



# The Indianapolis Times

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Rain tonight and becoming fair tomorrow; colder.

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## SOCIAL REFORM TO HEAD PROGRAM OF INDIANA ASSEMBLY

Old-Age Pensions, Relief, Re-Employment, Liquor, Penology and Crime Laws to Stir Controversies.

ADMINISTRATION AIMS KEPT SECRET

Gross Income Levy Likely to Remain for 2 Years; Liquor Assessment Slash Also Believed Probable.

By JAMES DOSS  
Times Staff Writer

With convening of the 1935 Indiana General Assembly only two days away, the state administration's program remains more or less a secret, although there is every indication of a sharp trend toward social legislation of various kinds.

The term "social legislation" admittedly is a broad one and is used advisedly. It can be broken down into such subdivisions as old age pensions, relief and re-employment, liquor, penology and crime. It is not the purpose of this summary to make a forecast of the full scope of the administration's plans.

The purpose merely is to touch on the high points of the most controversial subjects which will come before the assembly and to outline the probable forms which legislation on these subjects may take.

Some of the subjects which might be classed roughly in the broad groupings of social, taxation and governmental reform legislation are allied, such as taxation and liquor.

However, the subjects are so diverse and cover such a wide area of public interest that they can not well be classified other than in three groups.

In the first, taxation, falls the gross income tax and its future. There appears to be little doubt that the gross income tax is scheduled for at least two more years of life and, here is little likelihood of its being supplanted by the 3 per cent sales tax proposed by Indiana retail merchants.

Like any tax, the gross income tax is unpopular, but it is the belief of Gov. Paul V. McNutt and his legislative advisors that substitution of a sales tax for the gross income tax would mean a higher sales tax than that proposed.

### Farmers Back Gross Levy

The gross income tax produces approximately \$12,000,000 annually. Most of this revenue goes to pay part of the salaries of all public school teachers and admittedly is one of the reasons that Indiana's schools financing has been so successful in contrast to the chaotic conditions in other states.

One element of the organized farmers is said to favor doubling the present gross income tax rate. Organized labor is reported opposed to any sales tax which entails passing the levy on to the consumer by means of a receipt or stamp.

The 22-member tax advisory commission named by Gov. McNutt is scheduled to hold a final meeting today and make its recommendations to the chief executive. Apparently, they have reached an impasse.

It appears reasonably safe to predict that the gross income tax will be maintained and that the changes in it will be comparatively minor.

### \$1.50 Limit Upheld

Another tax problem before the commission, and one which is certain to be one of the most controversial of the session, is the \$1.50 tax limitation law.

There is a strong sentiment, chiefly among the farm and real estate interests, for strict adherence to the limitation and for repeal of the emergency clause by means of which many taxing units evade, perhaps through absolute necessity, the intent of the law.

The tax limitation law limits tax levies to \$1.50 in cities and to \$1 in rural areas on each \$100 of taxable property. The emergency clause permits the declaration of an emergency and for extension of the limits. The word "emergency" never has been defined satisfactorily in relation to the tax limitation law. No one, including the courts, seems to agree.

The way out of the \$1.50 tax limitation dilemma appears to be through one contemplated reform, an effort at which had only an abortive life in the 1933 session.

### Exemptions Under Fire

This is the raising of additional revenue on the property tax by putting back on the tax duplicate real estate which has been exempted. For years, property owned by religious, fraternal, educational and other nonprofit-making groups has been getting by without paying its share of the tax burden.

Much of this property actually was revenue-producing, regardless of its ownership, and thus was in competition with property which was taxed. It almost is certain that a bill to place such property back on the tax duplicate will be presented and it has more than an increase of enactment.

The possibility of an increase in the tax on intangibles and the (Turn to Page Three)

## Stolen Joy

That's the Charge Against Young Father Who Turned Santa.

AS Christmas Eve approached, a little more than two weeks ago, there were serious doubts in the minds of their parents that Santa Claus would be able to visit Ronald Dills, 2½, and his year-old brother, John Dills Jr., at their home, 3045 N. Olney-st.

Their father, John Dills Sr., 24-year-old unemployed printer, told the boys Santa Claus had been pretty hard pressed during the depression. Moreover, there was no coal and little food in the house.

But the youngsters had faith. Santa Claus always found a way. Christmas morning brought happiness to the Dills home. In their stockings, Ronald and John Jr., each found a bright red fire truck, a funny doll and a pair of blue overalls that fit.

They had been right. Santa Claus always finds a way.

TODAY, John Dills Sr. stood before Municipal Judge Dewey Myers on a charge of grand larceny.

His attorney, Samuel Blum, a friend of the Dills, admitted that his client had taken a box of aluminum bearings from the Highway Truck Parts Corp., 1125 E. Georgia-st., and sold them to a junk dealer to bring Christmas to Ronald and John.

Detectives had traced John Dills through auto license plates belonging to a West Point (Ind.) garageman. They had visited sheds and garages in the Olney-st. neighborhood and finally found the ramshackle truck in which Dill had hauled the bearings away from the Georgia-st. storage house.

Judge Myers and Mrs. Dills listened to Attorney Blum's story. Dills had been held in \$1000 bail. This Judge Myers reduced to \$500. He said he regretted he was required by the law to bind Dills over to the grand jury.

A representative of the Highway Trucking Parts Corp. protested the court's action in reducing the bail. He claimed Dills had been responsible for other thefts.

POLICE charged that Dills had taken a box of bearings worth \$125 and sold them for \$55.

The proceeds went for the two toy fire trucks, the overalls and the funny dolls. The remainder went for coal and food, and accounted for the triumphant visit of Santa Claus to the Dills home.

Mrs. Dills, an expectant mother, was in court when her husband was arraigned. She was shaken with sobs as the story of their Christmas went into the court record. A few moments later she fainted and was taken home.

Police said Dills' own mother died when he was 1 year old. His father died in 1923. With the aid of friends, he obtained work in a printing shop and learned the trade. He was laid off, and except for relief employment, has had nothing to do.

But he brought Santa Claus to Ronald and John Jr.

## SELECTS PECORA FOR N. Y. SUPREME COURT

Gov. Lehman Sends Nomination to State Senate.

ALBANY, N. Y., Jan. 8.—Gov. Herbert Lehman today sent to the Senate for confirmation the nomination of Ferdinand I. Pecora as a justice of the Supreme Court for the First Judicial District.

The bodies now are being held in a Greenfield undertaking establishment by the Hancock County sheriff. The sheriff said that he did not know from a brief examination what had caused the deaths, but believed it was carbon monoxide poisoning.

Mr. Fulke's brother, Edward Fulke, former newspaper man, said that his brother had not been at home since Sunday night and that he had been attempting to locate him.

## 7,000,000 to Get Jobs in 1935, New Dealers Say

Half to Be Employed by Government, Is Belief, Others by Private Industry.

(Copyright, 1935, by United Press)

WASHINGTON, Jan. 8.—New Dealers are hopeful that President Roosevelt's \$4,000,000 recovery and relief program will provide useful employment for at least 7,000,000 individuals this year.

That appears to be the minimum expectation from the public works plan if it operates in practice as well as it looks on paper. The employment aggregate would be made up of:

1. 3,500,000 persons shifted from the dole to public works.

2. From 3,500,000 up re-employed privately.

The private jobs estimate is tentative. But it is based on the expectation that every individual directly employed with Treasury money on public works projects will require the private employment of at least one other individual to supply him with materials for the public job.

Of greatest concern at this unprecedented program is launched is the possibility that local relief may not be able to absorb the 1,500,000 dole recipients which are to be stricken from Federal relief rolls. There appears to be less official anxiety over the Government's ability to provide work for 3,500,000 or so employable persons now receiving the dole.

Mr. Roosevelt's two messages to the 74th Congress avoided any estimate of the number of employable Americans now jobless. He estimated, merely, that 4,000,000 persons had been re-employed since Hoover left the White House on March 4, 1933.

The American Federation of Labor estimates in excess of 11,000,000 persons are without jobs.

## NEIGHBOR OF LINDBERGH'S PLACES HAUPTMANN AT KIDNAPING SCENE

LINDBERGH CAN ALMOST TOUCH HAUPTMANN IN COURTROOM



So close together that they could almost have touched hands, Col. Charles A. Lindbergh, left circle, and Bruno Richard Hauptmann, right circle, sat in the crowded little Flemington Courthouse during a brief recess in Hauptmann's trial on a charge of murdering the infant Charles Lindbergh Jr. At the counsel table, in the foreground are (1) Edward J. Reilly, Hauptmann's chief counsel, and (2) Atty. Gen. David T. Wilentz of New Jersey, chief prosecutor.

## NATION TO FALL IN ANOTHER CENTURY, SAYS ALFALFA BILL

By United Press

OKLAHOMA CITY, Jan. 8.—William H. (Alfalfa Bill) Murray today predicted in a salty farewell address to the state that the Nation would fall in another century "by the inherent weakness of its own citizenship."

The gaunt, mustached retiring Governor, who has a penchant for probing the future, said that national decay would come through political, social and hygienic deterioration.

Sponsor of Oklahoma's law for sterilization of the insane and habitual criminal, Gov. Murray advocated sterilization by the state of persons afflicted with social diseases. He said this would be an important step toward national salvation.

## TEMPERATURE DROP IS FORECAST FOR CITY

Freezing Weather to Arrive Here Tonight or Tomorrow.

The end of the warm, balmy weather in Indianapolis was seen by the United States Weather Bureau today with the prediction that a drop to freezing temperatures or below would reach here tonight or tomorrow.

The cold weather probably will come from the north, it was said with a high pressure area at present in Canada and moving southward.

## Fire Destroys Tack Co. Plant; Loss at \$15,000

Valuable Machinery Badly Damaged, Official of Firm Reports After Two-Alarm Blaze.

Mixing thousands of pounds of wire tacks into disordered piles, as flames and water pressure broke open shipping boxes, today caused \$15,000 damage in a raging two-alarm fire which swept the Bran Tack Co. plant, 1419 Standard-av., and threatened an entire factory block.

Robert Smith, plant manager, said tons of tacks had been prepared for shipment and were stored in the section of the factory swept by flames. The fire-swept boxes were broken and the assorted sizes of tacks were swept into piles under water pressure from fire department hoses.

Valuable machinery also was badly damaged, Mr. Smith said.

The plant was a seething inferno of flames when men from Engine House 19, Harding and Morris-sts., arrived shortly before 5 a. m., called by Patrolman Frank Zunk, who discovered the conflagration.

Fire Chief Fred Kennedy took personal control, and realizing that the frame building could not be saved, ordered his men to keep the flames from the adjoining buildings. The tempering plant, built in from the terrific heat and, until late in the morning, still were at the scene pouring water on the smoldering remains.

Capt. Guy Lewis, Engine House 19, had difficulty in discovering the fire because three alarms had been turned in at points several blocks from the fire. Smoke so covered the neighborhood that it took the firemen several minutes to locate the actual scene of the fire.

When Chief Kennedy arrived, he immediately turned in the second alarm. Apparatus from the downtown districts and from other West Side houses responded.

The adjoining buildings were brick. The first building from Standard-av was the brick machine-erig plant; the second, the tempering plant; and the third, the brick storage plant.

This was the third second-alarm fire this year, the others being in a garage at 13th-st and Illinois-st and a factory at 621 S. Alabama-st.

## Fire Damages Home

The home of Stuart Dean, wealthy manufacturer, at 4190 Central-av., was damaged to the extent of \$1000 early today by a fire which ruined a library and the bedroom of Mr. Dean's cousin, Arthur Loftin, a reporter for The Indianapolis News.

Firemen from three engine houses responded and had difficulty in entering the house and laying the hose because of the fierce heat of the flames. Mr. Loftin discovered the fire. He and Mr. Dean were the only ones at home at the time of the fire.

Furnishings of the Dean home include many valuable antiques and paintings.

## TODAY'S WEATHER

6 a. m. .... 52 10 a. m. .... 53  
7 a. m. .... 53 11 a. m. .... 54  
8 a. m. .... 52 12 (noon) ... 55  
9 a. m. .... 53 1 p. m. .... 56

Tomorrow's sunrise, 7:07 a. m.; sunset, 4:38 p. m.

## In the Air

Weather conditions at 9 a. m.: Southeast wind, seven miles an hour; barometric pressure, 30.81 at sea level; temperature, 51°; general conditions, overcast, light rain, light fog, soft sleet, sun runway; ceiling, estimated at 700 feet; visibility, one mile.

## NAVAL AGREEMENT LIKELY, DAVIS SAYS IN FORMAL REPORT

By United Press

WASHINGTON, Jan. 8.—An optimistic view of the possibility of an eventual naval agreement among the United States, Great Britain and Japan, was presented today by Norman H. Davis, chief American delegate returning from the London naval conversations.

Mr. Davis said that despite apparent failure of the naval conversations in London, he believed the ground for an eventual agreement, which might even be reached during the present year.

In his report, Mr. Davis reflected a conciliatory attitude toward Japan's naval ambitions. He said he believed it would be possible, eventually, to conclude a new navy limitation agreement on the basis of building programs in progress.

## Blind Man Killed by Auto

COLUMBUS, Ind., Jan. 8.—James Bryant, 66, blind, was killed when struck by a truck on U. S. Road 31 while being led to church by his wife. She was uninjured.

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## Oil Control Section Held Invalid by High Court

Supreme Bench Finds 'Hot Shipments' Provision of Code Unconstitutional.

By United Press

WASHINGTON, Jan. 8.—Faced with an adverse decision of the Supreme Court in the East Texas oil cases, Administration officials today sought a way to maintain order in the once chaotic oil industry and to analyze the possible effect of the court's ruling on other recovery legislation.

The court found unconstitutional section 9-C of the NIRA and the executive order, of President Roosevelt carrying the section into effect. It also held invalid the orders of Oil Administrator Harold L. Ickes making the section effective.

Section 9-C gives the President authority to prohibit interstate shipments of "hot oil," which is oil produced in excess of state quotas. A cursory examination of the court's exhaustive opinion already has led to these conclusions:

1. Control of excessive oil production for the time being must be attempted under the petroleum code, since the court made no attempt to pass on the code itself.

2. Attempts may be made to have petroleum production declared a public utility in order to justify new and clearer congressional regulation of the field.

3. The court's decision will be valuable as a practicable, though partial, guide for the formation of future emergency or permanent legislation for the control of production.

4. The opinion can not be interpreted as a blow to the general principles being followed in the formulation and promulgation of codes of fair competition.

Blackwell Smith, acting general counsel of the NRA, hailed the opinion as a partial guidepost and said that nothing in it indicated Congress can not constitutionally treat the industrial problem by "the only practical means."

The court's opinion was written and delivered by Chief Justice Charles Evans Hughes.

An outstanding point of the decision was an all but unanimous decision based on an interpretation of constitutional law. Justice Benjamin N. Cardozo wrote a lengthy dissent. He noted there was only a narrow margin of doubtful ground which separated his opinion from that of the majority, but a margin that left him no doubt that the section should have been upheld as within the Constitutional delegation of authority. It was on this point that the court felt itself constrained to hold the section invalid.

Bewhiskered Witness Puts Finger on Bruno in Testimony.

## STATE SCORES SURPRISE

Defense Fails to Shake Aged Mountaineer's Story of Seizing Suspect.

By SIDNEY B. WHIPPLE

United Press Staff Correspondent  
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FLEMINGTON, N. J., Jan. 8. — Eighty-seven-year-old Mandus Hochmuth placed a palsied finger on Bruno Richard Hauptmann today and identified him as the man with a ladder he saw near the Lindbergh estate a few hours before Charles A. Lindbergh Jr. was kidnaped and murdered on March 1, 1932.

The aged and bewhiskered resident of the Sourland countryside hobbled across the tense and silent courtroom where Hauptmann is on trial for his life and laid a gnarled finger on the defendant's left knee.

"That is the man," he said in a cracked voice. His attitude carried all the conviction that he could muster.

"I saw his face like a man who had seen a ghost. He was in a dirty green car. I saw a part of a ladder."

Thus the state of New Jersey struck its first smashing surprise blow at the trial of the German carpenter who is charged with the murder of the infant son of Col. and Mrs. Charles A. Lindbergh.

But the words of Hochmuth, who contended his eyes were good, failed to shake the prisoner. His stone-like face remained unchanged. Slowly he moved his head from side to side in denial of the charge. Otherwise, he did not move a muscle.

The ancient Hochmuth's testimony dropped two bombshells for the prosecution:

1. It was designed to place Hauptmann at the scene of the crime on the day of the crime, whereas he has denied steadfastly he was in New Jersey at any time approximate to March 1, 1932.

2. It was designed to link him with the kidnap ladder.

Hochmuth's dramatic identification of Hauptmann was made during his direct examination by Atty. Gen. David Wilentz.

After he had stepped down from the witness chair—you could almost hear his rheumatic bones creak as he walked—and put what the state hoped would be the finger of doom on the prisoner, he was turned over to Edward J. Reilly, head lawyer for Hauptmann.

Reilly pounded at his testimony in every conceivable form of question to test his reliability, his sight, his powers of observation. But Hochmuth, standing firmly by his guns, refused to budge on any point.

When Reilly implied that a State Trooper had brought him to the door of the courthouse yesterday and pointed Hauptmann out to him, Hochmuth's chin whiskers snapped as he answered, "No, sir!"

He had seen Hauptmann in a lane near Col. Lindbergh's manor and he meant to stick to it.

## Tells Story of Ladder

The state then turned to Capt. John J. Lamb of the New Jersey state police, an officer who for 30 months has devoted his investigations almost entirely to the Lindbergh case.

Capt. Lamb was called as a supporting witness to the state's theory that the three-section ladder found on the Lindbergh grounds, 70 feet from the house, was the one by which the kidnaper gained access to the child's nursery—and that it was Hauptmann that made and used the ladder.

Justice Thomas W. Trenchard had ruled yesterday that the ladder could not be introduced in evidence—although it was marked for identification—until the state had proved in what hands it had been since it was found.

Government experts have examined it and analyzed its wood. Sections of it have been removed and compared with wood found in Hauptmann's garage in the Bronx. It has been taken apart so that its nails could be compared with nails found in one of Hauptmann's boxes.

## Defense Wages Bitter Fight

Capt. Lamb proceeded, therefore, to tell the jury that he himself had had custody of the ladder, but outlined the various hands into which it had been committed for experimental purposes, since 1932.

At the noon recess, Hauptmann's lawyers were fighting desperately to exclude the ladder from evidence.

Lieut. John J. Sweeney of the Newark Police Department made a dramatic witness. A breathless audience heard him describe experiments made both with the alleged (Turn to Page Three)