

Senate May Combine Liquor Reform Bills; Hits Hour Bill Delay

Policy Committee Orders Study by Hardy And Jenner.

The Senate Public Policy Committee today ordered two of its members to combine most of the liquor reform measures pending before it, incorporating several amendments suggested by the committee.

Today's meeting followed a heated floor fight yesterday in which Senator William Hardy (D. Evansville), committee chairman, charged that a "powerful liquor lobby" had kept other members from attending a meeting Tuesday night. He said he had been unable to get a quorum at three previous sessions.

Meanwhile, the "local option" movement was progressing through the House with the measure to reenact the old Nicholson Law ready for second reading and a second measure to provide for county elections on liquor questions scheduled to be reported out of committee in a few days.

The Nicholson law bill gave the lower chamber its first test of local sentiment yesterday when the House voted, 50 to 40, to accept the Public Morals Committee's favorable report. This bill, which would give the State the type of liquor control in effect before Prohibition, was amended in committee to provide for city and ward elections.

Senator Hardy and Senator William Jenner (R. Shoals) were named to the subcommittee to combine the liquor measures. However, the bill introduced by 26 Senators designed to eliminate gambling from taverns and limit credit between wholesalers and retailers is to be reported out favorably by the committee.

Most controversial measure before the Committee is the one sponsored by the Republican State Committee passed by the House last week following a floor fight. At present it calls for flat midnight closing hours, but it was indicated that the subcommittee might amend it to make the midnight deadline apply only to cities of the fourth and fifth class.

Following an established custom, members of the Legislature were introducing visiting school pupils, former members and local party officials, when Rep. Joseph E. Klen (D. Gary) rose and said:

"Mr. Speaker, gentlemen of the House—I wish to introduce to you a distinguished former member. I present the Hon. William H. English, Speaker of the House during the 1851 session."

Rep. Klen pointed to a marble bust set in a niche of the House chamber.

Everyone laughed except Mr. English.

Other liquor measures pending before it include the Republican State Committee's reform bill which was passed by the House last week. This proposal repeals the importer system, lowers the restriction on wholesalers and sets midnight as closing time for liquor sellers.

Bills providing only for the repeal of the importer system, sponsored by the Administration, and for additional restrictions in the law to curb gambling in taverns also are awaiting action.

Approve Bill to Limit Township Relief

While Lake County Senators prepared for the public hearing tonight on the problem of relief administration in their district, the Senate County and Township Business Committee today recommended for passage the bill to limit township trustees' relief expenditures.

The hearing tonight is on a resolution introduced by Senator Harvey Post (D. Hammond) asking for further State investigation into the Lake County relief setup which recently was charged with being "abounding in abuses."

The township bill introduced by Senator Walter Vermillion (D. Anderson), would limit township trustees in their expenditures for poor relief in any calendar month to a sum equal to a 3-cent tax levy. The measure would also require a public hearing before the county council in the case of an emergency requiring additional expenditures.

Post Urges Passage

Senator Harvey Post (D. Hammond), member of the committee which is to report on the bill, said that "our relief bill in Lake County looks like the State budget" and urged passage of the measure.

The Lake County resolution was prompted by the Governor's Commission on Unemployment Relief's report on relief conditions there.

The Commission also charged that "many families have been granted relief when possessed of more than sufficient resources to maintain themselves without relief."

Senator Elliott Conroy (D. Hammond), chairman of the Senate Committee on the Affairs of Lake

Nahand Says Committee Is Too Slow, Wants It To Report Out.

A resolution demanding that some action be taken by the House Labor Committee on the State Wage-Hour Bill was to be introduced in the House today.

Rep. Arnold C. Nahand (D. Indianapolis), the bill's author, said the committee was taking too long and that labor would "take its chances on the floor."

Earlier this week, he stated that a substitute measure would be offered containing several concessions to employers, including a flat 48-hour maximum working week. This proposal has now been "withdrawn," he announced.

The bill would fix the minimum wage at 25 cents an hour for the first year, 30 cents for the second to seventh year, and 40 cents after that period. Hours would be limited to 44 the first year; 42 the second, and 40 thereafter with time and one-half for overtime.

Could Appeal to Courts

A state labor commissioner would have the power to investigate complaints, named by him to fix wages meeting those standards. Appeals could be made through the Circuit courts and the board would join with the U. S. Labor Department in enforcement.

Violation of the act would bring a fine of from \$25 to \$500 and 90 days in jail in addition to wage fines.

The bill was introduced Jan. 10 and has been pending in the Labor Committee since that time. One hearing was held at which labor and employer representatives packed the House chamber.

WAGE CUT BILL O. K. EXPECTED

House Committee to Return Favorable Report on G. O. P. Measure.

A Republican-sponsored bill to cut the salaries of State employees from 2 to 21 per cent was to be reported favorably today by the House Ways and Means Committee.

The bill would reduce salaries from 2 to 21 per cent on a sliding scale, depending on their size. Those exempt from its provisions are the Governor, Supreme and Appellate Court judges, employees of educational, penal and benevolent institutions and persons making less than \$1000 annually.

The \$1000 exemption amendment was added by the Committee on the suggestion of Rep. Robert A. Hoover (R. Goschen). Rep. Frank T. Mills (R. Campbellsburg) is the author of the bill.

The possibility of an additional 10 per cent cut in operating expenses, which could mean a one-third reduction in employees' salaries, was considered by the Committee. The biennial budget bill to be given to the Committee, calls for a 10 per cent reduction in "personal service" in many of the same departments covered by the Republican's bill.

Committee to Watch

Consensus of the Committee was to pass out the G. O. P. measure and watch the action taken on it while the members are working on the budget bill.

If the "cut" measure moves toward enactment the reduction under the budget bill would not be necessary and would be restored, members stated.

Committee members said they did not plan to duplicate the salary cuts proposed in the biennial budget bill. They said they would watch the progress of the Republican bill and if it moved toward enactment "satisfactorily" they would make the necessary adjustments in the bill.

Two other bills affecting the State's income received the Committee's approval.

A Senate measure placing a 10-year statute of limitations on gross income tax delinquencies was recommended for passage.

Also approved was a House bill appropriating \$20,000 for the use of Purdue University in establishing greenhouses and undertaking research on canning crops—specifically tomatoes.

County, has asked Federal District Attorney James R. Fleming of South Bend to attend the meeting. Senator Conroy said he also has requested the presence of Judge William J. Murray of the Lake County Criminal Court and Prosecutor Felix A. Kaul.

The resolution introduced by Senator Post asks the investigation if local authorities fail to prosecute "speedily" in event irregularities are found.

G. O. P. IN HOUSE QUILTS FIGHT FOR STATE JOB LIST

Speaker Halts Heated Floor Clash Over Demand on Townsend.

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whether they have too many employees. If you limit this resolution, this information can be furnished."

Rep. Stein indicated that unless some limiting provision was made in the resolution it would have to be ignored.

"Rep. Stein has made this thing too complicated," Rep. Harry M. Shull (R. Auburn) said. "He is trying to throw a smoke screen around this whole thing."

"What he would like to see we Republicans do is to stab in the dark on this budget bill and make a cut which would result in the halting of the operation of some function of State government. We don't want to do that and get in bad."

Speaker Takes Hand

Rep. Stein's reference to Rep. Shull's "thick head" provoked a heated exchange between the two which was shut off by the Speaker.

Rep. Winfield K. Denton (D. Evansville) said that since "the House had spent so much time passing patronage matters it could adjourn as to give the members of the Club time to pursue the State's records to your hearts content."

Rep. Harry R. Fawcett (R. Kokomo) charged that the Administration "could not stand an investigation." His references to motives of the minority leaders were halted by Speaker Knapp, who said:

"This is a deliberative chamber. We will have to keep order and not indulge in rabble rousing. Members will refrain from questioning the motives of any member."

Rep. Harold T. Bateman (D. Terre Haute) said that there was enough important legislation pending that the "House could do better to consider."

Pointing out that there probably were very few members who had ever studied the complete reports of such nonpartisan groups as the Indiana Taxpayers Association, he said:

"What good would this information do if we had it? Who would have time to study it and present legislation bearing on it?"

Claims Necessity

"This information asked for is sometime going to have to be compiled," Rep. Roy J. Harrison (R. Attica) said. "It may have to be compiled either for this session or for a special session which we may have to have."

This was the first public reference from G. O. P. representatives that a disagreement over the biennial budget might force a special session to consider the State's financial position.

Speaker Knapp, on a request for a rule interpretation from Rep. Stein, said:

"I think the House is butting its head against a stone wall. In the spirit of fairness the chair is of the opinion that if the resolution had been couched in proper terms it might have been possible for the Governor to have complied in a reasonable time."

"The House can't order the Governor to do anything and neither can the Governor order the House."

This statement definitely cooled off the enthusiasm of the Republican members since it sustained in a general way the claim of Rep. Stein.

The resolution was voted down on a voice vote.

However, House Republicans pushed through a resolution to require the Governor to furnish the Legislature with a list of all State automobiles and the amount of gasoline and oil expended. The vote was 48 to 46.

The two chief bills introduced in the House would prevent persons other than employees from picketing or agitating in front of establishments and would create a bureau of guard training in the State Public Welfare Department for training attendants at State penal institutions.

Also passed by the House yesterday

day afternoon by a 57-to-1 vote was the House bill to provide that an adopted child may take the surname of its stepfather or retain its own surname as the court may decide.

By an 85-to-1 vote the House passed its bill to amend the poor relief law to provide that a woman abandoned by her husband must have been a resident of the township one year instead of six months to be eligible for relief and that other persons must have been a resident of the state three years and the township one year before being eligible.

Clashing for passage of the Administration's hygienic marriage bill, Rep. Stein said that it was drafted by the Governor's special study committee composed of business, professional and civic leaders and governmental officials.

Cites Clubwomen's Support

"This bill would stop the so-called 'gin marriages' and would result in a reduction of cases of venereal diseases," he said. "This bill has the support of all the Federated Clubs in Indiana and other civic groups."

The measure would require marriage license applicants to take physical examinations which would include blood tests for syphilis. Circuit court judges would have a right to waive provisions of this measure in cases of emergency. Blood for the tests and reports on tests would be delivered through the U. S. mail, automatically resulting in a waiting period.

On the roll call on the marriage bill, Rep. Evans asked the right to enter a protest in the House journal against the measure. He voted against it and predicted an attempt would be made to repeal the measure at the 1941 session. The bill passed 90 to 4.

The House bill to enable the State to acquire land outside incorporated cities and towns for conservation purposes wherever a delinquent tax lien has not been redeemed in two years passed the House by an 86-to-0 vote and was sent to the Senate.

Bill Clarifies City Merit Law

A bill to clarify the Indianapolis police and firemen merit law to provide that chiefs of both departments can be demoted in rank by the mayor passed 88 to 1. The decision of the Mayor and safety board on the demotion would be final.

On a unanimous vote the House passed a bill to provide that children of disabled World War veterans receive free tuition to State universities and colleges.

WEIGHT TAX REPEAL PREDICTED BY WEBB

Increase in Gasoline Levy Also Forecast.

Senator John Bright Webb (D. Indianapolis) today predicted the introduction and passage of a bill to increase the State gasoline tax from 4 to 5 cents and repeal of the truck weight tax law.

"The weight tax will be repealed despite the fact that it was declared constitutional by the State Supreme Court," he said. "This type of tax is too partial and much too difficult to control."

"If the weight tax is repealed it will be necessary for the State to find some other source of revenue to replace it. Our vast highway system, much of it constructed in the past decade, is now reaching the period when it must be replaced."

Action is being delayed in the Senate on the bill passed by both the Republicans and Democrats in the House to provide a larger distribution of State-collected gasoline tax and automobile license fees to local governmental units at the expense of the State General Fund and the State Highway Commission. Although Rep. Edward H. Stein (D. Bloomfield), the minority floor leader, opposed this bill, he was unable to hold the Democratic membership in line.

The Senate Finance Committee strengthened Senator Webb's prediction of an increase in the State's gasoline tax rate when it killed by mutual agreement and without discussion a bill which would have lowered the gasoline tax rate 1 cent.

JACKSON SAYS TAX SLASH WILL BRING PROBLEM

Counties Must Raise New Revenue or Economize, He Predicts.

With the bill to halve the retailers' gross income tax rate awaiting Senate action, Clarence A. Jackson, Gross Income Tax Division head, today charged that "any reduction in this revenue will present an immediate problem to every local community."

The House passed the reduction measure, 97 to 0, yesterday afternoon. It would reduce the retailers' rate from 1 per cent to ½ per cent, but also would reduce their exemptions from \$3000 to \$1000.

Mr. Jackson said that any such reduction would mean less money coming back to each county and that it would be strictly up to the counties either to raise their local tax rates or curtail their school or public welfare programs.

In his statement, Mr. Jackson said: "Those who want reductions in their taxes should be fair enough to suggest to their Representatives in the Legislature what local costs should be reduced to equal the tax reduction suggested or on whose shoulders they want to transfer their taxes. Taxes will be less when people are content with less. The place to be content with less is in our own communities."

"The gross income tax is not col-

lected for State House purposes. The State is merely a collection agency for the local communities where the collections are spent under local direction."

Retailer groups, however, have claimed that the bill before the Legislature would reduce the total revenue to the State by two and one-third million dollars and most of this would be offset by the lessening of delinquencies.

Rep. Guy W. Daughman (R. Gothen) introduced a bill in the House today to repeal the Gross Income Tax Law and substitute a net income tax, similar to the Federal Act. The measure would allow a \$1000 exemption for each taxpayer with a \$500 additional exemption for each dependent, including a wife.

Merchants Oppose Bill Halving Gross Tax

Times Special

FT. WAYNE, Feb. 16.—Merchants from 10 northeastern Indiana counties refused today to be appeased by the action of the Indiana House of Representatives in passing a bill to reduce the retailers' gross income tax rates from one per cent to one-half of one per cent.

These merchants, who have discussed the advisability of a gross income tax strike, declared they would be satisfied only with a one-quarter of one per cent rate and retention of the present \$3000 exemption.

In a resolution passed at a meeting here last night they asked that no one pay the tax until the "levy had been reduced to an equitable level for retail merchants."

The meeting was attended by nearly 400 merchants from Allen, Whitley, Huntington, Dekalb, Noble, Miami and Steuben Counties. Pledges of support were received from Adams, Kosciusko and Wells Counties.

ACTION DELAYED ON 'CHAIN STORE' BILL

Senate Committee Told It Would Cut Jobs.

Senate Finance Committee members today delayed final action on the "chain store" bill after opponents of the measure charged it would decrease employment in this State 20 per cent.

Speaking at a committee hearing on this measure last night, Walter Greenough, Indiana Chain Store Council executive director, said that a fifth of Indiana's industry is dependent upon chain stores.

"This measure would drive 30 to 70 per cent of the chain stores from the State," he said.

In answer to Mr. Greenough's charge that "the bill is a punitive and not a revenue measure," Senator Walter Chambers (D. New Castle) estimated this bill would raise the tax on each store about \$72.

Introduced by Senators Harvey J. Post (D. Hammond) and Claude B. McBride (D. Jeffersonville) the bill would increase chain store license fees by providing a new schedule of fees ranging from \$10 to \$500.

Call It "Backstop"

Proponents of the measure said it would compensate the State for the two and a third million dollars in revenue which will be lost if the bill to cut the retailers' gross income tax rate in half, which yesterday passed the House, is approved by the Senate.

The Senate Finance Committee recommended out for passage a bill which would amend the inheritance tax statute to broaden the exemp-

tion on gifts to charitable institutions.

Under the present law a gift to a charitable cause is exempt from taxation if the money is spent in Indiana. The amendment provides that if a nominal sum is spent in Indiana and the rest used for the benefit of mankind the gift is tax exempt.

Bobby Breen Bobs b and y To Get Bob

HOLLYWOOD, Feb. 16 (U. P.).

—Bobby Breen, child singing star, prevailed upon his movie bosses today to change his name—to Bob Breen.

Aged 11 and big for his age, the young actor complained it was embarrassing to be known on the screen as "Bobby" while his schoolmates call him "Bob."

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