

# 'HOME RULE' ON BOND ISSUES IS LOST FOR NEXT 2 YEARS

## TAX BOARD IS GIVEN VIRTUAL 'DICTATORSHIP'

Attorney-General's Opinion and Bonding Lawyers' Agreement, Cause.

NOT LEGISLATIVE INTENT

Court Challenge Likely to Protect Interests of Communities.

BY DANIEL M. KIDNEY  
Dictatorship power over all local governmental bond issues has been conferred upon the state tax board, and the last vestige of "home rule" has been abolished for the next two years, it was disclosed today.

This position, opposed by the state tax commissioners themselves, has been brought about by an interpretation of the 1931 budget limitation law by the attorney-general's office and Indianapolis bond attorneys.

Construction people contend that it will impede public work at a time when increase in such work has been urged by President Hoover and other leaders to aid in solving the depression and unemployment problems. They point out that more construction can be done right now for the tax dollar than at any time in recent history.

Each unemployed worker given a job will thus be taking from the "dole" paid now by township trustees, they also point out.

Attorneys in New Stand

Several city bond attorneys conferred with Joseph Hutchinson, deputy attorney-general and author of the opinion, Wednesday.

The opinion, given to Chairman James Showalter of the tax board several weeks ago, had held that interest and sinking fund items must be considered as coming under the budget limitation law.

The bonding attorneys went a step farther and agreed not to prove any local governmental bond issues for their client banks and bond houses unless it first is approved by the state tax board.

Up to now the board has had only appellate power, the proposed bond issues being taken before them upon petition of local taxpayers.

Now the local taxpayers will have nothing to do with the matter.

Not Bill's Intent

That this was not the intent of the legislature was the opinion expressed today by Phil Zorcher, veteran tax board member, who always has urged that the tax commissioner's powers be limited to appeals.

"The law was intended to not permit current expenditures of local governments to exceed during the next two years the budget of 1930," Zorcher explained. "By budget, it generally is understood that it doesn't mean the bonded indebtedness costs, as a method of curbing them has long been provided by the appellate power of this commission." Zorcher said that Chairman Showalter and Commissioner Philip Wolford of the board are agreed with him that if they must hear all bond issues they do not intend to burden the local officials and citizenry by making them come to Indianapolis, but that hearings will be held in the local communities.

Court Challenge Likely  
That this dictatorship, said to have been created without legislative intent, may be challenged in the courts was being considered today by construction interests who are vitally interested in local road bond issues.

Attempt to cut out local road bond issues was made by the Indiana Taxpayers Association during the 1931 session, but failed. Harry Miesse, director of the association, long has advocated that board control of them and now he has it, although not anticipating such a drastic interpretation when the law was passed.

Charles Kettleborough, director of the legislative reference bureau, who drafted the bill which became the budget limitation law, is reported to have expressed the opinion that the bond issue business was not the thing which this particular bill sought to curb, but only current governmental expenditures.

## LET STATE HOTEL JOB

McCormick's Creek Canyon Hotel Contract Given City Firm.

Kreby Construction Company, Indianapolis, has been awarded a \$42,285 contract for construction of a twenty-two-room new hotel building at McCormick's Creek Canyon state park. Award was made by the conservation department.

Director Richard Lieber stated that the Kreby company was the lowest of ten bidders on the work.

The building will be made out of prison-made brick, three stories and fireproof, designed for future expansion. The present inn will remain open during the construction period.

## AIR TOUR IS DELAYED

Flight Order Grounded at Huntington Because of Poor Field.

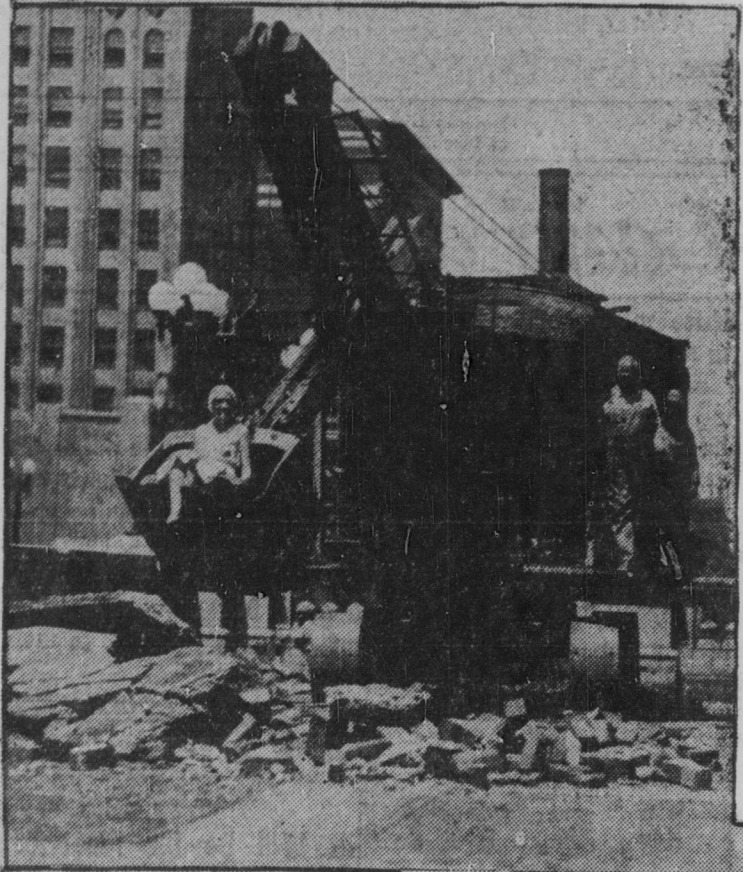
By United Press  
HUNTINGTON, W. Va., July 9.—Airplanes of the national air tour were delayed here today by uncertainty as to adequacy of the landing field at Middleboro, Ky., scheduled as the next stop, before the flight today to Knoxville, Tenn.

Word that the Kentucky field was small and was surrounded by high-tension wires caused officials to ground the tour until they could get further information on facilities at Middleboro.

## Fire Destroys Garage

Fire of unknown origin Wednesday night destroyed a garage at the residence of E. L. Roth, 1512 South Belmont avenue. The blaze communicated to another, also owned by Roth and damaged two automobiles. Aggregate loss was estimated at \$500.

## Takes a Fair One to Win This Ride



"Open house" is being held on the plaza of the federal building this week. The occasion is a steam shovel party with crowds of curious onlookers as guests.

Miss Betty McPhetridge, 1030 North Sterling avenue, for a short time was a guest of honor. She climbed into the giant scoop to learn how she might feel if suddenly cast in the role of a hunk of dislodged brick and stones.

The floor of the "veranda" is being torn up so that a new one of concrete can be constructed.

Charles D. Sherry, who has guided the steam shovel in many huge city projects, is the boss of the job.

## Crowned!

Two Heads Are 'Bottled' in Ravenswood Bowl; Suspend Marshal.

A GENTLE dove bearing an olive spray was enshrined by Ravenswood citizenry as the town bird today after deputy sheriffs paraded the riverside colony most of the time between midnight and daylight.

Strife between village officials in the last two years or more has worn most of the novelty from a police visit, but it was social rather than political war that rated the law's descent on Ravenswood beach today.

Alarms of more peaceable neighbors that murder had been done in a brawl in a cottage brought a sheriff's emergency and two radio squads to the scene of what earlier in the evening had been a jovial spare-rib dinner.

Of the twenty couples who had inaugurated the party, only three men remained. Edwin Dunbar, 43, of 3132 Park avenue, with eyes blackened and head battered, was charged with drunkenness and malicious destruction of property, as was Ivan Gold, 27, of 521 Standard street, who was dragged from under a bed, bloody and only semiconscious from a blow with a bottle.

Basil Gaumer, 46, new town marshal of Ravenswood, was charged with drunkenness, and relieved of his duty almost immediately by Charles O. Ford, unofficial mayor of the town. Throughout two cottages the battle had raged, Dunbar said, after some one hit him on the head with an empty bottle hurled through a window. Furniture was wrecked and windows smashed; empty bottles, broken and whole, littered the floors; the rest of the party had fled.

Later two deputy sheriffs answered another fight alarm, but found, instead of a melee, a pretty young woman, pajama-clad, sitting in a cottage with three men. She said she had come over from a neighboring cottage where she lived, Jack Hanna, 24, of 3815 College avenue, who claimed possession of the place, was charged with operating a blind tiger after the deputies confiscated several highballs and a small amount of whisky.

## SEWAGE PLANT DECISION SOON

Sanitary Board Members to Reach Verdict.

Decision on completion of the city sewage disposal plant will be made within the next week or ten days, sanitary board members said today following their conference Wednesday with the state health board.

City Engineer A. H. Moore, member of the sanitary board, said plans for issuing \$200,000 bonds to complete the project has been under consideration some time, but has been delayed by desire to avoid issuing any more bonds than necessary at this time.

Moore said the plant is adequate to care for needs except during the summer.

B. J. T. Jeup, board member, has suggested a plan whereby the bond issue could be retired through salary cuts and other economies in the department, together with reduction in board members' salaries as provided by law when the plant is completed.



## SEARCH OLD FILES FOR UTILITY'S SITE

'Perry or Decatur?' Asks Power and Light Co.; Taxes Involved.

Yellowed records of meetings of the Marion county board of commissioners were perused today to determine whether Indianapolis Power and Light Company would save between \$30,000 and \$50,000 in taxes yearly.

The records were brought out of musty vaults at the courthouse when attorneys for the light company told County Auditor Harry Dunn that it was their opinion that the new \$800,000 power plant in Perry township, near White river, is not in Perry township, but in Decatur.

Decatur township has a tax rate of \$1.51 on \$100, while Perry's rate is \$2.13.

The fickleness of the White river in changing its course in the past 100 years gives authenticity to the plea of the power company.

The old records of county commissioner hearings show that all land east of the White river was attached by special order to Perry township.

But in the years the river's course has changed so that the present site of the power plant places it between the old river bed and the new bed with the result the plant could be construed to be in Decatur township.

The river is now the boundary line of the townships.

Attorneys for the power company were to appear before the county's board of reviews this afternoon to argue that the plant should be assessed in Decatur township.

CREDIT UNION FORMED  
Kingsan & Co. Employees Organize Loan Unit.  
Incorporation papers were filed with Secretary of State Frank May Jr. today for the Kingsan & Co's Employees Credit Union. As with similar organizations they will deal in small loans at low interest rates to employ members and operate their own saving program through share sales.

## A True Scout

Saddened Troop-Mates Pay Last Tribute at 'Ernie's' Funeral.

By United Press  
CHICAGO, July 9.—"Ernie," who trundled himself in a wheel chair to the topmost heights of Boy Scout achievement, was buried today.

His comrades in Troop No. 501 said: "Ernie was game from start to finish."

The minister of the First Presbyterian church, where funeral services were held, said: "Of his wheelchair, Ernest Stone Jr. made a chariot that carried him to Olympian heights."

Tears glistened in the eyes of the scouts who crowded the church to pay tribute to "Ernie," their idol—crippled since he was 5 years old by infantile paralysis—for the last time.

Flags were at half-mast in the troop headquarters of Chicago's 18,000 Boy Scouts, all but nine of whom "Ernie" had outdistanced, in his wheelchair, in the acquisition of honors.

HE won thirty-eight merit badges, or seventeen more than required to attain the highest rank in scoutdom—that of Eagle Scout. Comparatively few Scouts—even able bodied ones—gain the Eagle grade.

Ge, but he was a real sport," said one of his pals. "He didn't seem to mind that he couldn't go hiking and swimming like the rest of us—he got a kick out of just seeing us have fun, that's the way Ernie was."

"He died right," said a tanned Scout after the funeral. "I'm glad he didn't have to suffer."

Death had come suddenly to "Ernie." He had lived life to the brim and his weakened heart failed to carry on.

## CAMP IN POOL EVENT

Swimming Meet Held Today for C. M. T. Co. Companies.

A swimming meet will be the order of the day this afternoon for the boys of the city's military training camp at Ft. Benjamin Harrison swimming pool. More than fifty participants, representing their companies, will compete in seven events.

Lieutenant F. A. Henning, athletic director of the camp, will have charge of the meet. Officials will be Francis T. Hodges, local Red Cross life saving instructor; Lieut. T. L. Sherburne Jr., D. L. Williams, H. G. Foster, S. J. Helker, P. C. Horwede, J. D. Martin, H. G. Shively and G. W. Heck.

## NICKEL FIRM HEAD DIES

John L. Agnew Stricken by Heart Failure in Flu Attack.

By United Press  
NEW YORK, July 9.—John L. Agnew, 47, vice-president of the International Nickel company, died Wednesday night at his summer home at Proper Cliff, Toronto, according to word received here today.

## DEBTS HOLIDAY 'FINE GESTURE,' SAYS SCHWAB

Anything for Optimism Is for Better, New Stutz Chief Asserts.

BY JAMES S. DOSS

President Hoover's debt moratorium is a "fine gesture," Charles M. Schwab, chairman of the board of Bethlehem Steel, and one of America's outstanding financial leaders, said here today on his tour of inspection of the Stutz Motor Car Company in the role of principal stockholder.

Affable and wearing the much-publicized Schwab smile, the steel king intimated that while the debts accord might not strike at the heart of the world-wide depression, it at least was a step in the right direction, if it acts as a stimulant to world markets.

"Anything," he declared, "that tends to produce a general spirit of optimism is for the better, although we must allow for some retroaction." "I'm a believer in that old adage that a watched pot never boils, and if we take things in our stride, conducting our affairs from day to day as unconscious as possible of any depression, the first thing we know depression will be in our wake and prosperity looking more and more closely in the foreground."

Denies Official Connection

Schwab denied he would have any official connection with the Stutz Company other than the all-important one of principal stockholder, which he became Tuesday when with his associates he acquired 70 per cent of the common stock.

Seeing continued improvement in the financial affairs of the Stutz company, Schwab pointed to its bond retirement record which includes a reduction from the original \$1,000,000 issue to \$359,000 to date and a \$92,000 slash effected during the first six months of the present year.

Quick assets of the company, he said, have been converted from a ratio of 1.6 to 1 into a ratio of 114 to 1, representing an addition of \$82,000. Surplus of the Stutz company, according to the officers' report, has been increased by \$2,250,000.

Silent on Expansion

Silent on any contemplated expansion, Schwab nevertheless asserted that, "we (himself and Chicago and New York banking interests) intend to back company officials 'to the limit.'"

He paid a glowing tribute to E. S. Correll, president of the company, and his associates for the progress made since the first of the year.

The former \$1-a-year man during the World War expected to leave Indianapolis late today, following his inspection of the local plant, and continue his tour of the Schwab interests in Detroit, Toledo, O., and Wheeling, W. V., and Pittsburgh.

He refused to comment on the status of the Bethlehem Steel-Sheet and Tube Steel merger and his feud with Cyrus Eaton, Republican magnate and "their apparent" to the steel throne.

## BRENNAN GETS RECEIVER POST

Realty Man Will Run Fountain Company.

Judge Russell J. Ryan of superior court five named William A. Brennan, Indianapolis realty man, receiver for the Fountain Realty Company.

Receivership action was brought by the Columbia Securities Company, alleging the Fountain company owes \$85,359 in notes.

Validity of the claimed indebtedness was contested by Bred, Elliott & Harrison, investment brokers, and the Meyer-Kiser bank. The bank and the brokers sold preferred stock in the realty company.

Judge Ryan ordered the receiver to collect all rentals from the company's four-story building at Fountain Square. The building, which contains the Fountain Square theater, cost \$550,000.

## SEEKS FISHING POOL

Danville Man Would Make Sport 'Comfortable.'

Fishing soon will be possible for those who do not wish to brave the hardships of wading a rod on a muddy creek bank, if the zoning board Tuesday grants petition of A. B. Carter, Danville, Ind.

Carter is asking permission to establish an elite fishing pool at 5657 Westfield boulevard, where for a small fee local nimrods may try their luck with rod and reel. The fee would permit them to hook a specified number of fish.

The pool would be 60 by 120 feet, of concrete, and in winter would be used for ice skating.

## STATE COPS TO MEET

Northern and Southern District Sessions Called by Chief.

All state police officers of the northern district will attend a conference called by Chief Grover Garrett at the Fairview hotel, Lake Manitowish, near Rochester, Tuesday, it was announced today.

Southern district officers will attend a similar meeting Thursday at the Colonial hotel at Martinsville.

## CIVIC GROUPS TO OPPOSE GAS PLAN

Objections to Pipe Line Proposal to Be Laid Before Commission.

Petition of the Manufacturers Natural Gas Association for a certificate of convenience and necessity to dispense natural gas here to large industries will be opposed by two civic groups July 16 at a hearing before the public service commission.

Decision to oppose introduction of natural gas here by any certificate other than the Citizens Gas Company was reached Wednesday by committees representing the Federation of Community Civic Clubs and the South Side Civic Clubs.

William Bosson, attorney, was named to prepare a brief presenting the federation's objections. The federation committee, composed of Bosson, chairman; William T. Quillin, Gustav G. Schmidt, John F. White and Oscar Smith, federation president, met in Bosson's office, 235 East Ohio street.

The committee agreed introduction of natural gas should be encouraged, to enable industries to obtain cheap fuel, but that only the Citizens Gas Company should distribute it.

Bosson questioned right of the public service commission to grant a certificate to the Manufacturers Association, which he said will operate as a private utility, serving only large consumers.

John F. White, chairman of the south side central committee special natural gas committee, was authorized to represent the group at the public service commission hearing.

Attorneys representing the city of Indianapolis, city utility district and the Citizens Gas Company also are preparing to resist efforts of the Manufacturers' Association to operate in competition with the Citizens company.

## TWO ARRESTED AFTER CRASH

Milk Wagon Horse Hurt Badly in Crackup.

Crashing into a milk wagon early today at Belmont avenue and Ohio street, Webb Kise, 27, of 34 South Warman avenue, and Sherman Haff, 528 North Pershing avenue, are held on a series of charges by police.

Grant Martin, 36, driver of the wagon, escaped injury, but one of the horses was seriously hurt. Kise is charged with drunkenness, failure to display lights, driving on the wrong side of the street and resisting an officer. Haff faces charges of drunkenness and resisting an officer.

Struck and knocked down by an automobile, Steve Stino, 46, of 624 Union street, suffered serious head injuries. Miss Violet Henderson, 23, of 82 North Arlington avenue, driver of the car, was not held. The accident occurred at Virginia and Grove avenues.

Thrown to the pavement when he attempted to "hop" a ride on a city sanitary truck, Harold Mitchell, 7, of 1009 West Twenty-fifth street, suffered severe arm cuts.

## Paid Religion

Free Car Wash Given for Attendance Sunday at Cadle Tabernacle.

GO to church Sunday afternoon and earn 50 cents. "This is the proposal of E. Howard Cadle who will try out the idea of a "paid" congregation to fill Cadle tabernacle.

Cadle is conducting a series of Sunday afternoon meetings in an effort to regain control of the tabernacle which he relinquished six years ago.

Each person attending the services Sunday will be presented a card which will entitle him to a free "wash" for his automobile. This is made possible through cooperation with a firm that features auto washing for 50 cents.

## STOCK BUYER IS DEAD AFTER LONG ILLNESS

Stephen M. Crawford, 76, Was City Resident for Sixty Years.

Stephen M. Crawford, 76, resident of the city sixty years, died Wednesday at his home, 2448 Kenwood avenue. He had been ill six months.

Mr. Crawford was born in Cambridge City. He was in the wholesale meat business in Indianapolis for twenty-five years, then was a buyer and seller of stock at the Union stockyard until his death.

Funeral services will be held at 5204 North Meridian street at 2:30 Friday. Burial will be in Crown Hill cemetery.

## SET BURIAL OF TWO

Business Men in City Are Claimed by Death.

Veteran employees of two Indianapolis firms died Monday. James Edward Lawrence, 57, employed by the Holcomb & Hoke Manufacturing Company for twelve years, died at his home, 1030 Castle avenue.

Earl C. Nicholson, 48, of 1212 Comar avenue, died at Methodist hospital. He was associated with the Pearson Piano Company fifteen years.

Funeral services for Mr. Lawrence will be held at 2 Friday at University Heights Christian church. Burial will be in Crown Hill cemetery.

Mr. Nicholson will be buried at Cambridge City, following funeral services at 2 Friday at the home.

## Rudy Weds

'Vagabond Lover' Marries Fay Webb, Actress, at New York.



Mrs. Vallee

By United Press  
NEW YORK, July 9.—Rudy Vallee and his bride, the former Fay Webb, actress, seeking to elude questioners and curious crowds.

The orchestra leader, whose radio crooning brought him a fortune, was married to Miss Webb, daughter of the police chief of Santa Monica, Cal., at West Orange, N. J., last Monday, but the news was not made public until Wednesday night.

Rudy met Miss Webb, an attractive brunette, for the first time in 1929, although they had been childhood schoolmates in Canada. He was in Hollywood making the picture, "The Vagabond Lover."

Rudy's radio and other engagements will keep the couple in New York.

Recently Vallee leased a fourteen-room apartment on the fourteenth floor at 55 Central Park West, and furnished it in lavish fashion.

The orchestra leader gave his age as 29 and Miss Webb, 23. Police Chief Clarence E. Webb, the bride's father, was quoted in dispatches from Santa Monica as saying the marriage was no surprise to him.

"They've been engaged for two years," he said.

The chief referred to his son-in-law as "a wonderful boy."

Mrs. Vallee formerly was under contract to Metro-Goldwyn-Mayer. She had parts in "Her Cardboard Lover," "Their Own Desires," "The Gob," "Olympia," and "The Single Standard."

## It's Easy to Take Off Fat—a Pound a Day on a Full Stomach



Just Do These Two Simple Things—Inches of Fat Melt Away

Here is a quick and easy way to take off a pound a day—four to seven pounds every week!—with never a hungry moment. A way any doctor will tell you is safe and sure. This is what you do. Take a teaspoonful of ordinary Jad Salts in glass of water half hour before breakfast every morning. This reduces moisture-weight instantly. Also cleanses your system of the waste matter and excess toxins that most fat people have and banish puffiness and bloat. Then do this about eating. FILL YOUR STOMACH—eat your fill—of lean meats, vegetables like spinach, cauliflower, cabbage, tomatoes, etc., and lots of salads. Eat a lot. Eat all you can hold. Don't go hungry a minute. Cut down on butter, sweets and desserts, bread. Eat any fruit or dessert. That's all you do. Fat seems to melt away. The coarse lines of overweight give way to the refined ones of slenderness. You lose as much as a pound a day. You feel better than for years. For in this treatment you achieve two important results. The Jad Salts clear your system of toxins. The diet takes off fat with food that turns to energy instead of weight. If you're tired of being embarrassed by fat, try this way. You'll be glad that you did. Note particularly—the salts are urged purely as a poison-banishing agent—not as a reducing agent. The change in food does the work. You can get Jad Salts at any drug store. —Advertisement.