific mention of these particular categories in order to protect the State in cases of false representations. Bills which meet the requirements of the Social Security Act have been prepared and will be presented to you.

You are familiar with the necessity for legislation to permit the registration of school warrants and the payment of same in the order of issuance, in order that the school districts may establish credit and properly function. This legislation should take care of all outstanding school warrants as well as those to be issued in the future.

These bills are emergency measures and I urge that you give them your most earnest consideration.

Other legislation which I feel is of sufficient importance to have your consideration at this Special Session is:

First, "To consider an emergency appropriation for necessary repairs to certain buildings of the University of Arizona and the establishment of an additional experimental farm on the proposed Gila Valley Project." These buildings are unsafe and unfit to be used in their present condition

and their repair at this time will prolong the use of the buildings. I feel that an appropriation at this time would be an economy measure because of the ability to secure Federal assistance. I would like to see an experimental farm established on the Gila Valley Project in order to determine the productivity of the soil in this area.

Second, "To consider joint resolutions and memorials."

Third, "Amending our present Luxury Tax Law, including the elimination of the luxury tax on cosmetics and sporting goods." The luxury tax on cosmetics and sporting goods failed to bring in the revenue anticipated and, I am informed, has also resulted in much of this business being driven out of the state, and for these reasons I recommend that the tax be taken off of cosmetics and sporting goods. I should like to see an increase of the tax on spiritous liquors, vinous liquors and malt extracts, derivatives or combinations thereof, to help provide funds for the now existing Old Age pensions or any Old Age Assistance plan that may be hereafter adopted. Article 4, Section 2, Session Laws of 1935, pertaining to the Luxury Tax provides: "All funds on hand at the end of the biennium or on the 30th day of June, 1937, shall revert to the General Fund of the State." If this provision of the Act is not changed so that the funds will continue and not revert to the General Fund, state welfare assistance will be at a standstill until such time as new funds are collected. The emergency for relief is not yet over, and the counties would undoubtedly have to bear this responsibility, and I

am, therefore, calling to your attention the fact that this paragraph should be amended.

Fourth, "Making adjustments of salaries of various state officials commensurate with the present cost of living, and to make the necessary appropriation therefor."

Fifth, "Validating the issuance of bonds by the various educational institutions of the State in connection with Federal loans." This legislation is necessary in order to meet Federal requirements.

Sixth, "To consider the confirmation of any recess appointments."

Seventh, "Making a special appropriation to the State Water Department to enable it to carry on the vastly increased business in that department for the balance of the present fiscal year." It appears that the State has become water conscious during the past year and the appropriation for the Water Department has become wholly inadequate to take care of even the ordinary business of the office, let alone the handling of the increased number of applications for permits to appropriate water and the transfer of water rights, which is comparatively new work. The small appropriation for this Department was probably due to the fact that the former Water Commissioner paid a part of the clerical help of the office out of his own personal funds and did not ask for a sufficient appropriation to cover the actual expenses of the department. For these reasons I feel that a special appropriation should be made at this time.

Eighth, "To provide for the defense of any and all litigation concerning taxes or the collection thereof, and making adequate appropriation therefor." There are now pending in the federal court suits against the State resisting the collection of millions of dollars of taxes. I am informed further suits are contemplated. The ordinary appropriations to the Governor or any other official are wholly insufficient to adequately defend these suits and intelligently protect the interests of the State. I urge an adequate appropriation to the Governor's Office to assist in the proper defense of this class of litigation, together with any necessary enabling legislation to the end that the interests of the State may be protected in this important matter.

Ninth, "To consider the amendment of Sections 3467 to 3514, inclusive, Revised Code of Arizona, 1928, as amended, relating to Agricultural Improvement Districts." It is essential that the laws pertaining to these districts be amended to meet present conditions.

Tenth, "To consider a special appropriation for the completion of the State Fair Grounds program in cooperation with the Federal Government, or its agencies." As you are aware, during the past year the State Fair Commission, under its development program, built an eight foot adobe fence around the fair grounds, built some modern stables of adobe and concrete, and also built a magnificent grandstand with a seating capacity of 10,000. To complete this program additional improvements and exhibit buildings should be constructed, which will necessitate a special appropriation. This project has been carried on under the Works

Progress Administration, and I would like to see the State avail itself of this Federal assistance.

Eleventh, "To enact a Basic Science Law." This legislation should be enacted to properly safeguard the health and security of the people of our State.

Twelfth, "To enact an equitable Fair Trades Act." After observation and study, I feel that this legislation is meritorious.

In conclusion, may I again thank you for your hearty cooperation in the past, and may God give you wisdom and strength to carry on the necessary legislation.

OFFICERS OF THE SENATE OF THE TWELFTH
LEGISLATURE OF THE STATE OF
ARIZONA—FIRST SPECIAL
SESSION

JOE C. HALDIMAN (Dem.)
Maricopa County.....President
W. J. GRAHAM (Dem.)
Maricopa County.....Secretary
T. F. HUGHES (Dem.)
Maricopa County.....Chaplain
F. J. GILLICK (Dem.)
Yavapai County.....Sergeant-at-Arms

MEMBERS OF THE SENATE OF THE TWELFTH
LEGISLATURE OF THE STATE OF
ARIZONA—FIRST SPECIAL
SESSION

County	Member	Politics	Residence
Apache	Bryant Whiting (Rep.)		St. Johns
Cochise	Dan Angius (Dem.)		Bisbee
Cochise	Joe S. Hunt (Dem.)		Douglas
Coconino	Clyde Stauffer (Dem.)		Flagstaff
Gila	E. H. McEachren (Dem.)		Miami
Gila	Daniel E. Rienhardt (Dem.)		Globe
Graham	Aaron W. Nelson (Dem.)		Safford
Greenlee	A. C. Stanton (Dem.)		Clifton
Maricopa	Joe C. Haldiman (Dem.)		Phoenix
Maricopa	George A. Johnson (Dem.)		Mesa
Mohave	J. Hubert Smith (Dem.)		Kingman
Navajo	G. W. Nelson (Dem.)		Winslow
Pima	Thomas Collins (Dem.)		Tucson

Pima—E. T. Houston (Dem.)	Tucson
Pinal—Peter H. Ethington (Dem.)	Casa Grande
Santa Cruz—J. A. Harrison (Dem.)	Nogales
Yavapai—Paul C. Keefe (Dem.)	Clarkdale
Yavapai—W. E. Patterson (Dem.)	Prescott
Yuma—Nellie T. Bush (Dem.)	Parker

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TIVES OF THE TWELFTH LEGISLATURE
FIRST SPECIAL SESSION OF THE
STATE OF ARIZONA

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LALLAH RUTH.....Chief Clerk
RUBY COLTER.....Assistant-Chief Clerk
M. V. DECKER.....Sergeant-at-Arms
REV. THOS. C. HARRIS.....Chaplain

MEMBERS OF THE HOUSE OF REPRESENTA-
TIVES OF THE TWELFTH STATE LEGIS-
LATURE FIRST SPECIAL SESSION OF
THE STATE OF ARIZONA

County	Member	Politics	Residence
Apache	Don R. Patterson	(Dem.)	St. Johns
Cochise	David J. Marks	(Dem.)	Bisbee
Cochise	Frank Bowling	(Dem.)	Lowell
Cochise	M. A. Gray	(Dem.)	Douglas
Cochise	Frank W. Sharpe, Jr.	(Dem.)	Douglas
Cochise	Vernon G. Davis	(Dem.)	Willcox
Coconino	James E. Babbitt	(Dem.)	Flagstaff
Coconino	L. S. Williams	(Dem.)	Williams
Gila	James R. Heron	(Dem.)	Globe
Gila	Ben H. Franklin	(Dem.)	Miami
Gila	W. G. Rosenbaum	(Dem.)	Hayden
Graham	Fred Webb	(Dem.)	Pima
Graham	Frank Skinner	(Dem.)	Safford
Greenlee	Matt Danenhauer	(Dem.)	Clifton
Maricopa	William Petersen	(Dem.)	Phoenix
Maricopa	M. G. Pratt	(Dem.)	Phoenix
Maricopa	Bridgie M. Porter	(Dem.)	Phoenix

Maricopa—J. E. Love (Dem.)	Phoenix
Maricopa—J. Melvin Goodson (Dem.)	Phoenix
Maricopa—Bert C. Armstrong (Dem.)	Phoenix
Maricopa—Raymond S. Hill (Dem.)	Phoenix
Maricopa—L. Alton Riggs (Dem.)	Mesa
Maricopa—Phillip A. Isley (Dem.)	Mesa
Maricopa—M. E. Curry (Dem.)	Tempe
Maricopa—W. R. Palmer (Dem.)	Phoenix
Maricopa—Tom J. Imler (Dem.)	Phoenix
Maricopa—William F. Gillett (Dem.)	Glendale
Maricopa—J. C. Wilson (Dem.)	Buckeye
Maricopa—Harry J. Sullivan (Dem.)	Phoenix
Maricopa—C. T. Thompson (Dem.)	Phoenix
Maricopa—G. A. Batchelder (Dem.)	Phoenix
Maricopa—Guy C. Chisum (Dem.)	Phoenix
Mohave—Robert E. Morrow (Dem.)	Kingman
Navajo—James Petersen (Dem.)	Standard
Navajo—O. L. Murray (Dem.)	Winslow
Pima—Justo A. Chavez (Dem.)	Tucson
Pima—John H. Rapp (Dem.)	Tucson
Pima—William Wisdom (Dem.)	Tucson
Pima—C. W. Gardner (Dem.)	Tucson
Pima—D. M. Penny (Dem.)	Tucson
Pima—B. J. O'Neill (Dem.)	Ajo
Pima—Wm. Spaid (Dem.)	Tucson
Pinal—R. W. Kenworthy (Dem.)	Coolidge
Pinal—Thos. S. Richards (Dem.)	Ray
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Yavapai—John H. Orthel (Dem.)	Prescott
Yavapai—V. A. Reichard (Dem.)	Prescott
Yavapai—Philemon C. Steinel (Dem.) ..	Clarkdale
Yavapai—Harry J. Mader (Dem.)	Jerome
Yuma—Wm. Wisener (Dem.)	Yuma
Yuma—Eli C. Shelton (Dem.)	Vicksburg

**LIST OF ELECTIVE ARIZONA STATE
OFFICIALS
1937—1938**

Office:	Name:	Address:
SUPREME COURT		
	Chief Justice—A. G. McAlister	State House
	Judge—Alfred C. Lockwood	State House
	Judge—Henry D. Ross	State House
GOVERNOR		
	R. C. Stanford	State House
SECRETARY OF STATE		
	James H. Kerby	State House
ATTORNEY GENERAL		
	Joe Conway	State House
STATE TREASURER		
	Harry M. Moore	State House
STATE AUDITOR		
	Ana Frohmiller	State House
SUPT. PUBLIC INSTRUCTION		
	H. E. Hendrix	State House
STATE MINE INSPECTOR		
	Tom C. Foster	State House
TAX COMMISSION		
	Chairman—Frank Luke	State House
	Member—D. C. O'Neil	State House
	Member—Thad M. Moore	State House
CORPORATION COMMISSION		
	Chairman—Wilson T. Wright.....	State Office Bldg.
	Member—Amos A. Betts	State Office Bldg.
	Member—W. M. Cox	State Office Bldg.

THE UNIVERSITY OF CHICAGO

CHICAGO, ILLINOIS

CHICAGO, ILLINOIS

Order of Acts



Order of Acts

FIRST SPECIAL SESSION OF THE TWELFTH LEGISLATURE, STATE OF ARIZONA

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ACTS

ACTS

CHAPTER 1

(House Bill No. 5)

AN ACT

MAKING AN APPROPRIATION TO DEFRAY EXPENSES OF THE TWELFTH LEGISLATURE, FIRST SPECIAL SESSION.

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

Section 1. APPROPRIATION. The sum of Twenty-Six Thousand Nine Hundred Eighty-Three Dollars and Thirty-Three Cents is appropriated for the use of the Twelfth Legislature, First Special Session.

Sec. 2. PURPOSE. Said appropriation is for the payment of:

(1) Salaries of members of the House of Representatives, Eight Thousand One Hundred Sixty Dollars;

(2) Salaries of members of the Senate, Three Thousand Forty Dollars;

(3) Salaries and wages of employees of the House of Representatives, Three Thousand Five Hundred Dollars;

(4) Payment of salaries and wages of the employees of the Senate, One Thousand Five Hundred Dollars;

(5) Contingent expense of the House of Representatives, Six Thousand Six Hundred Fifty Dollars;

(6) Contingent expense of the Senate, Four Thousand One Hundred Thirty-Three 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 November 9, 1936.

CHAPTER 2

(House Bill No. 10)

AN ACT

RELATING TO TAXATION; IMPOSING A TAX ON THE SALE OF CERTAIN LUXURIES, AMENDING SECTION 1, OF ARTICLE 1, AND SECTIONS 1 AND 3, OF ARTICLE 2, CHAPTER 78, SESSION LAWS OF 1935, REGULAR SESSION.

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

Section 1. Sec. 1, Article 1, Chapter 78, ses-

sion laws of 1935 regular session is amended to read;

Section 1. DEFINITIONS. For the purposes of this act, and unless otherwise required by the context:

(a) The term "malt extract, derivatives or combinations thereof" shall mean and include all extracts, derivatives and combinations commonly called malt or malt extracts, and shall include all combinations or extracts that are derivatives of sprouted barley or malt extract or products prepared in whole or in part from barley or products of barley, which may be used in the preparation or manufacture of any beverage.

(b) The term "spirituous liquor" shall mean any liquid containing more than one-half of one per cent alcohol by volume which is produced by the distillation of any fermented substance and which is used or which is prepared for use as a beverage.

(c) The term "vinous liquor" shall mean any liquid containing more than one-half of one per cent alcohol by volume made by the process of fermentation of grapes, berries, fruits, vegetables or other substances, but not including those liquors in which hops or grains are used in the process of fermentation and not including liquors made by the process of distillation of such substances.

(d) The term "malt liquor" shall mean any liquid containing more than one-half of one per cent of alcohol by volume which is made by the

process of fermentation and not distillation of hops or grains, but not including liquids made by the process of distillation of such substances.

(e) The terms "spirituous liquor," "vinous liquor" and "malt liquor" shall not be deemed to include medicines unsuitable for beverage purposes or beverages sold under the prescription of a physician.

(f) The term "cigarette" shall mean all rolls of tobacco or any substitute therefor wrapped in paper or any substance other than tobacco.

(g) The term "cigars" shall mean all rolls of tobacco or any substitute therefor wrapped with tobacco.

(h) The term "retailer" shall mean any person who comes into possession of the luxuries subject to the taxes imposed by this act for the purpose of selling such luxuries for consumption and for resale.

(i) The term "consumer" shall mean a person who comes into possession of any of the luxuries subject to the tax imposed by this act for the purpose of using, giving away or disposing of such luxuries in any way other than by sale, barter, or exchange.

(j) The term "the commission" or "the tax commission" shall mean the state tax commission.

(k) The term "person" shall mean any individual, firm, copartnership, joint adventure,

association, corporation, municipal corporation, estate, trust, club, society, or any other group or combination acting as a unit, and the plural as well as the singular number, unless the intention to give a more limited meaning is disclosed by the context.

(l) The term "wholesaler" shall mean a person who sells any luxury taxed under the provisions of this act to retail dealers or for the purposes of resale only.

(m) The term "luxury" shall mean any article or any object or any device upon which a tax is imposed under the provisions of this act.

Section 2. Sec. 1, article 2, chapter 78, Session Laws of 1935, regular session, is amended to read:

1. OBJECT, IMPOSITION, AND RATE OF TAX ON CERTAIN LUXURIES; STAMPS. To provide public funds for the relief of the State's unemployed and for Public Welfare Purposes, a tax, in addition to all other taxes, is levied and imposed, and shall be collected and paid to the State Tax Commission in the manner hereinafter provided, upon the sale of malt extracts, derivatives or combinations thereof, spirituous, vinous, and malt liquors, cigarettes, cigars, smoking tobacco, chewing tobacco, snuff, and all other forms of tobacco, in the following amounts:

(a) On each sixteen ounces or fraction thereof, of malt extracts, derivatives or combinations thereof, ten cents, except such malt that is used in manufacture of bread, and except such dextrans of malt used for the feeding of infants and in-

valids. The license tax hereby imposed upon malt extracts or derivatives or combinations thereof shall be refunded when the amount of said tax has been paid thereon, and when proof is made to the State Tax Commission that such malt extract, derivate or combination thereof has been used for other than the preparation of a beverage.

(b) On each sealed container of spirituous liquor containing eight ounces or less, five cents, and at the rate of five cents for each eight ounces for containers containing more than eight ounces.

(c) On each container of vinous liquor, of which the alcoholic content is not greater than twenty-four per cent by volume, containing sixteen ounces or less, three cents, and at the rate of three cents for each sixteen ounces for containers containing more than sixteen ounces.

(d) On each container of vinous liquor of which the alcoholic content is greater than twenty-four per cent by volume, containing eight ounces or less, five cents, and at the rate of five cents for each eight ounces for containers containing more than eight ounces.

(e) On each gallon of malt liquor, five cents.

(f) On each twenty cigarettes or fractional part thereof, two cents.

(g) On smoking tobacco, snuff, fine-cut chewing tobacco, cut or granulated tobacco, and shorts, refuse, scraps, clippings, cuttings, or sweepings of tobacco, except tobacco powder or tobacco

products used exclusively for agricultural or horticultural purposes and unfit for human consumption, at the rate of one cent per ounce or fractional part thereof.

(h) On cavendish, plug, or twist tobacco, one-fourth cent per ounce, or fractional part thereof.

(i) On each twenty small cigars or fractional part thereof weighing not more than three pounds per thousand, two cents.

(j) On all other cigars, made of tobacco or any substitute therefor, if manufactured to retail at not more than five cents each, one cent on each three cigars; if manufactured to retail at more than five cents each, one cent on each cigar.

(k) All malt extracts, derivatives or combinations thereof, and all cigarettes, cigars, snuff, and other forms of tobacco taxable under the provisions of this Act, shall be put up in packages or containers, and on each of said packages or containers shall be affixed an official stamp denoting the classification of the luxury, as prescribed in this section, and the tax thereon.

(l) All spirituous, vinous and malt liquors shall be sold in sealed containers, and there shall be securely affixed to each container an official stamp denoting the classification of the luxury, and the tax thereon. Spirituous, vinous and malt liquors may be sold by the drink from unsealed containers when the sealed container from which each drink so sold is removed bears a stamp show-

ing the payment of the tax prescribed by this Act. All such containers shall be preserved or disposed of according to regulations prescribed by the Tax Commission.

(m) Except as otherwise provided, any stamp required under the provisions of this Act shall be securely affixed to some visible part of the package or container to which it will firmly adhere while in the possession of the consumer.

Section 3. Sec. 3, article 2, chapter 78, Session Laws of 1935 regular session, is amended to read:

Section 3. REDEMPTION OF STAMPS; EXPORTS; INTERSTATE SALES. The State Tax Commission shall redeem unused stamps that any retailer or wholesaler presents for redemption, and pay for the same out of funds collected under the provisions of this Article. The tax hereby imposed by this Article upon any articles or substances shall be refunded when the amount of said tax has been paid thereon and when proof is made to the State Tax Commission that such articles or substances were exported from the State or that the stamps have been affixed to articles or substances upon which under the law stamps are not required. The manner of making such proof shall be in accordance with the regulations which may be adopted by the State Tax Commission. The tax imposed by this Article shall not be imposed upon any article or substance sold in interstate commerce which the State of Arizona is prohibited from taxing under the Constitution of the United States of America.

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

Approved November 20, 1936.

CHAPTER 3

(Senate Bill No. 4)

AN ACT

MAKING A DEFICIENCY APPROPRIATION
FOR THE STATE WATER COMMISSIONER.

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

Section 1. APPROPRIATION. The sum of five thousand five hundred dollars is appropriated for the use of the state water commissioner.

Sec. 2. PURPOSE. The purpose of this appropriation is to meet a deficiency existing in the fund for the operation and maintenance of the department of the state water commissioner, and to provide for the payment of the expenses of said department, including salaries and wages, operation, travel, and capital investment during the remainder of the twenty-fifth fiscal year.

Sec. 3. EMERGENCY. To preserve the public

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

Approved November 20, 1936.

CHAPTER 4

(House Bill No. 7)

AN ACT

TO AMEND SECTION 1026, REVISED CODE OF ARIZONA FOR 1928 ENTITLED "PURPOSE FOR WHICH SCHOOL MONEY MAY BE USED," SO AS TO PROVIDE THAT ALL WARRANTS REGISTERED AFTER JANUARY 1, 1936, DRAWN AGAINST THE SCHOOL FUND OF THE DISTRICT SHALL BE ENTITLED TO PREFERENCE OF PAYMENT ACCORDING TO PRIORITY OF REGISTRATION, AND MAKING PROVISION FOR PAYMENT OF WARRANTS REGISTERED PRIOR TO JANUARY 1, 1936, AND DECLARING AN EMERGENCY.

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

Section 1. That Section 1026, revised code of Arizona for 1928, entitled, "Purposes for which

school money may be used," is hereby amended to read as follows:

1026. PURPOSES FOR WHICH SCHOOL MONEY MAY BE USED. Board of trustees shall use the school money received from the state and county school apportionment exclusively for the payment of salaries of teachers and other employees, and contingent expenses of the district. All warrants registered after January 1, 1936, drawn on the county treasurer against the school fund of the district by the county school superintendent upon the order of the board of trustees, shall be entitled to preference of payment out of the school fund according to priority of registration. If a balance remain in the school fund of a district after payment of all outstanding warrants and the expense of maintaining school for a period of eight months during the school year has been paid, such balance may be expended for repairing the school house or improving the school grounds, or in the purchase of school furniture, fixtures, equipment and supplies, but no part of said money may be used in paying interest or principal of the bonded debts of the district or in the purchase of land for school purposes. Funds received from sources other than state, county or school district levies may be used in building schools or in purchasing lands for schools.

All school warrants registered prior to January 1, 1936, remaining unpaid shall be entitled to preference of payment as follows:

- (a) All moneys received from taxes levied

for the purpose for which such warrants were issued for the fiscal year in which the warrants were issued, shall be applied to the payment of such warrants issued in any such fiscal year, in the order of their registration. Any surplus of such moneys remaining after payment of the warrants issued for such fiscal year shall be applied to the payment of warrants issued for the same purposes in other fiscal years and registered prior to January 1, 1936, in the order of their registration, provided all penalties and interest collected on such taxes shall revert to the County General Fund.

(b) The county school superintendent, at the beginning of each fiscal year hereafter shall set apart from the school fund for each individual school district for such fiscal year until all such warrants are paid a sum equal to one-tenth of the aggregate of principal and interest of such warrants remaining unpaid at the beginning of the first fiscal year provided however, that at no time shall the funds set aside exceed 15 per cent of the total apportionment for the individual district subsequent to the passage of this Act, which shall be applied to the payment of such unpaid warrants in the order of their registration.

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 November 20, 1936.

CHAPTER 5

(House Bill No. 12)

AN ACT

RELATING TO THE BOARD OF REGENTS OF THE UNIVERSITY OF ARIZONA AND MAKING AN APPROPRIATION FOR THE REMODELING AND REPAIR OF CERTAIN BUILDINGS AND FOR ESTABLISHING AN EXPERIMENTAL FARM ON THE YUMA MESA.

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

Section 1. There is hereby appropriated for the Board of Regents of the University of Arizona:

(a) \$51,400, or so much thereof as may be necessary, to be used and expended for the purpose of remodeling, repairing, completing, and equipping the existing buildings on the University of Arizona Campus.

(b) \$18,000, or so much thereof as may be necessary, to be used for the purpose of establishing an experimental farm for field crops and live stock on the Yuma Mesa to be operated in conjunction with the Bureau of Reclamation.

Sec. 2. To preserve the public peace, health, and safety, it is necessary that this Act become immediately operative. It is therefore declared to be an emergency measure, and shall take ef-

fect upon its passage in the manner provided by law.

Approved November 25, 1936.

CHAPTER 6

(House Bill No. 8)

AN ACT

MAKING AN APPROPRIATION FOR THE CONTINUATION OF WORK ON THE IMPROVEMENT OF THE STATE FAIR GROUNDS, AND TO MEET THE GRANT OF THE UNITED STATES GOVERNMENT FOR SUCH PURPOSE.

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

Section 1. APPROPRIATION. The sum of ninety-nine thousand and two hundred thirty-two dollars and twenty-five cents is appropriated for the use of the State Fair Commission.

Sec. 2. PURPOSE. The purpose of said appropriation is to enable the State Fair Commission to meet the requirements of the Works Progress Administration of the United States Government in connection with a grant or grants of federal funds if and when the first grant is made for the making of improvements to the State Fair Grounds and the construction of buildings and other structures thereon; to pay the State's twenty-five per

cent share of the cost of such improvements, and to provide for the erection of:

1. Buildings for agricultural, horticultural, poultry, dairy cattle, swine and sheep exhibits;
2. Stables, barn, paddock, fencing, etc.; and
3. To complete the construction of pens for the exhibition of livestock.

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 November 25, 1936.

CHAPTER 7

(Senate Bill No. 2)

AN ACT

MAKING AN APPROPRIATION TO THE GOVERNOR TO DEFRAY THE COSTS AND EXPENSES OF DEFENDING ANY AND ALL SUITS BROUGHT AGAINST THE STATE OF ARIZONA OR ANY COUNTY THEREOF OR ANY OFFICIALS OF THE STATE OR ANY COUNTY THEREOF, CONTESTING THE VALIDITY OR AMOUNT OF ANY STATE OR COUNTY TAXES LEVIED BY ANY OFFICIALS, AND EMPOWERING THE GOVERNOR

TO EMPLOY SPECIAL COUNSEL IN THE
THE DEFENSE OF SUCH SUITS.

**Be It Enacted by the Legislature of the State of
Arizona:**

Section 1. That there be and is hereby appropriated from any funds in the State Treasury not otherwise appropriated, the sum of fifteen thousand dollars, or so much thereof as may be necessary for the use of the Governor to pay for special assistant attorney generals for salaries and services, operation, travel and capital investment in defending any suit or suits brought against the State of Arizona or any officials thereof or any county of the State, or any officials thereof, contesting the validity or amount of taxes levied by any taxing official of the State or any of its counties.

Sec. 2. 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. 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 November 25, 1936.

CHAPTER 8

(House Bill No. 1)

AN ACT

VALIDATING AND CONFIRMING BONDS ISSUED BY EDUCATIONAL INSTITUTIONS FOR PUBLIC WORKS PROJECTS.

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

Section 1. SHORT TITLE. This act is known and may be cited as the Educational Institutions Validating Act of 1936.

Sec. 2. VALIDATION OF BONDS. All bonds heretofore issued under the Educational Institutions Act of 1934, for the purpose of financing or aiding in the financing of any work, undertaking or project, by any educational institution to which any loan or grant has heretofore been made by the United States of America through the federal emergency administrator of public works, for the purpose of financing or aiding in the financing of such work, undertaking or project, including all proceedings for the authorization and issuance of such bonds, and the execution, sale and delivery thereof, are hereby validated, ratified, approved and confirmed, notwithstanding any lack of power (other than constitutional) of such educational institution, or the governing body or officers thereof, to authorize and issue such bonds, to covenant as to the sources of their payment, or to execute, sell or deliver the same, and notwithstanding any defects or irregularities (other than

constitutional) in such proceedings, or in such execution, sale or delivery; and such bonds are and shall be binding, legal and valid obligations of such educational institution, enforceable in accordance with the covenants therein and in the proceedings authorizing their issuance.

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 November 25, 1936.

CHAPTER 9

(House Bill No. 11)

AN ACT

RELATING TO THE BASIC SCIENCES; DEFINING THE SAME AND CREATING A BOARD OF EXAMINERS THEREIN; PROVIDING FOR THE EXAMINATION AND REGISTRATION OF PRACTITIONERS OF THE HEALING ARTS; AND PROVIDING PENALTIES FOR THE VIOLATION HEREOF.

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

Section 1. BASIC SCIENCE DEFINED; PRACTICING HEALING AND PRACTICE OF HEAL-

ING DEFINED. Wherever the term "Basic Sciences" is used in this Act and not otherwise specifically defined, the same shall be understood and construed to mean and include all matter pertaining to gross anatomy, physiology, pathology, chemistry, bacteriology and hygiene. Wherever the term "Practicing Healing" or "Practice of Healing" is used in this Act, unless otherwise specifically defined, the same shall be understood and construed to mean and include any person not hereinafter excepted from the provisions of this Act who shall in any manner, for any fee, gift, compensation or reward, or in expectation thereof, engage in, or hold himself out to the public as being engaged in the practice of medicine or surgery, the practice of osteopathy, the practice of chiropractic, analysis, treatment, correction or cure of any disease, injury, defect, deformity, infirmity, ailment or affliction of human health or disease, or who shall for any fee, gift, compensation or reward, or in anticipation thereof, suggest, recommend, or prescribe any medicine, diet or any form of treatment, correction or cure therefor; also any person or persons not hereinafter excepted from the provisions of this Act who, individually or collectively, maintain an office for the reception, examination, diagnosis or treatment of any person for any disease, injury, defect, deformity or infirmity of body or mind, or who attaches the title of doctor, physician, surgeon, specialist, M. D., M. B., D. C., D. O., N. D., or any other word, abbreviation or title to his name, indicating or designed to indicate that he is in the practice of healing.

Sec. 2. BOARD OF EXAMINERS IN BASIC SCIENCES. There is hereby created and estab-

lished a board to consist of five members, citizens of the State of Arizona, to be known and designated as the state board of examiners in the basic sciences.

Sec. 3. SAME; MEMBERS, APPOINTMENT, TERMS OF OFFICE; VACANCIES; OATH OF OFFICE. The board of regents of the University of Arizona shall appoint from the professors, associate professors or assistant professors of the faculty of the university, five persons to serve as members of the board of examiners in the basic sciences. The first appointments shall be made as soon as may be practicable after this Act shall take effect. The terms of office of the members first appointed shall begin when they are appointed and qualify and shall continue thereafter for the following periods: Two members until January 1st, 1937; two members until January 1st, 1939; and one member until January 1st, 1941. Upon the expiration of such terms and of all terms thereafter, the board of regents shall appoint, for a term of six years, a successor to the member whose term expires. Vacancies in said board shall be filled, for the balance of the unexpired term, by appointment by the board of regents within sixty days after such vacancies occur, and each member shall serve until his successor qualifies; each member of the board before entering upon the discharge of his duties shall take, subscribe and file with the secretary of state the oath of office prescribed by the constitution.

Sec. 4. ORGANIZATION OF BOARD; DUTIES. Within thirty days after the appointment of the members of the state board of examiners in the basic sciences, as provided in Section 3 of

this article, they shall assemble and organize by the election from their members of a president, a vice-president, and a secretary-treasurer, each of whom shall serve for one year, or until their successors are elected and qualify. Said board shall have authority to prescribe such reasonable rules and regulations relative to the examination of applicants in the basic sciences as may be found necessary for the performance of its duties. As to any matter coming within its jurisdiction, the board in session may take such testimony as it may deem necessary in the exercise of its powers and the performance of its duties under the provisions of this Act, and any member of said board shall have the power to administer oaths in the taking of such testimony. Three members of the board shall constitute a quorum for the transaction of business. Said board shall have a common seal which shall be kept by the secretary, whose duty it shall be to keep a record of all proceedings of the board, including the register of all applicants for examination therein, preserving the names, ages, addresses, educational qualifications, and the result of their examinations, which shall at all times be available for inspection by any parties in interest. Said board shall meet at the University of Arizona and there conduct examinations in the basic sciences four times each year, respectively on the third Tuesday in December, March, June and September, and may hold such other meetings at such times and places as the board may determine. Notice of such meetings shall be sent by registered mail to members of the board. Said board may appoint and fix the salaries of an assistant secretary and other necessary employees. Such employees shall

hold their positions at the pleasure of the board. The compensation of each member of the board shall be ten dollars for each day actually spent in the performance of his duties, together with actual necessary expenses, payable out of the general fund of the University. Examinations shall be in the basic sciences.

Sec. 5. EXAMINATIONS. Examinations will be written and consist of ten questions on each subject and be of such a nature as to constitute an adequate test as to whether the person so examined has such knowledge of the elementary principles of such basic science as is taught at the University of Arizona in one year's instruction of thirty-six weeks, or as is taught in one year's instruction of thirty-six weeks at any college or university accredited by the University of Arizona, or the equivalent thereof.

Sec. 6. FEES. Any person not hereinafter excepted from the provisions of this Act desiring to practice healing in this State shall apply to the secretary of the state board of examiners in the basic sciences, on blank forms prepared and furnished by said board, to be examined in the basic sciences at the next examination therein following the making of such application and for a certificate of registration in the basic sciences, accompanying such application with a fee of twenty dollars and sufficient and satisfactory proof that the applicant is twenty-one years of age or over, is of good moral character and possesses an education equivalent to graduation from an accredited high school of this State; provided, that no applicant shall be required nor requested to disclose in such application the professional college or

university he may have attended nor the branch or system of healing which he intends to pursue.

Sec. 7. CERTIFICATE OF REGISTRATION. If in such examination the applicant attains a grade of seventy-five per cent in each subject he shall receive a certificate of registration in the basic sciences, signed by the president and secretary and sealed with the seal of said board. If he fails in one or two subjects only, he may be re-examined in the subject or subjects in which he failed at any examination within one year, without further application or examination fee, and upon attaining a grade of seventy-five per cent therein, he shall receive his certificate of registration in the basic sciences. If he fails in three or more of the subjects, he may make a new application for examination in all subjects and again pay the secretary-treasurer of said board the examination fee of twenty dollars.

Sec. 8. CERTIFICATE WITHOUT EXAMINATION. Any person, not hereinafter excepted from the provisions of this Act, who was lawfully authorized to practice healing, as by this Act defined, in this State on the date this Act takes effect, and who was on that date regularly licensed or registered in the manner then by law provided, shall upon application as herein provided, receive from the state board of examiners in the basic sciences a certificate of registration in the basic sciences without examination therein; provided, however, that on or before September 1st, 1937, every such person shall apply to the secretary of said board for such certificate of registration, accompanying such application with sufficient and satisfactory evidence that he was, on the effective

date of this Act, lawfully authorized to practice healing or regularly licensed or registered according to law in the particular branch or system of healing by him pursued and specifying in said application the branch or system of healing pursued by the applicant, the school from which he graduated, if any, and the date of graduation from said school, together with a fee of three dollars. Such certificate of registration shall recite that registration is made solely as a person lawfully authorized to practice healing or licensed or registered according to law on the date this Act takes effect, and that same was issued without examination in the basic sciences. Any person entitled to a certificate or registration in the basic sciences without examination therein pursuant to the provisions of this section, who fails to apply for same in the manner herein provided shall not receive such certificate of registration except upon application for examination and actual examination in the basic sciences as hereinbefore provided; provided, however, said State Board of Examiners in the basic sciences shall after the first day of September, 1937, upon payment to it of a fee of twenty-five dollars issue a certificate of registration in the basic sciences without examination to any person who would have been entitled thereto pursuant to the provisions of this section upon applying therefor on or before the first day of September, 1937, and who makes application therefor in the manner herein provided and shows good cause why said application was not made on or before the first day of September, 1937.

Sec. 9. DISPOSAL OF FEES. The secretary-treasurer of the board of examiners in the basic sciences shall on or before the third Tuesday in

December, March, June and September, transmit to the bursar of the University of Arizona a record of all expenditures of the board for the previous quarter, with all fees collected during such previous quarter, the same to be credited to the general fund of the University.

Sec. 10. APPEAL FROM BOARD'S DECISION. Any applicant who has been denied examination by the board or feels aggrieved by the board's decision may within thirty days after such denial or notice of his failure to pass the examination appeal to the superior court of any county and such court shall on such appeal inquire into the cause of such denial or failure. If in the opinion of the court admission to the examination was refused or certificate withheld without just cause, the court may order the board to examine the applicant or to issue a certificate. Notice of an appeal from the denial by the board of the right to examination or of the failure to issue a certificate shall be served by leaving with the secretary of the board an attested copy thereof within thirty days after said board has notified the applicant of its refusal to examine him or his failure in the examination as the case may be. Hearings of such appeals shall proceed in accordance with such rules as the court may determine.

Sec. 11. VOID CERTIFICATES: CANCELLATION. Any basic science certificate which is issued contrary to the provisions of this Act shall be void. The certificate issued by the state board of Examiners in the basic sciences shall be automatically revoked by the revocation of any license issued to such person to practice the healing art or any branch thereof.

Sec. 12. RECORDING OF CERTIFICATES. Each certificate issued by the board of examiners in the basic sciences shall be recorded by the secretary of such board with the secretary of the state board of health.

Sec. 13. PRACTICING WITHOUT CERTIFICATE: PENALTY. Any person who shall practice the healing art or any branch thereof without having obtained a valid certificate from the state board of examiners in the basic sciences, except as otherwise authorized by section 19 of this Act, shall be guilty of a misdemeanor, and shall be punished therefor by a fine not exceeding one hundred dollars or imprisonment in the county jail not more than three months, or by both such fine and imprisonment.

Sec. 14. FRAUDULENT CERTIFICATES: PENALTY. Any person who shall obtain or attempt to obtain a basic science certificate by any dishonest or fraudulent means, or who shall forge, counterfeit or fraudulently alter any such certificate, shall be guilty of a misdemeanor and shall be punished therefor by a fine not exceeding one hundred dollars or imprisonment in the county jail not more than three months, or by both such fine and imprisonment.

Sec. 15. OBTAINING LICENSE WITHOUT CERTIFICATE; PENALTY. Any person who shall obtain or attempt to obtain a license to practice the healing art or any branch thereof from any board authorized to issue any such license, without presenting to said licensing board a valid certificate issued by the state board of examiners in the basic sciences, as by this Act required, shall

be guilty of a misdemeanor and shall be punished therefor by a fine not exceeding one hundred dollars or imprisonment in the county jail not more than three months, or by both such fine and imprisonment.

Sec. 16. ISSUING INVALID CERTIFICATE: PENALTY. Any person who knowingly issues or participates in the issuance of a license to practice the healing art or any branch thereof to any person who has not presented to the licensing board a valid certificate from the state board of examiners in the basic sciences, or to any person who has presented to such licensing board any such certificate obtained by dishonesty or fraud, or any forged or counterfeit certificate, shall be guilty of a misdemeanor and shall be punished therefor by a fine not exceeding one hundred dollars or by imprisonment in the county jail not more than three months, or by both such fine and imprisonment.

Sec. 17. INVESTIGATION: DUTIES OF OFFICERS. The secretary of the state board of health shall investigate any supposed violation of this Act and report to the proper county attorney of the causes that in his judgment warrant prosecution. Every police officer, sheriff and peace officer shall investigate supposed violation of this Act and apprehend and arrest all violators thereof. It shall be the duty of the attorney-general, and of the several county attorneys to prosecute violations of this Act, provided that this power shall not authorize any discrimination or preference to be made between nor among medical doctors, osteopaths, chiropractors, naturopaths, chris-

tian scientists or other persons regularly licensed to practice the healing arts in the state of Arizona.

Sec. 18. CALLINGS EXEMPT. This act shall not be construed as applying to optometrists, dentists, midwives, or nurses, practicing within the limits of their respective callings; nor to affect the practice of their religious tenents by members of any church, provided they do not administer drugs or medicine nor perform surgical or physical operations nor assume the title of or hold themselves out to be physicians or surgeons. Nor shall any provision of this Act be construed to prohibit the rendering of first aid by any person at the scene of an accident; provided further that the provisions of this Act shall not be construed to affect and there is hereby exempted persons engaged in the operation of public or private laboratories doing pathological, clinical, serological, chemistry, assaying, bio-chemistry and other kindred, incidental or usual sciences and research usually allied or carried on therewith.

Sec. 19. LIMITATION OF PROVISIONS. No provision of this Act shall be construed as repealing any statutory provisions in force at the time of its passage with reference to the requirements governing the issuance of licenses to practice the healing art of any branch thereof, except as herein provided.

Sec. 20. UNCONSTITUTIONALITY. 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. 21. EMERGENCY CLAUSE. 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 November 27, 1936.

CHAPTER 10

(Senate Bill No. 7)

AN ACT

RELATING TO AGRICULTURAL IMPROVEMENT DISTRICTS; AMENDING SECTIONS 3467, 3469, 3470, 3473, 3475, 3476, 3478, 3480, 3491, 3492, 3498, 3499, 3501, 3503, and 3510 OF THE REVISED CODE OF 1928, BY ENLARGING THE PURPOSES FOR WHICH AGRICULTURAL IMPROVEMENT DISTRICTS MAY BE ORGANIZED, AND FOR WHICH THEY MAY ISSUE BONDS; AMENDING THE PROCEDURE BY WHICH SUCH ORGANIZATION IS TO BE ACCOMPLISHED, AND DEFINING THE POWERS OF SUCH DISTRICTS AND THEIR OFFICERS AND DIRECTORS; FIXING THE QUALIFICATIONS OF ELECTORS, AND PROVIDING FOR VOTING ON AN ACREAGE BASIS; AMENDING THE PROVISIONS AS TO THE TERM, RATE AND MATURITY OF BONDS; AUTHORIZING THE APPOINTMENT OF OFFICERS AND DEFINING THEIR DUTIES AND POWERS

AND FIXING THEIR COMPENSATION; RE-DEFINING THE STATUS OF SUCH DISTRICTS AS PUBLIC POLITICAL TAXING SUBDIVISIONS AND MUNICIPAL CORPORATIONS OF THE STATE; AND DECLARING AN EMERGENCY.

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

Section 1. Section 3467, Revised Code of 1928, is amended to read:

3467. ORGANIZATION. Whenever five or more holders of title or evidence of title as herein defined, to agricultural lands that may have been at any time recognized as within the exterior boundaries of any United States reclamation project and which are susceptible of irrigation by the same general system of irrigation works, desire to provide for the improvement of such lands either by securing all or any portion of the water necessary to irrigate such lands, or any part of the same, or to increase or secure additional water therefor, or to provide for the storage, regulation, control or distribution of all or any part of the water already available or any additional or increased water supply available or to become available for the irrigation of all or any portion of such lands; or to provide in any manner whatsoever for the development of additional water for said purpose; or to provide for the drainage of all or any part of such lands; or to increase, enlarge or extend, operate and maintain any irrigation or drainage works already in existence and available for the irrigation or drainage of all or any part of said lands; or to provide new or additional means for

the irrigation or drainage of all or any part of such lands or to provide power or any means of communication for the use of the owners or occupants of such lands; or to reduce the cost of irrigation, drainage and power to the owners of the lands in said district by the sale of surplus water or power produced, owned or controlled by the district, and the construction, maintenance, extension, replacement, financing, and refinancing of the works useful for said purpose; or to finance or refinance as its own obligation all or any part of the debt heretofore incurred or hereafter proposed to be incurred by any public or private agency in the construction, maintenance, improvement or replacement of the structures and equipment necessary or useful for the accomplishment of any of the above purposes; or to provide for any one or more or all of said purposes, they may propose the organization of an agricultural improvement district under the provisions of this article; and when organized as herein provided, such district shall have all the powers, rights and duties herein conferred or which may now or hereafter be conferred by law upon such agricultural improvement district. The term, "the same general system of irrigation works" as used in this article shall be understood and construed to mean any system of irrigation works of whatever character, combination or construction, by whatever means operated, and whether located within or without the boundaries of any such agricultural improvement district or whether consisting of one or more connected or disconnected parts or portions and having one or more sources of supply or having one or more diversions or distribution systems. All drainage works and means of drainage

that may in any manner be acquired, controlled or operated by any such agricultural improvement district for the drainage of all or any portion of the lands within such district, shall be deemed and held to be and to constitute a part of the general system of irrigation works of such district. The word "district" as hereinafter used, except when otherwise indicated by the context, shall be deemed and held to refer to and mean agricultural improvement district. The equalized assessment roll next preceding the presentation of the petition for the organization of the district, under the provisions of this article, shall be sufficient evidence of title for the purposes of this article; provided that no person who has received or acquired title to land within such proposed district for the purpose of enabling such person to join in such petition or to become an elector of such district, shall be allowed to sign such petition or to vote at any election to be held in such district under the provisions of this article. Such illegal signing, however, shall not invalidate such petition when there shall be found a sufficient number of other legal petitioners joining such petition.

Sec. 2. Section 3469, Revised Code of 1928, is amended to read:

3469. HEARING ON PETITION. At the time fixed in such notice for said hearing, such board of supervisors shall proceed to hear said petition, together with any statements of evidence offered by any holder of title or evidence of title as defined in this article, to lands included within the boundaries of the proposed district, either in favor of or against the granting of such petition, and may adjourn such hearing from time to time, not

exceeding four weeks in all. On the final hearing, such board shall make such changes in the proposed boundaries or descriptions as may be deemed advisable and shall define and establish such boundaries or descriptions, but such board shall not modify such boundaries so as to exclude from the proposed district any territory which is susceptible of irrigation by the same general system of irrigation works as herein defined; nor shall any lands which will not, in the judgment of such board, be benefited generally or specially by such irrigation works, be included in such proposed district. Lands not included within the proposed district as defined in such petition, but which are adjacent or in the proximity of land included within such district, and which the board shall find will be generally or specially benefitted by being included in such district, may upon the application at said hearing by the owner of the title or evidence of title to such lands, be included within the proposed district. Upon the hearing of such petition, the board of supervisors shall determine whether or not such petition complies with the requirements of the two preceding sections, and for that purpose must hear all competent and relevant evidence offered in support of or in opposition to the same. All decisions and determinations made at such hearing shall be entered upon the minutes of said board of supervisors. Such minutes shall set forth the particular description of the boundaries of the district as determined by the board of supervisors, and the boundaries so determined and set forth in said minutes shall not be brought into question or set aside by any court except upon appeal taken in the manner provided in the next section.

Sec. 3. Section 3470, Revised Code of 1928, is amended to read:

3470. APPEAL FROM HEARING. The right of appeal from said order to the superior court of the county wherein such petition is heard, is hereby given to any person interested and who shall be a party to the record; provided that if more than one appeal be taken, they shall be consolidated and tried together. Such appeal shall be taken within ten days after the entry of such order upon the minutes of the board of supervisors. Appeals shall be taken and heard in the same manner as appeal from justice courts to the superior courts in civil actions, except as herein otherwise provided. Upon the appeal the superior court shall make and enter its judgment affirming, modifying or reversing the order appealed from. Within ten days thereafter the superior court must cause its remittitur to issue to said board of supervisors, and if the order of said board shall have been modified or reversed, the judgment of the superior court, and its remittitur, shall direct the board of supervisors what order said board shall enter. Such remittitur shall be filed by the clerk of the board of supervisors, and at the first regular meeting of the board thereafter it shall cause to be entered in its minutes the order as directed by such superior court. The appeal herein provided for shall be heard and determined within thirty days from the date of the filing of the notice of appeal. No appeal shall lie to the supreme court from the judgment of the superior court, but any error or omission or infringement of the legal right of any person affected by the judgment of the superior court may be made the subject of an appeal to the

supreme court from the judgment of the superior court approving the election and organization of said district as provided in section 3476 of this article.

Sec. 4. Section 3473, Revised Code of 1928, is amended to read:

3473. ELECTORS' QUALIFICATIONS. No person shall be entitled to vote at any election held under the provisions of this article unless he shall possess all the qualifications required of electors under the general election laws of the state, and shall be the owner of real property having an area of one acre, or more, situated within the boundaries of such district, and on which he shall have been assessed for county taxes as shown by the county tax roll next preceding the date of any such election. The petition for the organization of the district may provide that each owner of land shall have one vote, or may provide for voting on an acreage basis. If the district shall be organized under a provision for voting on an acreage basis, each landowner possessing the qualifications of an elector, shall be entitled to cast one vote at all elections after the organization election on each office to be filled, or each question submitted, for each acre of land within the district owned by him or her, provided that if land is held in more than one name, each owner, otherwise possessing the qualifications of an elector, shall be entitled to vote the number of acres represented by his or her legal interest or proportionate share of and in said lands. The result of each election shall be determined by the vote of a majority of the acres voted.

Sec. 5. Section 3475, Revised Code of 1928, is amended to read:

3475. ORGANIZATION ORDER TO BE RECORDED. Said board shall then cause a copy of such order, duly certified, to be immediately filed for record in the office of the county recorder of any county in which any portion of the lands embraced within such district are situated, and must also immediately forward a copy thereof to the clerk of the board of supervisors of each of said last mentioned counties. No agricultural improvement district shall be formed which shall include lands in whole or in part within the boundaries of a district already organized, without the consent of the directors of such included district; provided, however, that a district may be formed to include all of the lands susceptible of irrigation under a single system of irrigation works, under the provisions of this article, without the consent of included districts. Such included districts shall not thereby be dissolved or their existence terminated, or their assets or liabilities affected, except by and through their own voluntary proceedings in a manner provided by law. From and after the filing of such order the organization of the district shall be complete.

Sec. 6. Section 3476, Revised Code of 1928, is amended to read:

3476. CONTESTING ORGANIZATION ELECTION. Such election or organization may be contested by any person owning property within the proposed district liable to assessment for the purposes of such district. The directors elected at such election shall be made parties defendant.

Such contest shall be brought in the superior court of the county where the petition for organization is filed; provided, if more than one contest be pending, they shall be consolidated and tried together. The court having jurisdiction shall speedily try such contest and determine, upon the hearing, whether the election was fairly conducted, and the district properly organized, and in substantial compliance with the requirements of this article, and enter its judgment accordingly. Such contest must be brought within twenty days after the canvass of the vote and declaration of the result by the board of supervisors. The right of appeal is hereby given to either party to the record, within thirty days from entry of judgment. The appeal must be heard and determined by the supreme court within sixty days from the time of filing the notice of appeal.

Sec. 7. Section 3478, Revised Code of 1928, is amended to read:

3478. DIRECTORS ORGANIZE AND APPOINT OFFICERS. The directors of any district created under the provisions of this article, on the first Tuesday after their election and after they shall have qualified, shall meet and classify themselves by lot into two classes, as nearly equal in number as possible; and the term of office of the class having the greater number shall expire at the next general October election in this article provided for; and the term of office for the class having the lesser number shall terminate at the second general October election thereafter. After such classification, said directors shall organize as a board, shall elect a president from their number, and appoint a secretary and a treasurer, who

shall each hold office during the pleasure of the board. The salaries of the president, the secretary and the treasurer, and the amount of the bond to be given by each of them for the faithful performance of his duties, shall be fixed by the board of directors.

Sec. 8. Section 3480, Revised Code of 1928, is amended to read:

3480. POWERS OF BOARD OF DIRECTORS. The board shall have the power, and it shall be its duty, for and in the name of the district, to manage and conduct the business and affairs of the district; to make and execute all necessary contracts; to adopt a seal for the district to be used in the attestation of proper documents; to provide for the payment from the proper funds of all debts and just claims against the district; to employ and appoint, when necessary, engineers to survey, plan, locate and estimate the cost of the works necessary for irrigation or drainage or power, or any of them; to in any lawful manner acquire any and all lands, easements and other property, real or personal, of every kind, necessary or required for the uses and purposes of the district; to construct, maintain, operate and keep in repair all works and other property acquired and used for any of the purposes of, or owned by the district; to accept appointment or other authorization and act as the agent or otherwise represent or act for all or any part of the owners or occupants of the land within the district, in any and all matters pertaining to the purposes of this article; and to make, execute, acknowledge and perform any and all contracts, agreements and obligations as they may deem proper for the in-

terest of the district or to carry out or accomplish any of the purposes authorized or permitted by the provisions of this article; and particularly to enter into, execute, acknowledge, deliver and perform any and all such contracts or agreements as it may find to be for the best interest of the district, with any person, firm or corporation, or with the United States, or the State of Arizona, or any department or agency of either, or with any county or other political subdivision of said state, or any board, commission or other officials of either, for the storage, regulation, control, development and distribution of water for the irrigation of lands within the district, or for the use, control and disposal of any and all drainage water within the district, or for the construction, extension, enlargement, operation, control, maintenance and management of any works or other property of the district, or over which it may have control or which may be used or useful for the irrigation or drainage of land within the district, or for providing or furnishing power or any means of communication for the use of the owners or occupants of land within the district; or to reduce the cost of irrigation, drainage and power to the owners of the lands in said district by the sale of surplus water or power produced, owned or controlled by the district, and the construction, maintenance, extension, replacement, financing and refinancing of the works useful for said purpose; or to finance or refinance as its own obligation all or any part of the debt heretofore incurred or hereafter proposed to be incurred by any public or private agency in the construction, maintenance, improvement or replacement of the structures and equipment necessary or useful for

the accomplishment of any of the above purposes; either by the issue and sale of its bonds or by exchange of its bonds for outstanding obligations of such public or private agency or by assuming or guaranteeing the payment thereof; or for any one or more or all of said purposes and to provide in any contract entered into with the United States or any corporation or association or irrigation district, operating a United States reclamation project, that the lands included in such agricultural improvement district shall be entitled either upon the execution of such contract or upon compliance with the terms and conditions thereof, to become a part of such project with either full or partial proportionate interest in any or all irrigation, drainage, electric power or other works and property of such project, including revenues derived from any such works; provided, that nothing in this section shall be construed or held to in any manner affect or modify or as intended to affect or modify the rights of any landowner within the district to the use of water for the irrigation of his land located within such district, as such rights may be fixed at the time of the organization of any such district; nor to authorize such board, without the consent of such landowner, to in any manner change or modify any such rights of such landowner. The board, its agents, employees and authorized representatives, shall have the right to enter upon any land to make surveys or locate any and all necessary irrigation or drainage works, rights of way, buildings, structures, power transmission lines, telephone lines, or any other structures or appliances of any kind whatsoever which they may find necessary or useful for the purposes of the

district; said board shall also have the right and power, for and in the name of and for the use and benefit of the district, to exercise the right of eminent domain and thereby take, hold and possess any and all such land and other property as may be necessary for the construction, use, maintenance, repair, improvement or extensions of any works necessary or useful for the purposes of the district. The board may establish and enforce by-laws, rules and regulations, necessary or proper to carry on any of the business of the district herein contemplated, and may perform any and all such other acts and things as may be necessary or proper to fully carry out any one or more of the purposes of this article.

Sec. 9. Section 3491, Revised Code of 1928, is amended to read:

3491. POWERS OF BOARD AND BOND ELECTION. For the purposes of acquiring any property or property rights necessary or useful for the district, or for the construction, enlargement, extension, improvement, completion or renewal of any irrigation works, structures and appliances necessary or proper for the development, storage, regulation, control or distribution of water for the irrigation, of lands within the district, or for the drainage of any such lands; or for the construction of power plants, power transmission lines, lines of communication, and appliances incident thereto, including all rights of way, property and property rights necessary therefor, intended or designed for use in connection with the development, storage, regulation, control and distribution of water for the irrigation of lands in said district, or for the drainage or any such

lands or for the purpose of providing under and by means of any contract, agreement or arrangement herein authorized, for the development, storage, regulation, control, delivery and distribution of water for the irrigation of lands within the district, or the drainage of water from any such lands, or for the disposal of any such drainage water, or for the construction, extension, renewal, replacement, improvement, enlargement, maintenance, operation and control of irrigation or drainage works within the district, used or useful for the irrigation or drainage of any of the lands in said district, whether such works be actually owned by the district or otherwise; or for the purpose of providing power or any means of communication for the use of the owners or occupants of land within the district; or to otherwise carry out any of the provisions of this article; or to reduce the cost of irrigation, drainage and power to the owners of the lands in said district by the sale of surplus water or power produced, owned or controlled by the district, and the construction, maintenance, extension, replacement, financing and refinancing of the works useful for said purpose; or to finance or refinance as its own obligation all or any part of the debt heretofore incurred or hereafter proposed to be incurred by any public or private agency in the construction, maintenance, improvement or replacement of the structures and equipment necessary or useful for the accomplishment of any of the above purposes; or for any one or more or all of said purposes; the board of directors of any such district must, as soon after such district has been organized as may be practicable, also whenever thereafter the funds available for such purposes shall have been

exhausted and it shall be necessary to raise additional money for said purposes, or any of the same, estimate and determine the amount of money necessary to be raised. Said board shall thereupon immediately call a special election at which shall be submitted to the electors of the district the question whether or not the bonds of such district shall be issued in the amount so determined. Notice of such election shall be given by posting notice thereof in three public places in each election precinct of the district, or in case the district is not divided into divisions, then in three public places in the district, for at least twenty days, and also by publication of such notice in some newspaper published in the county where the office of the board of directors of the district is required to be kept, once a week for at least two successive weeks. Such notice must specify (1) the time of holding the election, (2) the amount of bonds proposed to be issued, and (3) the denomination thereof and such election must be held and the results thereof determined and declared, in all respects as nearly as practicable in conformity with the provisions of this article governing the election of directors; provided, that no informality in conducting such election shall invalidate the same, if the election shall have been otherwise fairly conducted. At such election the ballots shall contain the words "Bonds—Yes" and "Bonds—No." If a majority of the votes cast at such election be "Bonds—Yes" then the board of directors shall cause such bonds in said amount to be issued; if a majority of the votes cast at such election shall be "Bonds—No" the result of such election shall be declared by the board of directors and entered on its record,

and, whenever, thereafter, a petition signed by one-fourth or more of the qualified electors of such district shall be presented to the board of directors, it shall so declare of record in its minutes, and shall therefor submit such question to said electors of the district in the same manner and with like effect as at such previous election.

Sec. 10. That section 3492, Revised Code of 1928, is amended to read:

3492: BONDS, FORM OF, INTEREST RATE. All bonds issued under the provisions of this article shall be payable in such currency of the United States as may be legal for the payment of public and private debt at the time or times of maturity of such bonds, and shall be payable within forty years from the date of such bonds. Provided, that nothing in this section shall be construed to repeal the provisions of chapter 6, Session Laws of 1934, Third Special Session. Such bonds shall bear interest not exceeding the rate of six per cent per annum, payable semi-annually on the 1st day of January and the 1st day of July in each year. They may be made callable after five years from their date at a premium not to exceed three per centum of their face amount. Subject to the foregoing provisions the interest rate and the maturity or maturities of such bonds shall be fixed by the board of directors of the district at the date or dates of the sale or sales or exchange of such bonds. The principal and interest shall be payable at the office of the district or at the office of the trustee of any such issue of bonds at the discretion of the directors of said district. Said bonds shall be in denomination of not less than one hundred dollars, nor more than

ten thousand dollars each, and shall be negotiable in form, signed by the president and secretary of the board of directors, and the seal of the district shall be affixed thereto. The bonds of each issue shall be numbered consecutively, and bear the date of their issue. Coupons for the several installments of interest shall be attached to each bond and shall bear the fascimile signature of the secretary. Said bonds shall express on their face that they were signed by the authority of this article, stating its title and date of approval, and shall also state the number of the issue of which said bonds are a part. The secretary shall keep a record of the bonds sold, their number, date of sale, the price received, and the name of the purchaser or purchasers.

Sec. 11. Section 3498, Revised Code of 1928, is amended to read:

3498. TAX LEVIED BY BOARD OF SUPERVISORS. The board of supervisors of each county wherein is situated a district, or any part thereof, organized under the provisions of this article, must annually, at the time of levying county taxes, levy a tax to be known as "(Name of district) Agricultural Improvement District Tax" sufficient to raise an amount reported to them as herein provided. The supervisors must determine the rate of tax by dividing the total amount required to be raised, plus fifteen per cent for anticipated delinquencies, by the total number of acres included within the district. The supervisors shall levy against each landowner in the district a tax equal to the unit rate multiplied by the number of acres owned, and certified by the directors of the district to the supervisors. The directors of

the district, in certifying the annual budget to the board of supervisors, shall include a list of land-owners in the district, and the number of acres owned by each of them.

Sec. 12. Section 3499, Revised Code of 1928, is amended to read:

3499. TAXES, LEVY AND COLLECTION. The tax so levied shall be computed and entered on the assessment roll by the county assessor, and if the supervisors fail to levy the tax as provided in the preceding section, then the assessor must do so. Such tax shall be collected at the same time and in the same manner as state and county taxes, and when collected shall be paid into the county treasury for the use of said district. The taxes imposed by this section shall be a lien upon the lands against which they are levied until paid. They shall be subject to the same penalties and interest upon delinquent amounts as are state and county taxes. The directors of the district shall not provide irrigation, drainage or power, or any other service to lands upon which a district tax is delinquent until the whole thereof with interest and penalties is fully paid.

Sec. 13. Section 3501, Revised Code of 1928, is amended to read:

3501. TREASURER, DUTIES OF. The treasurer of each county wherein such agricultural improvement district is in whole or in part located, shall on or before the fifth day of each calendar month pay over to the treasurer of the district, all moneys of the district collected during the preceding month, and shall take the receipt of the

treasurer of the district therefor, which receipt shall constitute his discharge from any further responsibility or liability for said moneys, or the application thereof.

Sec. 14. Section 3503, Revised Code of 1928, is amended to read:

3503. TREASURER, REPORT OF. The treasurer of the district shall pay out the money received from the county treasurer only upon warrants of the board of directors signed by the president and attested by the secretary. The treasurer shall report in writing at each regular meeting of the board of directors, and at such other times as may be required by the board, the amount of money in each of the funds, the amount of receipts since his last report, and the amount paid out. Such reports shall be verified and filed with the secretary.

Sec. 15. Section 3510, Revised Code of 1928, is amended to read:

3510. MUNICIPAL STATUS OF DISTRICT. Agricultural improvement districts organized under the provisions of this article are hereby declared to be public, political, taxing subdivisions of the state of Arizona, and municipal corporations to the extent of the powers and privileges herein conferred or granted generally to municipal corporations by the constitution and statutes of the state of Arizona now in force, or hereafter to be adopted or passed, including immunity of their properties and their bonds from taxation.

Sec. 16. 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. 17. EMERGENCY. To preserve the public peace, health, and safety it is necessary that this act shall become immediately operative. It is therefore declared an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved November 27, 1936.

CHAPTER 11

(House Bill No. 4)

AN ACT

RELATING TO TRADE PRACTICES; AND PROVIDING FOR THE PROTECTION OF TRADE-MARK OWNERS, DISTRIBUTORS AND THE PUBLIC AGAINST INJURIOUS AND UN-ECONOMIC TRADE PRACTICES.

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

Section 1. SHORT TITLE. This Act shall be known and may be cited as the "Fair Trade Act of 1936."

Section 2. DEFINITIONS. For the purposes of

this Act, and unless otherwise required by the context:

(a) "Producer" shall mean grower, baker, maker, manufacturer, or publisher.

(b) "Commodity" shall mean any subject of commerce.

Section 3. WHAT MAY BE IN CONTRACT.

No contract relating to the sale or resale of a commodity which bears, or the label or content of which bears, the trade-mark, brand, or name of the producer or owner of such commodity and which is in fair and open competition with commodities of the same general class produced by others shall be deemed in violation of any law of the State by reason of any of the following provisions which may be contained in such contract: (1) that the buyer will not resell such commodity except at the price stipulated by the vendor; (2) that the vendee or producer require in delivery to whom he may resell such commodity to agree that he will not, in turn, resell except at the price stipulated by such vendor or by such vendee. Such provisions in any contract shall be deemed to contain or imply conditions that such commodity may be resold without reference to such agreement in the following cases: (1) in closing out the owner's stock for the purpose of discontinuing the delivery of any such commodity; (2) when the goods are damaged or deteriorated in quality, and notice is given to the public thereof; (3) by any officer acting under the orders of any court.

Section 4. UNFAIR PRACTICE. Wilfully and knowingly advertising, offering for sale or selling

any commodity at less than the price stipulated in any contract entered into pursuant to the provisions of Section 3, whether the person so advertising, offering for sale or selling is or is not a party to such contract, is unfair competition and is actionable at the suit of any person damaged thereby.

Section 5. WHOM NOT TO APPLY TO. This Act shall not apply to any contract or agreement between producers or between wholesalers or between retailers as to sale or resale prices.

Section 6. SAVING CLAUSE. If any part of this Act shall for any reason be adjudged by a court of competent jurisdiction to be invalid, the remainder thereof shall not thereby be invalidated, impaired, or affected.

Approved November 28, 1936.

CHAPTER 12

(Senate Bill No. 1)

AN ACT

RELATING TO THE SALARIES OF STATE OFFICERS, AND AMENDING SECTION 2791, REVISED CODE OF 1928, AS AMENDED.

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

Section 1. Sec. 2791 of the Revised Code of

1928, as amended by Chapter 41 of the Eleventh Legislature, approved March 14, 1933, is hereby amended to read as follows:

2791. Salaries of State Officers. Beginning the last Thursday in December, 1936, state officers of the State of Arizona shall receive the following salaries: govèrnor, six thousand seven hundred fifty dollars; secretary of state, four thousand five hundred dollars; state auditor, four thousand and fifty dollars; state treasurer, four thousand and fifty dollars; attorney general, four thousand nine hundred and fifty dollars; state mine inspector, four thousand and fifty dollars; commissioners of the Arizona corporation commission, each, four thousand and fifty dollars; members of the tax commission, each, four thousand and fifty dollars; superintendent of public instruction, four thousand and fifty dollars; chief justice and associate justices of the supreme court, each, seven thousand six hundred and fifty dollars; clerk of the supreme court, three thousand two hundred and forty dollars; reporter of decisions of the supreme court, one thousand and eighty dollars; judges of the superior court of the counties of Yavapai, Maricopa, Pima, Gila and Cochise, each, four thousand nine hundred and fifty dollars; judges of the superior court of the counties of Coconino, Mohave, Yuma and Pinal, each, four thousand and fifty dollars; judges of the superior court of the counties of Apache, Graham, Navajo, Greenlee and Santa Cruz, each, three thousand five hundred dollars.

Beginning the 31st day of December, 1937, state officers of the State of Arizona shall receive the following salaries: governor, seven thousand five

hundred dollars; secretary of state, five thousand dollars; state auditor, four thousand five hundred dollars; state treasurer, four thousand five hundred dollars; attorney general, five thousand five hundred dollars; state mine inspector, four thousand five hundred dollars; commissioners of the Arizona corporation commission, each, four thousand five hundred dollars; members of the tax commission, each, four thousand five hundred dollars; superintendent of public instruction, four thousand five hundred dollars; chief justice and associate justices of the supreme court, each, eight thousand five hundred dollars; clerk of the supreme court, three thousand six hundred dollars; reporter of decisions of the supreme court, one thousand two hundred dollars; judges of the superior court of the counties of Yavapai, Maricopa, Pima, Gila and Cochise, each, five thousand five hundred dollars; judges of the superior court of the counties of Coconino, Mohave, Yuma and Pinal, each, four thousand five hundred dollars; judges of the superior court of the counties of Apache, Graham, Navajo, Greenlee and Santa Cruz, each, four thousand dollars. All salaries of judges of the superior court are to be paid one-half by the state and one-half by the county.

All acts and parts of acts in conflict with this act are hereby repealed.

Sec. 2. If any portion of this act shall be found to be unconstitutional, it shall not invalidate the remaining portion of this act.

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 December 2, 1936.

CHAPTER 13.

(Senate Bill No. 3)

AN ACT

PROVIDING FOR UNEMPLOYMENT COMPENSATION; DEFINING TERMS; PROVIDING FOR THE PAYMENT OF BENEFITS TO UNEMPLOYED INDIVIDUALS, THE AMOUNT AND DURATION OF SUCH BENEFITS, THE CONDITION FOR THE PAYMENT THEREOF AND THE ELIGIBILITY OF UNEMPLOYED INDIVIDUALS TO RECEIVE SUCH BENEFITS; ESTABLISHING A PROCEDURE FOR THE DETERMINATION AND PAYMENT OF BENEFIT CLAIMS AND FOR REVIEW OF SUCH DETERMINATION; PROVIDING FOR CONTRIBUTIONS TO BE PAID BY EMPLOYERS TO BE USED FOR THE PAYMENT OF BENEFITS; PROVIDING A SYSTEM OF MERIT RATING IN REDUCTION OF OR IN LIEU OF CONTRIBUTIONS; DEFINING EMPLOYERS SUBJECT TO THE ACT AND PROVIDING FOR THE ELECTION BY OTHER EMPLOYERS TO BECOME SUBJECT TO THE ACT; ESTABLISHING AN UNEMPLOYMENT COMPENSATION FUND AND OTHER FUNDS

FOR THE PURPOSE OF PAYMENT OF BENEFITS AND THE ADMINISTRATION OF THE ACT; ESTABLISHING A COMMISSION TO ADMINISTER THE ACT AND DEFINING ITS POWERS AND DUTIES; PROVIDING FOR AN EMPLOYMENT SERVICE DIVISION OF THE COMMISSION AND THE TRANSFER THERETO OF THE DUTIES, POWERS AND FUNDS OF THE EMPLOYMENT SERVICE DIVISION OF THE BOARD OF DIRECTORS OF STATE INSTITUTIONS; ACCEPTING THE PROVISIONS OF THE WAGNER - PEYSER ACT; PROVIDING PROCEDURE FOR THE COLLECTION OF CONTRIBUTIONS; PROVIDING PENALTIES FOR THE VIOLATION OF THE PROVISIONS OF THE ACT; PROVIDING FOR THE SUSPENSION OF THE ACT UPON THE HAPPENING OF CERTAIN EVENTS AND THE REFUNDING OF CONTRIBUTIONS; AND DECLARING AN EMERGENCY.

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

Section 1. SHORT TITLE. This Act is known and may be cited as the Unemployment Compensation Law of 1936.

Sec. 2. DECLARATION OF STATE PUBLIC POLICY. 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. 3. BENEFITS. (a) Payment of benefits. Twenty-four months after the date when contributions first accrue under this Act, benefits shall become payable from the fund. All benefits shall be paid through employment offices, in accordance with such regulations as the commission may prescribe.

(b) Weekly benefit amount for total unemployment. Each eligible individual who is totally unemployed (as defined in section 19) in any week shall be paid with respect to such week, benefits (computed to the next highest multiple of twenty cents) at the rate of fifty per centum of his full time weekly wages, but not more than fifteen dollars per week, nor less than either five dollars

or three-fourths of his full time weekly wage, whichever is the lesser.

(c) Weekly benefit for partial unemployment. Each eligible individual who is partially unemployed (as defined in section 19), in any week shall be paid with respect to such week a partial benefit. Such partial benefit shall be an amount (computed to the next highest multiple of twenty cents) which if added to his wages (as defined in section 19) for such week, would exceed his weekly benefit amount (as defined in section 19) by two dollars. If such partial benefit for any week equals less than two dollars, it shall not be payable unless and until the accumulated total of such partial benefits with respect to weeks occurring within the thirteen preceding weeks equals two dollars or more.

(d) Ratio provisions and duration of benefits. Benefits shall be paid each unemployed and eligible individual, with respect to his total or partial unemployment:

(1) In the ratio of one-fourth of his weekly benefit amount to each uncharged week of employment occurring, except as otherwise provided in section 4 (e), within the one hundred and four consecutive weeks preceding the first week in any continuous period of unemployment, except that his aggregate benefits thus payable within any period of fifty-two consecutive weeks shall not exceed twelve times his weekly benefit amount; and after such individual has exhausted his rights to benefits under this provision.

(2) In the ratio of one-twentieth of his week-

ly benefit amount to each uncharged week of employment occurring within the two hundred and sixty consecutive weeks preceding the first week in any continuous period of unemployment.

(e) Charging of benefits against past weeks of employment. Each individual's benefits shall be limited in accordance with the ratio provisions of subsection (d) of this section and shall be charged against those of his weeks of employment, against which benefits have not previously been charged hereunder, in the inverse chronological order in which such weeks occurred. In no event shall any one calendar week be chargeable as more than one week of employment (as defined in section 19). If during any one calendar week an individual has rendered services for more than one employer, his benefits shall be chargeable only against the week of employment for the employer by whom the plurality of his wages for such week was payable. If the amount chargeable against a particular week of employment under the provisions of subsections (d) (1) or (d) (2) of this section equals, respectively, less than one-fourth or less than one-twentieth of the weekly benefit amount, the manner in which and the extent to which such week of employment shall be charged shall be in accordance with general rules prescribed by the commission.

(f) Determination of full time weekly wage. The full time weekly wage of any individual means the product obtained by multiplying his hourly rate of earnings by his full time weekly hours, both of which shall be determined and re-determined at reasonable intervals in accordance with rules prescribed by the commission.

(1) An individual's full time weekly hours shall be determined as follows: There shall be added together the hours worked by the individual in all those weeks of employment, occurring within the fifty-two weeks preceding the first week in any continuous period of unemployment in which he worked thirty hours or more. Such total hours shall be divided by the number of such weeks and the resulting weekly average shall constitute the individual's full time weekly hours, until a subsequent determination is made. If the application of the above method would be unreasonable or arbitrary as applied to a particular individual, the full time weekly hours for such individual, shall be determined in accordance with fair and reasonable methods prescribed by the commission.

(2) An individual's hourly rate of earnings shall be determined by dividing his total wages for all his weeks of employment during which he was employed for at least his full time weekly hours, occurring within the thirteen weeks preceding the first week in any continuous period of unemployment, by the total number of hours of employment within such weeks; the quotient so obtained shall be his hourly rate of earnings until a subsequent determination is made: Provided, that if the application of such method of determination would be unreasonable or arbitrary as applied to a particular individual, the hourly rate of earnings of such individual shall be determined in accordance with fair and reasonable methods prescribed by the commission.

(3) The commission may, after fair notice and opportunity to be heard, determine the full time

weekly hours customarily worked, or the hourly rate of earnings customarily received (or both), by individuals employed in any trade or industry or any type of employment therein, in this State, in any part of this State, or in any establishment in this State. Such determination shall be made and published in accordance with the provisions of this Act for general rules. Thereafter, until such determination is amended or rescinded, such weekly hours or such hourly rate of earnings, or both, shall be deemed to be the full time weekly hours or the hourly rate of earnings, or both, of any individual employed in such trade or industry or type of employment or establishment for the greater part of his working time occurring within the fifty-two consecutive weeks preceding the first week in any continuous period of unemployment: Provided, that upon showing of good cause therefor, the commission may exempt any such individual from the application of such determination if it finds that the application thereof to him would be impracticable or inequitable.

4. 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 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. It shall be the duty of the commission from time to time to ascertain and determine or re-determine whether any particular employment is seasonal in nature

and the seasonal period or periods for each such seasonal employment; provided that no employment shall be deemed to be seasonal unless,

(a) The seasonal period of unemployment occurs at substantially the same time in each year, and

(b) It has been customary in such seasonal employment not to operate during such seasonal period in the three years prior to the time any such determination or re-determination is made.

The commission shall, after fair notice and opportunity to be heard, prescribe fair and reasonable general rules applicable to seasonal workers, for determining the total number of weeks of employment required to qualify such workers for benefits, and the period during which benefits shall be payable to them. Such rules shall, with respect to such workers, supersede any inconsistent provisions of this Act, but so far as practicable, shall secure results reasonably similar to those provided in the analogous provisions of this Act.

Sec. 4. 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 ac-

cordance with the provisions of Section 6 (a) of this Act;

(c) He is able to work, and is available for work;

(d) Prior to any week for which he claims benefits for total unemployment, he has been totally unemployed for a waiting period of two weeks with respect to which he received no benefits, but during which he was eligible for benefits in all other respects except for the requirements of subsections (b) and (e) of this Section, and was not disqualified for benefits under any provision of Section 5 of this Act. Such two weeks of total unemployment need not be consecutive, but shall be accumulated over the period of thirteen consecutive weeks preceding any week for which he claims benefits, provided that this requirement shall not interrupt the payment of benefits for consecutive weeks of unemployment; and provided further, that such two weeks of total unemployment occur after benefits first could become payable to any individual under this Act;

(e) He has had at least thirteen weeks of employment within the fifty-two consecutive weeks preceding the first week in any continuous period of unemployment; provided, that if the commission finds that during such period of fifty-two weeks or the period of one hundred and four weeks provided in Section 3 (d) any individual has been incapable of work because of some physical or mental disability, or has been engaged for the greater part of his working time in any week in self-employment or in performing services not subject to this Act, such period of fifty-two weeks

for the purposes of this subsection or the said period of one hundred and four weeks for the purposes of subsection (d) of Section 3, or both such periods, as the case may require, shall be extended by the duration of such incapacity, self employment or services. No such extension shall exceed fifty-two additional weeks.

Section 5. DISQUALIFICATION FOR BENEFITS. An individual shall be disqualified for benefits: (a) For the week in which he has left work voluntarily without good cause, if so found by the commission, and for such of the next following weeks which ensue before he again earns such wages that benefits will not otherwise be payable;

(b) For the week in which he has been discharged for misconduct in connection with his work, if so found by the commission, and for not less than the one nor more than the nine weeks which immediately follow such week (in addition to the waiting period) as determined by the commission in each case according to the seriousness of the misconduct; provided that if the misconduct involves moral turpitude or an act for which he would be criminally liable, if so found by the commission, then such disqualification shall continue for the week in which such misconduct occurred and for such of the next following weeks which ensue before he again earns such wages that benefits will not otherwise be payable.

(c) If the commission finds that being totally unemployed and otherwise eligible for benefits, he has failed, without good 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 by the employment office or by any employer, or to return to his customary self employment (if any) when so directed by the commission. Such ineligibility shall continue for the week in which such failure occurred and for such of the next following weeks which ensue before he again earns such wages that benefits will not otherwise be payable.

(1) 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.

(2) Notwithstanding any other provisions of this Act, no work shall be deemed suitable and benefits shall not be denied under this Act to any otherwise eligible individual for refusing to accept new work under any of the following conditions: 2a. If the position offered is vacant due directly to a strike, lock-out or other labor dispute; 2b. 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; 2c. If as a condition of being employed the individual would be required to join a company union or to resign from or refrain from joining any bona fide labor organization;

(d) For any week with respect to which the commission finds that his total or partial unem-

ployment 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, provided that this subsection shall not apply if it is shown to the satisfaction of the commission that:

(1) He is not participating in or financing or directly interested in the labor dispute, strike, or lock-out which 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: Provided, that if in any case separate branches of work which are commonly conducted as separate businesses in separate premises, are conducted in separate departments of the same premises, each such department shall, for the purposes of this subsection, be deemed to be a separate factory, establishment, or other premises; and provided further, that if the commission, upon investigation, shall find that such 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 and 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: (1) Wages in lieu of notice; (2) Compensation for temporary partial disability under the workmen's compensation law of any state or under a similar law of the United States; or, (3) Old age benefits under Title II of the Social Security Act, as amended, or similar payments under any act of Congress or under the laws of the State of Arizona. Provided, that if any 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.

Sec. 6. 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 such regulations in places readily accessible to individuals in his service, and shall make available to each such individual at the time he becomes unemployed, a printed statement of such regulations. Such 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 such claim 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 such claim or any question involved therein to an appeal tribunal or to the commission, which shall make its determinations

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) of this Act, the deputy shall promptly transmit his full finding of fact with respect to that subsection 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 findings of fact and transmit to the deputy a decision upon the issues involved under that subsection. The deputy shall promptly notify the claimant and any other interested party of the decision and the reasons therefor. Unless the claimant or any such interested party, within seven calendar days after the delivery of such notification, or within ten calendar days after such notification was mailed to his last known address, files an appeal from such decision, such decision 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 determination of the commission shall be paid only after such determination: Provided, that if 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 such appeal is withdrawn, an appeal tribunal, after affording the parties reasonable opportunity for fair hearing, shall affirm or modify the findings of fact and de-

cision of the deputy. The parties shall be duly notified of such 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 such 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 either a salaried examiner or a body consisting of three members, one of whom shall be a salaried examiner, 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 such 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. The chairman shall act alone in the absence or disqualification of any other member and his alternates. In no case shall the hearings 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 the evidence previously submitted in such case, or direct the taking of additional evidence, or may permit any of the parties to such 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, and by the deputy whose decision has been over-ruled or modified by an appeal tribunal. The commission may remove to itself or transfer to another appeal tribunal the proceedings on 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 decision.

(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 rules prescribed by the commission for determining the rights of the parties, whether or not such rules 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 at a rate fixed by the commission; provided, however, such witness fees shall not be less than those paid in the United States District Courts of Arizona. Such fees and all expenses of proceedings in-

volving disputed claims 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 as herein provided shall become final ten days after the date of notification or mailing thereof, and judicial review thereof shall be permitted only after any party claiming to be aggrieved thereby has exhausted his remedies before the commission as provided by this Act. 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 by any qualified attorney who is a regular salaried employee of the commission and has been designated by it for that purpose, 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 thereby may secure judicial review thereof by commencing an action in any court of competent jurisdiction in the county of claimant's residence, against the commission for the review of its decision, in which 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 such service 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 such defendant. With its answer, the commission shall certify and file with said 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, in its discretion, certify to such 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 said 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 such appeal. Upon the final determination of such judicial proceeding, the commission shall enter an order in accordance with such determination. A petition for judicial review shall not act as a supersedeas or stay unless the commission shall so order.

Sec. 7. CONTRIBUTIONS. (a) Payment. (1) 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) oc-

curing during the calendar year. Such contributions shall become due and be paid by each employer to the commission for the fund in accordance with such regulation as the commission may prescribe, and shall not be deducted, in whole or in part, from the wages of individuals in his 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 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 1936;

(2) One and eight-tenths per centum with respect to employment during the calendar year 1937;

(3) Two and seven-tenths per centum with respect to employment during the calendar years 1938, 1939 and 1940; and

(4) With respect to employment after December 31, 1940, the percentage determined pursuant to Subsection (c) of this Section.

(c) Future rates based on benefit experience. The commission shall maintain a separate account for each employer, crediting his account with all the contributions which he has paid on his own

behalf during each calendar year, and charging his account with all amounts paid within such year as benefits which, under section 3 of this Act, were charged against weeks of employment in his service. But nothing in this Act shall be construed to grant any employer or individuals in his service prior claims or rights to the amount paid by him to the unemployed compensation fund either on his own behalf or on behalf of such individuals. All contributions to the fund shall be pooled and available to pay benefits to any individual entitled thereto under this Act, irrespective of the source of such contributions. 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, unless and until there shall have been three calendar years throughout which an individual in his employ could have received benefits if unemployed and eligible.

(2) Each employer's rate for the twelve months commencing January 1st 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, for all past years exceeds the total benefits

charged to his account for all such years, his contribution rate shall be: 2a. One and eight-tenths 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 (as defined in section 19); 2b. Nine-tenths of one per centum, if such excess equals or exceeds ten per centum of his average annual pay roll.

If the total of his contributions, paid on his own behalf for all past periods or for the past sixty 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 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 months commencing January 1st 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 one and eight-tenths per centum unless such assets at such time were at least twice the total benefits paid from the fund within such last preceding year.

Sec. 8. PERIOD, ELECTION, AND TERMINATION OF EMPLOYER'S COVERAGE. (a)

Any employing unit which is or becomes an employer subject to this Act within any calendar year shall be subject to this Act 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 1st day of January of any calendar year, if it files with the commission, prior to the 5th day of January of such year, a written application for termination of coverage, and the commission finds that there were not twenty different days, each day being in a different week within the preceding calendar year, within which such employing unit employed three or more individuals in employment subject to this Act. For the purpose of this subsection, the two or more employing units mentioned in paragraph 2 or 3 or 4 of section 19 under the definition of "employer" shall be treated as a single employing unit.

(c) (1) 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 1st of any calendar year subsequent to such two calendar years, only if at least thirty days prior to such 1st day of January, 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 performed by individuals in its employ in one or more distinct establishments or places of business shall be deemed to constitute employment 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 1st or 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 of any calendar year subsequent to such two calendar years, only if at least thirty days prior to such 1st day of January such employing unit has filed with the commission a written notice to that effect.

Sec. 9. 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, an unemployment compensation fund, which shall be administered by the commission exclusively for the purposes of this Act. This fund shall consist of (1) all contributions collected under 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; and (5) all earnings of such property or securities. All moneys in the fund shall be mingled and undivided.

(b) Accounts and deposit. 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 directions of the commission, and shall pay all warrants drawn thereon by the commission 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 14 of this Act may be paid from the clearing account upon the warrants 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 the deposit, administration, release, or disbursement of moneys in the possession or custody of this state to the contrary notwithstanding. The benefit account shall consist of all moneys requisitioned from this state's account in the unemployment trust fund. 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. 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. Premiums for said bond shall be paid from the administration fund.

(c) Withdrawals. Moneys shall be requisitioned from this state's account in the unemployment trust fund solely for the payment of benefits and 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 its account therein, as it deems necessary for the payment of benefits 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 issue his warrants for the payment of benefits solely from such benefit account. 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 warrants for the payment of benefits and refunds shall bear the signature of the director of the unemployment compensation division and the count-

er 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 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.

(d) Management of funds upon discontinuance of unemployment trust fund. The provisions of subsections (a), (b), and (c) to the extent that they relate to the unemployment trust fund, shall be operative only so long as such unemployment trust fund continues to exist and so long as the Secretary of the Treasury of the United States of America continues to maintain for this State a separate book account of all funds deposited therein by this State for benefit purposes, together with this State's proportionate share of the earnings of such unemployment trust fund, from which no other state is permitted to make withdrawals. If and when such unemployment trust fund ceases to exist, or such separate book account is no longer maintained, all moneys, properties, or securities therein, belonging to the unemployment compensation fund of this State shall be transferred to the treasurer of the unemployment compensation fund, who shall hold, invest, transfer, sell, deposit, and release such moneys, properties, or securities in a manner approved by the commission, in accordance with the provisions of this Act: Pro-

vided, that such moneys shall be invested in the following readily marketable classes of securities; bonds or other interest bearing obligations of the United States of America or bonds of the State of Arizona; and provided further, that such investment shall at all times be so made that all the assets of the fund shall always be readily convertible into cash when needed for the payment of benefits. The treasurer shall dispose of securities or other properties belonging to the unemployment compensation fund only under the direction of the commission.

Sec. 10. UNEMPLOYMENT COMPENSATION COMMISSION. (a) Organization. There is hereby created a commission of three members to be known as the Unemployment Compensation Commission of Arizona. The members of the commission shall be appointed by the Governor and shall hold office co-terminus with the term of the Governor.

(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 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 auth-

orized 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 non-partisan merit basis, in accordance with the provisions of this Act relating to personnel.

Sec. 11. 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 expenditures, 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 the 1st day of February of each year, the commission shall submit to the Governor a report covering the administration and operation of this Act during the preceding calendar year and shall make such recommendations for amendments to this Act as the commission deems proper. Such report shall include a balance sheet of the moneys in the fund in which there shall be provided, if possible, a reserve against the liability in future years to pay benefits in excess of the then current contributions, which reserve shall be set up by the commission in accordance with accepted actuarial principals on the basis of statistics of employment, business activity, and other relevant factors for

the longest possible period. Whenever the commission believes that a change in contribution or benefit rates will become necessary to protect the solvency of the fund, it shall promptly so inform the Governor and the Legislature, and make recommendations with respect thereto.

(b) 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 concerns 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.

(c) Publication. The commission shall cause to be printed for distribution to the public the text of this Act, the commission's regulations and general rules, its annual reports to the Governor, and any other material the commission 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 non-partisan 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 advise 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, restraining and vocational guidance; to investigate, recommend, advise, and assist in the establishment and operation, by municipalities, counties, school districts, and the State, or reserves for public works to be used in times of business depression and unemployment; to promote the re-employment 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 employment records, 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 may require from any employing unit any sworn or unsworn reports, with respect to persons employed by it, which the commission 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 information from such records to the extent necessary for the proper presentation of his claim. 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 be-

fore 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 co-operation. 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. EMPLOYMENT SERVICE. (a) Establishment and functions. The commission shall create a division to be known as the Arizona State Employment Service which shall establish and maintain free public employment offices in such number and in such places as may be necessary for the proper administration of this Act and for the purpose of performing such duties as are within the purview of the Act of Congress entitled "an Act to provide for the establishment of a national employment system and for co-operation with the States in the promotion of such system, and for other purposes," approved June 6, 1933, (48 Stat. 113, U. S. Code, Title 29, Section 49 (c) as amended.) The said division shall be administered by a full-time salaried director, who shall be charged with the duty to co-operate with any official or agency of the United States having powers or duties under the provisions of the said Act of Congress, as amended, and to do and perform all things necessary to secure to this State the benefits of the said Act of Congress as amended, in the promotion and maintenance of a system of public employment offices. The provisions of the said Act of Congress, as amended, are hereby accepted by this State in conformity with Section 4 of said Act, and this State will observe and comply with the requirements thereof. The State Employment Service division is hereby designated

and constituted the agency of this State for the purpose of said Act. The existing free public employment offices established pursuant to Chapter 55 of the Laws of the Twelfth Session of the Legislature of the State of Arizona, 1935 Session shall be transferred to the jurisdiction of the employment service division of the commission upon this Act becoming effective and all records, files and property, including office equipment, of such offices shall likewise be transferred to such division, and the unexpended balance of any appropriation made for such offices is hereby made available to the commission for the purpose of maintaining said state employment divisions. Upon such transfer all duties and powers of the Board of Directors of State Institutions, or the Employment Service Division thereof, relating to the establishment, maintenance and operation of free public employment offices shall be vested in the Employment Service Division of the commission.

The commission is directed to appoint the director, other officers, and employees of the Arizona State Employment Service. Such appointments shall be made in accordance with regulations prescribed by the director of the United States Employment Service.

(b) Financing. All moneys received by this State under the said Act of Congress, as amended, shall be paid into the special "employment service account" in the unemployment compensation administration fund, and said moneys are hereby made available to the Arizona State Employment Service to be expended as provided by this Section and by said Act of Congress. For the purpose of establishing and maintaining free public em-

ployment offices, said division is authorized to enter into agreements with any political subdivision of this State or with any private, nonprofit organization, and as a part of any such agreement the commission may accept moneys, services, or quarters as a contribution to the employment service account.

Sec. 13. UNEMPLOYMENT COMPENSATION ADMINISTRATION FUND. (a) Special fund. There is hereby created in the State Treasury a special fund to be known as the unemployment compensation 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 purpose of defraying the cost of the administration of this Act, and for no other purpose whatsoever. 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 and the United States Employment Service, or from any other source, for such purpose. 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. 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 give a separate and additional bond conditioned upon the faithful performance of his duties in connection with the unemployment compensation administration fund in an amount to be fixed by the commission and in a

form prescribed by law or approved by the Attorney General. The premiums for such bond and the premiums for the bond given by the treasurer of the unemployment compensation fund under Section 9 of this Act, shall be paid from moneys in the unemployment compensation administration fund.

(b) Employment service account. A special "employment service account" shall be maintained as a part of the unemployment compensation administration fund for the purpose of maintaining the public employment offices established pursuant to Section 12 of this Act and for the purpose of co-operating with the United States Employment Service. There is hereby transferred to the employment service account of the unemployment compensation 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 12 (b) of this Act, 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.

Sec. 14. COLLECTION OF CONTRIBUTIONS.

(a) Interest on past due contributions. Contributions unpaid on the date on which they are due and payable, as prescribed by the commission, shall bear interest at the rate of one per centum

per month from and after such date until payment plus accrued interest is received by the commission. Interest collected pursuant to this subsection shall be paid into the unemployment compensation fund.

(b) Collection. If, after due notice, any employer defaults in any payment of contributions or interest thereon, 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 of such action. Civil actions brought under this Section to collect contributions or interest thereon from an employer shall be heard by the court at the earliest possible date and shall be entitled to preference upon the calendar of the court over all other civil actions except petitions for judicial review under this Act and cases arising under the workmen's compensation law of this State.

(c) Priorities under legal dissolutions or distributions. In the event of any distribution of an employer's assets pursuant to an order of any court under the laws of this State, including any receivership, assignment for benefit of creditors, adjudicated insolvency, composition, or similar proceedings, 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 fifty dollars to each claimant, earned within six months of the commencement of the proceeding. 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 (U. S. C., Title 11, Sec. 104 (b)), as amended.

(d) Refunds. If not later than one year after the date on which any contributions or interest thereon became due, an employer who has paid such contributions or interest thereon shall make application for an adjustment thereof in connection with subsequent contribution payments, or for a refund thereof because such adjustment cannot be made, and the commission shall determine that such contributions or interest of any portion thereof was erroneously collected, the commission shall allow such employer to make an adjustment thereof, without interest, in connection with subsequent contribution payments by him, or if such adjustment cannot be made the commission shall refund said amount, without interest, from the fund. For like cause and within the same period, adjustment or refund may be so made on the commission's own initiative.

(e) Payments under protest. If any employer shall feel aggrieved by any contributions required to be paid hereunder, he shall pay the same before the delinquent date and shall at that time give notice to the commission that all or a part of such payment is made under protest. Such notice shall be in written form, addressed to the commission, setting forth the grounds and reasons for such protest and that a certain part thereof, or that the total sum, is protested. Within ten days thereafter he may petition the commission for a hearing, setting forth the reasons why such petition should be granted and the amount in which such contribution should be reduced. The

commission shall grant such hearing, which shall not be later than twenty days after the filing of the protest, and shall notify the petitioner of the time and place fixed for such hearing. After such hearing the commission shall make such order in the matter as may appear to it just and lawful and shall furnish a copy of such order to the petitioner. Within twenty days after the entry of any such order such person may bring an action or suit against the commission to recover such payment claimed to be invalid, which suit may be filed in the Superior Court of the State of Arizona in the county in which such employer resides, or in the United States District Court, and the procedure applicable to such action and the right of appeal from any judgment entered therein shall be subject to the same rules applicable to suits of a civil nature filed in said courts; provided that no judgment for the refund of any such contribution shall bear or provide for interest thereon. In the event a final judgment is rendered in favor of such employer in a suit to recover such contributions, the commission shall refund to such employer from the fund an amount equal to the amount of the contribution found by said final judgment to have been invalid or illegally collected.

Sec. 15. PROTECTION OF RIGHTS AND BENEFITS. (a) Waiver of rights void. No agreement by an individual to waive, release, or commute his rights to benefits or any other rights under this Act shall be valid. No agreement by any individual in the employ of any person or concern to pay all or any portion of an employer's contributions, required under this Act from such employer, shall be valid. No employer shall di-

rectly or indirectly make or require or accept any deduction from wages to finance the employer's contributions required from him, or require or accept any waiver of any right hereunder by any individual in his employ. Any employer or officer or agent of an employer who violates any provision of this subsection shall, for each offense, be fined not less than one hundred dollars nor more than one thousand dollars or be imprisoned for not more than six months, or both.

(b) Limitation of fees. No individual claiming benefits shall be charged fees of any kind in any proceeding under this Act by the commission or its representatives or by any court or any officer thereof. Any individual claiming benefits in any proceeding before the commission or a court may be represented by counsel or other duly authorized agent; but no such counsel or agents shall either charge or receive for such services more than an amount approved by the commission. Any person who violates any provision of this subsection shall, for each such offense, be fined not less than fifty dollars nor more than five hundred dollars, or imprisoned for not more than six month, or both.

(c) No assignment of benefits; exemptions. No assignment, pledge, or encumbrance of any right to benefits which are or may become due or payable under this Act shall be valid; and such rights to benefits shall be exempt from levy, execution, attachment, or any other remedy whatsoever provided for the collection of debt; and benefits received by any individual, so long as they are not mingled with other funds of the recipient, shall be exempt from any remedy what-

ever for the collection of all debts except debts incurred for necessities furnished to such individual or his spouse or dependents during the time when such individual was unemployed. No waiver of any exemption provided for in this subsection shall be valid.

Sec. 16. PENALTIES. (a) Whoever makes a false statement or representation knowing it to be false or knowingly fails to disclose a material fact, to obtain or increase any benefit or other payment under this Act, either for himself or for any other person, shall be punished by a fine of not less than twenty dollars nor more than fifty dollars, or by imprisonment for not longer than thirty days, or by both such fine and imprisonment; and each such false statement or representation or failure to disclose a material fact shall constitute a separate offense.

(b) Any employing unit or any officer or agent of an employing unit or any other person who makes a false statement or representation knowing it to be false, or who knowingly fails to disclose a material fact, to prevent or reduce the payment of benefits to any individual entitled thereto, or to avoid becoming or remaining subject hereto or to avoid or reduce any contribution or other payment required from an employing unit under this Act, or who wilfully fails or refuses to make any such contributions or other payment or to furnish any reports required hereunder or to produce or permit the inspection or copying of records as required hereunder, shall be punished by a fine of not less than twenty dollars nor more than two hundred dollars, or by imprisonment for not longer than sixty days, or by both such

fine and imprisonment; and each such false statement or representation or failure to disclose a material fact, and each day of such failure or refusal shall constitute a separate offense.

(c) Any person who shall wilfully violate any provision of this Act or any rule or regulation thereunder, the violation of which is made unlawful or the observance of which is required under the terms of this Act, and for which a penalty is neither prescribed herein nor provided by any other applicable statute, shall be punished by a fine of not less than twenty dollars nor more 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.

(d) Any person who, by reason of the non-disclosure or mis-representation by him or by another, of a material fact (irrespective of whether such nondisclosure or misrepresentation was known or fraudulent) has received any sum as benefits under this Act while any conditions for the receipt of benefits imposed by this Act were not fulfilled in his case, or while he was disqualified from receiving benefits, shall, in the discretion of the commission, either be liable to have such sum deducted from any future benefits payable to him under this Act or shall be liable to repay to the commission for the unemployment compensation fund, a sum equal to the amount so received by him, and such sum shall be collectible in the manner provided in Section 14 (b) of this Act for the collection of past due contributions.

Sec. 17. REPRESENTATION IN COURT.

(a) In any civil action to enforce the provisions of this Act the commission and the state may be represented by any qualified attorney who is a regular salaried employee of the commission and is designated by it for this purpose or at the commission's request, by the attorney general.

(b) All criminal actions for violation of any provision of this Act, or of any rules or regulations issued pursuant thereto, shall be prosecuted by the attorney general of the state; or, at his request and under his direction, by the county attorney of any county in which the employer has a place of business or the violator resides.

Sec. 18. NON-LIABILITY OF STATE.

Benefits shall be deemed to be due and payable under this Act only to the extent provided in this Act and to the extent that moneys are available therefor to the credit of the unemployment compensation fund, and neither the state nor the commission shall be liable for any amount in excess of such sums.

Sec. 19. DEFINITIONS. As used in this Act, unless the context clearly requires otherwise:

“Annual pay roll” means the total amount of wages payable by an employer (regardless of the time of payment) for employment during a calendar year.

“Average annual pay roll” means the average of the annual pay rolls of any employer for the last three or five preceding calendar years, whichever average is higher.

“Benefits” means the money payments payable to an individual, as provided in this Act, with respect to his unemployment.

“Commission” means the unemployment compensation commission established by this Act.

“Contributions” means the money payments to the State unemployment compensation fund required by this Act.

“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 thereof, or the legal representative of a deceased person, which has or subsequent to January 1, 1935, had in its employ one or more individuals performing services for it within this State. 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 employed by a single employing unit for all the purposes of this Act. Whenever any employing unit contracts with or has under it any contractor or subcontractor for any employment which is part of its usual trade, occupation, profession, or business, unless the employing unit as well as each such contractor or subcontractor is an employer by reason of section 19, under the definition “Employer,” or section 8 (c) of this Act, the employing unit shall for all the purposes of this Act be deemed to employ each individual in the employ of each such contractor or subcontractor for each day during which such individual is engaged in

performing such employment; except that each such contractor or subcontractor who is an employer by reason of Section 19, under the definition "Employer," or Section 8 (c) of this Act shall alone be liable for the contributions measured by wages payable to individuals in his employ, and except that any employing unit who shall become liable for and pay contributions with respect to individuals in the employ of any such contractor or subcontractor who is not an employer by reason of Section 19, under the definition "Employer," or Section 8 (c) of this Act, may recover the same from such contractor or subcontractor. Each individual employed to perform or to assist in performing the work of any agent or employee of an employing unit shall be deemed to be employed 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 agent or employee, provided the employing unit had actual or constructive knowledge of the employment.

"Employer" means:

1. Any employing unit which for some portion of a day, but not necessarily simultaneously, in each of twenty different weeks, whether or not such weeks are or were consecutive, within either the current or the preceding calendar year, 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 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;

3. Any employing unit which acquired the organization, trade or business, or substantially all the assets thereof, of another employing unit and which, if treated as a single unit with such other employing unit, would be an employer under paragraph 1 of this subsection;

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 one or more other employing units (by legally enforceable means or otherwise), and which, if treated as a single unit with such other employing unit, would be an employer under paragraph 1 of this subsection;

5. 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

6. For the effective period of its election pursuant to Section 8 (c) any other employing unit which has elected to become fully subject to this Act.

“Employment” means service, including service in interstate commerce, performed for wages or under any contract of hire, written or oral, expressed or implied, which service (1) is performed in this State by an individual exclusive, however, of any service within this State which is incidental to the individual’s service performed elsewhere; or

(2) is performed elsewhere, but is incidental to an individual's service in this State, provided contributions are not required and paid with respect to such services performed elsewhere under an unemployment compensation law of any other state; but the term shall not include:

2a. Service performed in the employ of this State, or of any political subdivision thereof, or of any instrumentality of this State or its political subdivisions;

2b. Service performed in the employ of any other state or its political subdivisions, or of the United States Government, or of an instrumentality of any other state or states or their political subdivisions or of the United States;

2c. Service with respect to which unemployment compensation is payable under an unemployment compensation system established by an Act of Congress; Provided, that the commission is hereby authorized and directed to enter into agreements with the proper agencies under such Act of Congress, which agreements shall become effective ten days after publication thereof in the manner provided in Section 11 (b) of this Act for general rules to provide reciprocal treatment to individuals who have, after acquiring potential rights to benefits under this Act, acquired rights to unemployment compensation under such Act of Congress, or who have, after acquiring potential rights to unemployment compensation under such Act of Congress, acquired rights to benefits under this Act;

2d. Agricultural labor;

2e. Domestic service in a private home;

2f. Service performed as an officer or member of the crew of a vessel on the navigable waters of the United States;

2g. Service performed by an individual in the employ of his son, daughter, or spouse, and service performed by a child under the age of twenty-one in the employ of his father or mother;

2h. 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.

“Employment office” means a free public employment office, or branch thereof, operated by this state or maintained as a part of a state controlled system of public employment offices.

“Fund” means the unemployment compensation fund established by this Act, to which all contributions required and from which all benefits provided under this Act shall be paid.

“Partial unemployment.” An individual shall be deemed partially unemployed in any week of less than full time work if his wages payable for such week fail to equal two dollars more than the weekly benefit amount he would be entitled to receive if totally unemployed and eligible.

“State” includes, in addition to the states of the United States of America, Alaska, Hawaii, and the District of Columbia.

“Total unemployment.” An individual shall be deemed totally unemployed in any week during which he performs no services with respect to which wages are payable to him. An individual’s week of total unemployment shall be deemed to commence only after his registration pursuant to Section 4 (a) of this Act.

“Unemployment compensation administration fund” means the unemployment compensation administration fund established by this Act, from which administrative expenses under this Act shall be paid.

“Wages” means all remuneration payable for personal services, including commissions and bonuses and the cash value of all remuneration payable in any medium other than cash. Gratuities customarily received by an individual in the course of his employment from persons other than his employing unit shall be treated as wages payable by his employing unit. The reasonable cash value of remuneration payable in any medium other than cash, and the reasonable average amount of gratuities, shall be estimated and determined in accordance with rules prescribed by the commission.

“Week” means calendar week, ending at midnight Saturday, or the equivalent thereof as determined in accordance with regulations prescribed by the commission.

“Week of employment” means each week oc-

currence after December 31, 1936, within which an individual performs any employment for an employing unit which has satisfied the conditions set forth in Section 19 with respect to becoming an employer subject to this Act, but does not include any week in which the plurality of such individual's total working hours are performed without this state, with respect to which plurality of total working hours, contributions are required and paid under an unemployment compensation law of some other state, or compensation is payable under an unemployment compensation law of the United States.

“Weekly benefit amount.” An individual's weekly benefit amount means the amount of benefits he would be entitled to receive for one week of total unemployment.

Sec. 20. 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. 21. SEPARABILITY OF PROVISIONS. If any provision of this Act, or the application thereof to any person or circumstances, 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. 22. EFFECTIVENESS OF FEDERAL ACT

INOPERATIVE. If the tax imposed by title IX of the federal Social Security Act, or any amendments thereto, or any other federal tax against which contributions under this Act may be credited shall, for any cause, become inoperative, thereby precluding the contributions required under this Act from being credited against such federal tax, then this Act by virtue of that fact shall be suspended, and any unobligated funds in the unemployment compensation fund and returned by the United States Treasurer because such federal Social Security Act is inoperative shall be refunded to the contributors proportionately to their unexpended contributions under regulations of the commission, after six months have expired from the date of any such suspension.

Sec. 23. EMERGENCY. To preserve the public peace, health and safety, it is necessary that this Act shall become immediately operative. It is therefore declared an emergency measure, and shall take effect upon its passage in the manner provided by law.

Approved December 2, 1936.

Resolutions and Memorials



HOUSE CONCURRENT RESOLUTION NO. 1

RECOMMENDING TO THE STATE HIGHWAY COMMISSION THE MAKING OF PROVISIONS FOR CONSTRUCTION OF A FENCE ALONG STATE HIGHWAYS 60-66-80-89.

WHEREAS, State Highway 89, from the city of Tucson to the city of Nogales, is in large part unfenced, and subject to frequent incursions of stray cattle and other stock; and

WHEREAS, the hazard of stray stock on this highway is increased by the existence of several sharp curves dangerous in and of themselves, but rendered doubly so by reason of the unprotected condition of the road; and

WHEREAS, Highway 89, connecting two major centers of population, is a heavily traveled thoroughfare; and

WHEREAS, during recent years a large number of accidents, directly attributable to the causes cited, have occurred, resulting in numerous deaths and a large number of serious injuries; and

WHEREAS, civic organizations of the cities of Tucson and Nogales have called attention to the condition described, and emphatically endorsed the movement for its correction: and

WHEREAS, on Highway 66 between Holbrook and Canyon Diablo, and on Highway 80 between Benson and Douglas, and Highway 60 or 80 from Mesa, in Maricopa County, to Globe, Arizona, the same dangerous conditions exist; therefore

BE IT RESOLVED by the House of Representatives of the State of Arizona, the Senate concurring:

1. That it is the sense of this body that those portions of highways hereinbefore referred to should be adequately fenced, to the end that the lives and property of travellers on said highways may be reasonably protected. That it is also the sense of this body that native Arizona timber posts shall be used in the construction of this project.

2. That the attention of the State Highway Commission is called to the matter, with the recommendation that provision be made accordingly.
Approved November 23, 1936.

SENATE CONCURRENT RESOLUTION NO. 3

(On the death of Elmer Walton Coker.)

WHEREAS, after a long illness, Elmer Walton Coker, of Pinal County, passed away on October 1, 1935; and

WHEREAS, throughout the thirty years of his residence in Arizona Mr. Coker was active in public, civic, and political affairs of the state and of his county; was ever interested in promoting the general economic and industrial welfare, and took a prominent part in bringing about the construction of Coolidge dam; and

WHEREAS, as an influential member of the

constitutional convention of Arizona he sponsored a proposal which eventuated in the creation of the corporation commission and the regulation of public service corporations, and otherwise devoted his efforts to the formulation of the organic act under which Arizona entered the union of states; therefore

BE IT RESOLVED by the Senate of the State of Arizona, the House of Representatives concurring:

1. That the deep regret of this body, and the sense of loss it experiences by reason of the passing of Elmer Walton Coker is expressed.

2. Sincere sympathy is extended to the bereaved widow, mother, and son of the deceased.

Filed in the office of the Secretary of State November 24, 1936 at 9 A. M.

HOUSE CONCURRENT RESOLUTION NO. 3

A CONCURRENT RESOLUTION

REQUESTING REPORTS ON THE QUESTION OF TRANSMISSION OF POWER FROM BOULDER DAM.

WHEREAS, eighteen per cent of the firm energy generated at Boulder Dam has been allotted to the State of Arizona; and

WHEREAS, House Joint Resolution No. 4,

Twelfth Legislature Regular Session, directed the Governor and such commission as he might appoint, to sponsor and prosecute an application for federal funds for the construction of a main transmission line and feeders, in order that power from said source might be made available throughout Arizona; and

WHEREAS, the Governor appointed a commission consisting of Hon. M. J. Dougherty, Chairman, Senator Daniel E. Rienhardt and I. M. Clausen; and

WHEREAS, this Commission thoroughly investigated the possibilities of procuring federal funds and endeavored to get the same; and

WHEREAS, the States of Nevada and California have secured federal funds for the purpose of constructing transmission lines for power from Boulder Dam; and

WHEREAS, the findings of the Commission appointed by the Governor were so encouraging that a group of public spirited citizens from all parts of the State formed an organization known as the Boulder Dam Power Transmission Association of Arizona to further the construction of a state-wide transmission system for Arizona's share of Boulder Dam power; and

WHEREAS, the introduction of low-cost power will greatly stimulate mining, agriculture, manufacturing and industry, and will increase the taxable wealth and make possible the addition of a large population; and

WHEREAS, the studies and activities of both the Commission appointed by the Governor and the Boulder Dam Power Transmission Association would be valuable to the Thirteenth Legislature; therefore

BE IT RESOLVED by the House of Representatives of the State of Arizona, the Senate concurring;

1. That the Commission appointed by the Governor and the Boulder Dam Power Transmission Association are requested to report their findings to the Thirteenth Legislature, immediately upon its convening in January, to the end that no time may be lost in securing for the citizens of this State benefits to be enjoyed from the use of Boulder Dam power.

Approved November 23, 1936.

HOUSE CONCURRENT MEMORIAL NO. 1

A CONCURRENT MEMORIAL

RELATING TO THE INCLUSION OF TRIBAL INDIANS WITHIN THE PROVISIONS OF THE OLD-AGE ASSISTANCE ACT.

To the Senate and House of Representatives of the Congress of the United States of America:

Your memorialist respectfully represents:

Section 2 of the Federal Social Security Act, approved August 14, 1935, requires that states accepting the provisions of the said Act, as they relate to old-age assistance, must impose no citizenship requirement which excludes any citizen of the United States.

The Act of Congress approved June 2, 1924 (Chapter 233, Public Laws of the United States Sixty-eighth Congress), provides: "That all non-citizen Indians born within the territorial limits of the United States be, and they are hereby declared to be citizens of the United States."

It follows that a strict interpretation of the Acts above cited will entitle reservation Indians having the qualifications specified in the Social Security Act, and in State Acts conforming thereto, to old-age assistance up to thirty dollars per month.

The total number of Indians in the United States (annual report of the Commission of Indian Affairs for the year 1932) is 317,234. Of these the State of Arizona has 48,162, or above fifteen per cent of all the Indians of the United States.

Whatever may be true of the Indian tribes of other states, Arizona tribes contain a large percentage of old Indians who, as regards the age requirement, will be eligible for old-age assistance. The addition of these aged Indians to the old-age assistance rolls would impose a burden upon the State of Arizona which it could hardly bear, and which it should not in reason be expected to bear.

The area of Arizona is approximately 72,931,860 acres. Of this total, 19,566,339 acres, or 26.8 per cent, lies within Indian reservations. Much of this Indian land embraces particularly choice areas. None of it is taxable, nor are the Indians who occupy it contributors to the cost of maintaining the State Government.

Aside from the fact that Arizona, as shown by the above figures, has an Indian population altogether out of proportion to her total population and wealth, and an Indian territory likewise disproportionate to her total area, it would also clearly appear that the matter of economic security for the nation's Indian citizens is entirely a federal responsibility.

Wherefore, your memorialist, The House of Representatives of the State of Arizona, the Senate concurring, respectfully but earnestly requests:

1. That the Congress of the United States do so amend the Social Security Act as to specifically except from its provisions relating to old-age assistance, or old-age pensions, all non-taxable tribal Indians residing upon reservations.

Approved November 23, 1936.

HOUSE MEMORIAL NO. 1

A MEMORIAL

RELATING TO THE ACQUISITION, BY THE UNITED STATES, OF THE RIGHT TO ESTAB-

LISH A PORT ON THE GULF OF CALIFORNIA.

To the Hon. Cordell Hull, Secretary of State of the United States of America:

Your memorialist represents:

By the terms of that certain treaty between the United States of America and the Republic of Mexico, signed on December 30, 1853, and known as the Gadsden Treaty, the boundary between the two Republics, from a point where the one hundred and eleventh meridian of longitude west of Greenwich intersects the parallel of thirty-one degrees twenty minutes north latitude, extends "in a straight line" (northwest) "to a point on the Colorado River twenty English miles below the junction of the Gila and Colorado Rivers."

By this determination, in lieu of extending the common boundary line due west from the point above referred to, there was excluded from the jurisdiction of the United States a large area possessing great potential value to this Country, but so far removed by distance and economic disadvantage from the populous area of Mexico as to render of comparative insignificance its value to that Country.

Among the chief advantages of this territory to the United States might be mentioned the facilities which would be afforded for the establishment of a deep-sea port on the Gulf of California, to serve the southwestern portion of the United States; the addition of several hundred thousand acres of agricultural land adjacent to the Colorado

River which might be reclaimed by means of an extension of the Yuma-Gila Federal Reclamation Project; the development of marine enterprises and establishment of tourist resorts on the upper coast of the Gulf of California, and the construction of highways and development of adequate transportation facilities through a portion of the American Continent in which such development will most likely otherwise be long delayed.

The fact is well understood and recognized that no act or suggestion of the United States Government must be suffered to offend the national pride of our friendly southern neighbor or to warrant a suspicion of this country's aims or motives. Nevertheless it is felt that a proper approach to this question through diplomatic channels, would lead the way to a possible showing of the advantages to both countries of an arrangement by which the desirable ends heretofore referred to might be realized.

Wherefore, your memorialist,

The House of Representatives of the State of
Arizona, respectfully suggests:

1. That diplomatic conversations be undertaken with appropriate authorities of the Republic of Mexico with a view to ascertaining if a lease, for an adequate term of years, and on terms and conditions mutually satisfactory and advantageous, might not be entered into, whereby the United States would obtain such jurisdiction over the territory referred to as would make feasible

and practicable the development and utilization of its natural resources.

Adopted by the House this November 19, 1936.

E. F. BOHLINGER,
Speaker of the House.

LALLAH RUTH,
Chief Clerk of the House.

Filed in the office of Secretary of State November 19, 1936 at 3:00 P. M.

JAMES H. KERBY,
Secretary of State.

SENATE JOINT RESOLUTION NO. 1

CONSENTING TO AND APPROVING ESTABLISHMENT OF THE BIG LAKE GAME RESERVATION, WITHIN THE APACHE NATIONAL FOREST.

WHEREAS, Section 1 of the Act of Congress, approved March 10, 1934 (48 Stat. 400; 16 USC 694), entitled "An Act to Establish Fish and Game Sanctuaries in the National Forests," provides for the approval of the State Legislature to the creation of said sanctuaries, and

WHEREAS, Section 16 of the Migratory Bird Conservation Act of February 18, 1929 (45 Stat. 1225; 16 USC 715-f), provides for the consent of

the State Legislature to the creation of migratory bird reservations, and

WHEREAS, the Federal Government desires to establish the Big Lake Game Reservation on lands of the United States within the Apache National Forest, in Apache County, Arizona;

NOW, THEREFORE, BE IT RESOLVED by the Legislature of the State of Arizona:

1. That the Legislature of the State of Arizona hereby consents to and approves the creation of the said Big Lake Game Reservation on lands of the United States within the Apache National Forest, Apache County, Arizona, more particularly described as follows:

TOWNSHIP 6 NORTH, RANGE 27 EAST	
Section 13, E $\frac{1}{2}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$	120 acres
TOWNSHIP 6 NORTH, RANGE 28 EAST	
Section 18, N $\frac{1}{2}$, SE $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$,	
NW $\frac{1}{4}$ SW $\frac{1}{4}$	600 acres
Section 17, W $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$	240 acres
Section 20, W $\frac{1}{2}$	320 acres
Section 19, E $\frac{1}{2}$ E $\frac{1}{2}$	160 acres
Section 29, W $\frac{1}{2}$ E $\frac{1}{2}$, W $\frac{1}{2}$	480 acres
Section 30, E $\frac{1}{2}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$,	
SE $\frac{1}{4}$	280 acres
Section 31, NE $\frac{1}{4}$	160 acres
Section 32, N $\frac{1}{2}$	320 acres
	<hr/>
TOTAL	2,680 acres

2. EMERGENCY CLAUSE. To preserve the

public peace, health and safety, it is necessary that this measure 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.

Adopted by the House November 21, 1936.

JAMES E. BABBITT, Pro Tem
Speaker of the House.

LALLAH RUTH,
Chief Clerk of the House.

Adopted by Senate November 16, 1936.

JOE C. HALDIMAN,
President of the Senate.

W. J. Graham,
Secretary of the Senate.

SENATE CONCURRENT RESOLUTION NO. 2

(On the Death of Mrs. Susan Arbelle Anderson.)

WHEREAS, Mrs. Susan Arbelle Anderson passed away on November 16, 1936, at the residence of her daughter, Mrs. Benjamin B. Moeur, wife of the chief executive of Arizona, in Tempe; and

WHEREAS, Mrs. Anderson, eighty-two years of age, was of pioneering stock, a long-time citizen of Arizona, and during the period of her

residence in this state became endeared to all with whom she came in social contact; and

WHEREAS, the loss of this estimable and beloved lady brings a poignant sorrow to the home of Governor and Mrs. Moeur, and to the homes of the other members of the family of the deceased; therefore

BE IT RESOLVED by the Senate of the State of Arizona, the House of Representatives concurring:

1. The deep regret of this body at the passing of this estimable and useful citizen is expressed.

2. Our sincere sympathy is extended to Governor and Mrs. Moeur and to other bereaved members of the family of the deceased.

Adopted by the House November 21, 1936.

JAMES E. BABBITT, Pro-Tem,
Speaker of the House.

LALLAH RUTH,
Chief Clerk of the House.

Adopted by the Senate November 19, 1936.

JOE C. HALDIMAN,
President of the Senate.

W. J. GRAHAM,
Secretary of the Senate.

HOUSE CONCURRENT MEMORIAL NO. 2

A CONCURRENT MEMORIAL

RELATING TO THE CONSTRUCTION OF AN
ADDITION TO THE STATE CAPITOL BUILD-
ING.

To the Honorable Harold L. Ickes, Administrator,
Federal Emergency Administration of Public
Works, Washington, D. C.:

Your memorialist respectfully represents:

Public Works application 1040-1, submitted under date of February 17, 1936, by the board of directors of state institutions of the State of Arizona, provides for the construction of an addition to the capitol of the State of Arizona, the remodelling of certain portions of the present structure, and the installation of a central air reconditioning system to serve all parts of the capitol, at a total estimated cost of \$305,000. Said application has received the approval of the legal, finance, and engineering divisions of the federal emergency administration of public works, and to become effective lacks only favorable action at the hands of the allocation board and authorization by the President.

The State's proportion, fifty-five per cent, of the estimated cost of the said project, is guaranteed by the ear-marking of unemployment relief funds under the direct control of the Governor, in amounts to become available as work proceeds.

This project ranks as one of the most constructive of the public works projects which have been submitted by the State of Arizona. It proposes the fulfillment of a public need which, for a number of years recognized as exceedingly urgent, is rapidly becoming acute. The proposed addition, as will be hereafter more fully shown, is primarily designed, in accordance with the original plans of the capitol builders, to house the "department of justice," including the supreme court, attorney-general's department, and the state library, but release of the quarters now occupied by these departments of the State Government will also afford urgently needed relief to the Legislative Department and to congested administrative divisions.

The supreme court and the attorney general's offices are housed in quarters both inadequate and illy adapted to their needs. The state library, which serves the court, the Legislature, executive and administrative departments, and the public, in many essential ways, is desperate in its need for new quarters. Its extremely valuable collections are housed in thirty widely scattered rooms on four floors, inclusive of the attic, many of them extremely difficult of access and wholly unadapted to the requirements either of good administration or proper protection, in addition to which every available space has been utilized and there remains no room for normal and necessary expansion.

With construction of the proposed addition the first and second floors of the present west wing, occupied by the supreme court, attorney-general,

and the library, will become available for the use of congested administrative departments; the third floor, occupied by the supreme court and the library, may be utilized for much needed committee rooms and offices for the Legislative Department, which now has few facilities of the sort; the fourth floor for the preservation of official archives.

Supplementing the facts recommending this project to which reference has been made, it will afford work for a large number of unskilled laborers and quarrymen, as well as building trades craftsmen, thus measuring up to the primary object of the public works administration.

In short, the need for this improvement being imminent and imperative, the return it will give in improved legislative and administrative facilities insuring self-liquidation in a very real sense, and its adaptation to the affording of unemployment relief, combine to make it a highly constructive project.

Wherefore, your memorialist,

The House of Representatives of the State of Arizona, the Senate concurring, urgently requests:

1. That the allocation of funds for said public works project 1040-1 be speedily consummated, in order that work thereon may be inaugurated at an early date.

Approved November 25, 1936.

HOUSE CONCURRENT RESOLUTION NO. 4

AN EXPRESSION OF APPRECIATION OF THE COURTESIES EXTENDED BY GENERAL JESUS GUTIERREZ CAZARES, GOVERNOR OF SONORA, TO THE MEMBERS OF THE TWELFTH LEGISLATURE OF THE STATE OF ARIZONA.

WHEREAS, members of the Twelfth Legislature of the State of Arizona have recently returned from an official good will visit to Sonora, as guests of the State Government of Sonora, and

WHEREAS, these members of the Legislature have received an expression of good will and friendship of the people of Sonora, and

WHEREAS, this visit will be of signal importance in the furtherance of friendly relations and mutual understanding between the people of Arizona and Sonora, and

WHEREAS, the peace, happiness and prosperity of the world reposes upon trust and confidence between neighbors, and

WHEREAS, the Governor of Sonora has made it possible to bring about a closer understanding between Arizona and Sonora; therefore:

BE IT RESOLVED by the House of Representatives of the State of Arizona, the Senate concurring:

1. That the members of the Twelfth Legislature go on record as expressing their appreciation for

the demonstration of good will and friendship expressed by Governor Cazares and the people of the State of Sonora;

2. That this concurrent resolution be filed with the Secretary of State.

Approved November 25, 1936.

Elective State and
County Officers



**JUSTICES OF THE PEACE—CONSTABLES—STATE OF ARIZONA,
1937-1938**

APACHE COUNTY

Town or Precinct	Justices of the Peace	Constables
St. Johns	T. J. Neal	M. A. Raban
Concho	J. D. Baca	Roman McCandelaria
McNary	G. R. McNary	J. A. Mineer
Sanders	Clifton Hill	J. J. Burkett
Springerville	L. C. Trammell	
Vernon	Marion Wilhelm	
Eagar		Jay Burgess

COCHISE COUNTY

Bisbee		Elzie Reeves
Lowell	J. L. Winters	
Douglas	E. L. Stewart	W. E. Eddington
Tombstone	J. L. Larrieu	
Willcox	A. E. Keeth	
Benson		Patrick Sheeby

COCONINO COUNTY

Flagstaff	Max W. Miller	Tom Wagner
Williams	R. E. Way	Orie Conway
Grand Canyon	Elmer Nelson	
Fredonia	D. K. Judd	A. E. Lewis, Sr.

GILA COUNTY

Globe	E. Grice	Clyde Shute
Miami	J. E. Owen	J. W. Ruyle
Pine	Isaac Hunt	Tom W. Lee
Payson	Wm. O. Haley	Basil W. Cox
Young	W. O. Harris	Peter Lazear
Hayden	Walter B. Nash	Wm. A. Pratt

GRAHAM COUNTY

Safford	T. B. Reed	
Pima	Fay Boswell	Wm. S. Mack
Ft. Thomas	Carl Elkins	Asa E. Packer
Bonita	J. R. Woolridge	Joe Bull
Thatcher	Jesse L. Green	J. H. Foster
Central	L. A. Adams	
Klondyke	Clay Turnbull	Duart Sanford

GREENLEE COUNTY

Clifton	Felix Brutinel	Lee Butler
Morenci	C. W. Davis	Martin Robertson
Duncan	James C. Lovett	Ralph Quinn

MARICOPA COUNTY

Buckeye	J. G. Goodman	Allen Makin
Chandler	Maude S. Sparks	Charlie Southard
Gila Bend	R. W. Condon	E. J. Lumpkin
Glendale	F. T. Patterson	Jno. C. Walker
Gilbert	W. C. McConnell	B. Porter Northrup
Mesa	Howard S. Standage	Luther McAllister
Peoria	P. L. Smith	H. B. Coor
East Phoenix	Harry E. Westfall	Harry O. Gaskin, Jr.
West Phoenix	Nat T. McKee	W. H. Wilky
Scottsdale	Wm. W. Davis	A. L. Frederick
Tempe	W. C. Mills	R. L. McDonald
Wickenburg	Bob C. Storns	Fred Smith
Tolleson	J. P. Ivy	Arthur Webster

MOHAVE COUNTY

Kingman	E. E. Wishon	Wm. Jones
Oatman	Wilbur A. (Billy) Brooks	C. M. Rogers
Chloride	Robert West	E. S. Stone
Hackberry	William Grant	J. A. Daniels
Owens, addr. King- man Sandy Route	Aubrey Gist	Dick Stephens
Littlefield	Afton Reber	Jim Bowler
Cane Bed (Short Creek)	J. M. Lauritzen	Harold Hanrion
Mt. Trumbull	P. M. Iverson	Erwin Wood

NAVAJO COUNTY

Holbrook	A. G. McCloskey	Chas. P. Cooley
Winslow	J. B. Drumm	A. T. Hartley
Snowflake	J. O. Freeman	Harvey Ballard
Pinedale	R. N. Petersen	Don Lee Thomas
Showlow	Jesse J. Brady	Orson Whipple
Pinetop	E. C. Runge	Harry Wetsel
Whiteriver	E. E. Guenther	E. L. Mentor

PIMA COUNTY

Tucson	D. G. Chalmers	Andrew Doebek
Ajo	Matthew E. Gibson	R. G. Binnion

PINAL COUNTY

Florence	Roy Guild	Chas. A. Whitlow
Casa Grande	H. G. White	Homer B. Ward
Red Rock	P. B. Hogue	H. H. Cake
Oracle	J. C. Jamieson	A. A. Ramsay
Mammoth	J. C. Willeford	A. Morris
Winkelman	Mrs. Grace Wilcox	Fred Brown
Coolidge	Chas. D. Elledge	E. E. Stringer
Ray	T. G. Morton	Quain A. Kinsey
Superior	Phil McGinnell	Alex Arnett

SANTA CRUZ COUNTY

Nogales	Chas. E. Hardy	W. S. Larcom
Patagonia	E. L. Richmond	Vaughn Banta
Ruby	Wayne Davis	Fred Pyeatt

YAVAPAI COUNTY

Ash Fork	J. J. Slamon	
Camp Verde	Hugh K. Fuller	
Congress Jct.	John Connery	O. D. Baker
Jerome	Frank E. Smith	Wm. A. Allen
Mayer	M. J. Thompson	
Prescott	Gordon S. Clark	Robt. L. Womack
Seligman	T. H. Wilson	

YUMA COUNTY

Yuma	Ed. M. Winn	M. F. Mabery
Somerton	C. R. Cavanah	A. M. Ray
Gadsden	R. C. Humpherys	Williard Daniel
Wellton	Myron C. Gilmore	J. W. Lattie
Quartzsite	Wm. C. Lacy	Fred V. Kuehn
Wenden	C. J. Harrington	James L. Wilson
Bouse	John Bellus	Jos. R. Lazure
Parker	J. B. Roberts	I. Erwin Roberts

COUNTY ENGINEERS

County	Name	County Seat
Apache	J. M. Shepherd	St. Johns
Cochise	Roger T. Pelton	Bisbee
Coconino		Flagstaff
Gila	Donald A. Flickinger	Globe
Graham		Safford
Greenlee	F. J. Rietz	Clifton
Maricopa	D. M. Downey	Phoenix
Mohave	L. H. Foster	Kingman
Navajo	Harold D. Maryott	Holbrook
Pima	Paul U. Sawyer	Tucson
Pinal	Louis O. Fiscel	Florence
Santa Cruz	W. H. Roper	Nogales
Yavapai	R. L. Merritt	Prescott
Yuma	W. L. Ellison	Yuma

U. S. DISTRICT COURT IN ARIZONA

Judge Albert M. Sames	Tucson and Globe
Judge Dave W. Ling	Phoenix and Prescott
Edward W. Scruggs, Clerk	Tucson
William H. Loveless, Chief Deputy Clerk	Phoenix

SUPREME COURT OF ARIZONA

Alfred C. Lockwood, Judge	State House, Phoenix
Henry D. Ross, Judge	State House, Phoenix
A. G. McAlister, Chief Justice	State House, Phoenix
Eugenia Davis, Clerk	State House, Phoenix
Mrs. Pearl H. Collier, Reporter of Decisions	State House, Phoenix

SUPERIOR COURTS OF ARIZONA

Apache	Levi S. Udall	St. Johns
Cochise	John Wilson Ross	Bisbee
Coconino	Frank Harrison	Flagstaff
Gila	C. C. Faires	Globe
Graham	Lee N. Stratton	Safford
Greenlee	T. E. Alyn	Clifton
Maricopa (Div. 1)	Marlin T. Phelps	Phoenix
Maricopa (Div. 2)	G. A. Rodgers	Phoenix
Maricopa (Div. 3)	Howard C. Speakman	Phoenix
Maricopa (Div. 4)	J. C. Niles	Phoenix
Mohave	J. W. Faulkner	Kingman
Navajo	John P. Clark	Holbrook
Pima	William G. Hall	Tucson
Pinal	Ernest W. McFarland	Florence
Santa Cruz	Elbert R. Thurman	Nogales
Yavapai	Richard Lamson	Prescott
Yuma	Henry C. Kelly	Yuma

CLERKS OF THE SUPERIOR COURT OF ARIZONA

Apache	Benj Brown	St. Johns
Cochise	Dan S. Kitchel	Bisbee
Coconino	Mrs. Tom L. Rees	Flagstaff
Gila	J. W. Wentworth	Globe
Graham	Cleve Curtis	Safford
Greenlee	Lucy B. Fehrman	Clifton
Maricopa	Walter S. Wilson	Phoenix
Mohave	C. L. Cornwall	Kingman

Navajo	Wallace Ellsworth	Holbrook
Pima	Lenna H. Burgess	Tucson
Pinal	T. J. Marks	Florence
Santa Cruz	Mrs. Louise Lee	Nogales
Yavapai	Kitty R. Crossman	Prescott
Yuma	Jack G. Livingston	Yuma

**ELECTIVE COUNTY OFFICIALS FOR ARIZONA
1937-1938**

County	County Seat	County Assessor	County Attorney
Apache	St. Johns	Eugene C. Naegle	Earl Platt
Cochise	Bisbee	James L. Powell	Frank E. Thomas
Coconino	Flagstaff	B. L. McKinney	H. Karl Mangum
Gila	Globe	W. G. Duncan	Roulard W. Hill
Graham	Safford	Alvin Goodman	Chas. Rogers
Greenlee	Clifton	Joe Chaudoin	H. Earl Rogge
Maricopa	Phoenix	J. D. (Jim) Brush	John W. Corbin
Mohave	Kingman	W. O. Ruggles	Carl D. Hammond
Navajo	Holbrook	Arthur Palmer	Don T. Udall
Pima	Tucson	Charles M. Taylor	Joseph B. Judge
Pinal	Florence	Lynn Earley	Virgil W. Chandler
Santa Cruz	Nogales	Robert H. Fleischer	James V. Robins
Yavapai	Prescott	David H. Biles	Charles L. Ewing
Yuma	Yuma	O. J. Lovett	Glenn Copple

County	County Seat	County Recorder	County Sheriff
Apache	St. Johns	Mrs. Mae Richey	John Nunn
Cochise	Bisbee	P. W. Newbury	I. V. Pruitt
Coconino	Flagstaff	Marie Easton Gregg	Arthur Vandevier
Gila	Globe	Edward A. Flannigan	Charles R. Byrne
Graham	Safford	Mirtrue Holman	Emert Kempton
Greenlee	Clifton	Don C. Marsh	Harvey T. Grady
Maricopa	Phoenix	W. H. (Jake) Linville	Roy Merrill
Mohave	Kingman	Mary E. Carrow	Ernest I. Graham
Navajo	Holbrook	P. R. Shuck	Lafe S. Hatch
Pima	Tucson	Anna Sullinger	Ed F. Echols
Pinal	Florence	Esta L. Bayless	W. E. Laveen
Santa Cruz	Nogales	Lucy T. Mitchell	H. J. Brown
Yavapai	Prescott	Grace Chapman	R. M. Robbins
Yuma	Yuma	Vernon C. Wright	T. H. Newman

County	County Seat	County School Supt.	County Treasurer
Apache	St. Johns	Mrs. Edith P. Martin	Byron F. Hunter
Cochise	Bisbee	Ruby E. Fulghum	Carl Gordner
Coconino	Flagstaff	Bessie Kidd Best	W. E. (Ed) Jolly
Gila	Globe	Dorothy Eidson Sykes	Elton S. Bryant
Graham	Safford	James H. Mangum	C. M. Gietz
Greenlee	Clifton	Douglas Brubaker	Matt Danenhauer

Maricopa	Phoenix	E. D. (Ed) Ring	Ed Oglesby
Mohave	Kingman	Nancy S. Thele	C. B. (Kirk) Tatum
Navajo	Holbrook	Mary A. Brown	Kewen R. Savage
Pima	Tucson	Marvin L. Burton	Daniel E. Garvey
Pinal	Florence	John J. Bugg	Ruth J. Branaman
Santa Cruz	Nogales	Lula E. Larimore	C. Mignardot
Yavapai	Prescott	Carl Hickerson	Pearl Bethea
Yuma	Yuma	Clifton L. Harkins	R. C. George

**COUNTY BOARDS OF SUPERVISORS FOR ARIZONA
BY COUNTIES—1937-1938**

Apache County—St. Johns

James S. Shreeve	Chairman
D. T. Benchoff	Member
A. H. Lee	Member
L. R. Gibbons	Clerk

Mohave County—Kingman

W. D. Lawe	Chairman
E. T. Lyons	Member
W. K. Ridenour	Member
J. J. Cunningham	Clerk

Cochise County—Bisbee

Harlie Cox	Chairman
S. P. Lewis	Member
P. P. Page	Member
W. E. Clark	Clerk

Navajo County—Holbrook

C. D. McCauley	Chairman
Jos. L. Peterson	Member
J. Lester Shumway	Member
Chester Sharar	Clerk

Coconino County—Flagstaff

R. P. Thurston	Chairman
J. D. Tissaw	Member
J. D. Walkup	Member
George A. Fleming	Clerk

Pima County—Tucson

Warren Grossetta	Chairman
R. H. Martin	Member
J. B. Mead	Member
Gladstone Mackenzie	Clerk

Gila County—Globe

Charles Curnow	Chairman
John H. Armer	Member
L. F. Quinn	Member
P. A. Phillips	Clerk

Pinal County—Florence

Geo. W. Burgess	Chairman
James Herron, Jr.	Member
Enis Thurman	Member
E. W. Weaver	Clerk

Graham County—Safford

J. W. Greenhalgh	Chairman
Victor Christensen	Member
Virgil McEuen	Member
W. L. Buffington	Clerk

Santa Cruz County—Nogales

R. T. Frazier, Jr.	Chairman
Louis Escalada	Member
A. S. Henderson	Member
Wm. G. Simonton	Clerk

Greenlee County—Clifton

S. A. Foster	Chairman
Jesse J. Rascoe	Member
W. W. McMillen	Member
E. C. Fitzgerald	Clerk

Yavapai County—Prescott

C. C. Jackson	Chairman
Wm. Byers	Member
R. E. Moore	Member
Kenneth Aitken	Clerk

Maricopa County—Phoenix

C. Warren Peterson	Chairman
John A. Foote	Member
George Frye	Member
James E. DeSouza	Clerk

Yuma County—Yuma

M. N. Forman	Chairman
George Hagely	Member
Samuel de Corse	Member
Wm. B. Linder	Clerk



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Relating to agricultural improvement districts; amending sections 3467, 3469, 3470, 3473, 3475, 3476, 3478, 3480, 3491, 3492, 3498, 3499, 3501, 3503, and 3510 of the Revised Code of 1928, by enlarging the purposes for which agricultural improvement districts may be organized, and for which they may issue bonds; amending the procedure by which such organization is to be accomplished, and defining the powers of such districts and their officers and directors; fixing the qualifications of electors, and providing for voting on an acreage basis; amending the provisions as to the term, rate and maturity of bonds; authorizing the appointment of officers and defining their duties and powers and fixing their compensation; redefining the status of such districts as public political taxing subdivisions and municipal corporations of the state; and declaring an emergency.

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