

JOURNAL

OF THE

House of Representatives

OF THE

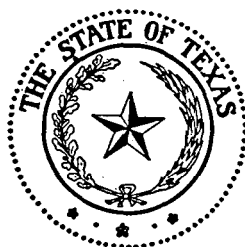
FIRST CALLED SESSION

OF THE

Forty-fourth Legislature

BEGUN AND HELD AT

THE CITY OF AUSTIN, SEPTEMBER 16, 1935



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ADDRESS BY GOVERNOR JAMES
V. ALLRED

In accordance with the provisions of House Concurrent Resolution No. 1, Providing for a Joint Session of the House and Senate to hear an address by Governor James V. Allred at 12:30 o'clock p. m., today, the Hon. Senators, appeared at the bar of the House and were admitted and escorted to seats.

Lieutenant Governor Walter F. Woodul was escorted to a seat on the Speaker's stand.

Hon. James V. Allred and party, escorted by Senators Rawlings, Neal,

Regan, Westerfeld and Davis, committee on the part of the Senate, and Messrs. Head, Russell, Hodges, Gibson, and Calvert, committee on the part of the House, was announced at the bar of the House and being admitted occupied seats on the speaker's stand.

Lieutenant Governor Walter F. Woodul called the Senate to order and stated that the two Houses were in Joint Session for the purpose of hearing an address by Governor James V. Allred.

The House was called to order by Hon. Coke R. Stevenson, Speaker.

Speaker Stevenson then presented Hon. James V. Allred, who addressed the Joint Session as follows:

Austin, Texas, September 16, 1935.
To the members of the Forty-fourth Legislature:

(In First Called Session)

This special session has been called to deal with the people's business! During the regular session much worthy legislation was passed on a variety of subjects; but this called session is the result of direct mandates of the people at the special election on August 24th. No Legislature was ever called in special session to deal with problems of greater importance than those confronting you.

As you know, on August 24, 1935, the people voted for five changes in the Constitution. The transcendent importance of three of these amendments requires prompt and intelligent action at your hands.

The Constitution provides that "When the Legislature shall be convened in special session there shall be no legislation upon subjects other than those designated in the proclamation of the Governor calling such session or presented to them by the Governor."

In the official proclamation calling this Legislature into extraordinary session, I specified as the chief subject to be considered the enactment of enabling legislation to carry out the people's mandate with reference to liquor.

On tomorrow I shall submit to you the subject of substituting salaries for the fee system under Amendment 5 as it appeared on the official ballot August 24th. The amendment itself provides that the Legislature shall act on this subject at the first called session.

Within the week, as quickly as I may be able to complete the message,

I shall submit to you the all important, far-reaching subject of old age pensions.

Because of the chaotic and uncertain conditions prevailing throughout the state with reference to our liquor laws, that subject was expressly designated in the official proclamation calling this special session. It is hereby submitted to you for attention and action.

It is for you to say how the expressed will of the people shall be put into effect. To accomplish this the judgment of one individual will not suffice. I feel that out of the combined wisdom of your membership, directly representing and knowing the wants of the respective localities, the most satisfactory solution can follow.

In submitting this important question, however, it is my privilege, and, indeed, I feel my duty, to direct to your attention certain outstanding features of the amendment adopted. The following general and important problems must be considered by this Legislature:

1

It is your duty to define the term "open saloon" and enact laws against such everywhere throughout the state.

I need not tell you that the people as a whole are intensely interested in what this Legislature defines as the "open saloon." It has been on every tongue both before and since the election. Frankly, I do not know just what those who framed this amendment had in mind. I only know that the vast majority of the people of this State, irrespective of how they voted on the amendment, are agreed upon one proposition: they do not want, indeed they will not abide, a return of the old saloon system of liquor dispensing in this state.

In my humble judgment, the people want no subterfuge definition or camouflaged saloon, whereby, even though the brass rail bar may be outlawed, yet practically the same evils of open saloon sales will again be upon us. I earnestly urge, therefore, a clear-cut, simple, understandable definition and prohibition of the open saloon so as to carry out the letter and the spirit of the constitutional amendment.

2

This Legislature has the power to regulate the manufacture, sale, possession and transportation of intoxicating liquors for private profit. It

also has the power, if it sees fit, to establish a state monopoly on the sale of distilled liquors.

3

If regulation of private traffic in the liquor business is determined to be the proper policy, then this Legislature must intelligently determine upon what basis liquor shall be taxed. The state needs revenues, not only for the administration of the liquor laws you may pass, but for the general treasury as well.

4

This Legislature must pass laws to preserve the absolute integrity of dry territory.

This duty is of equal importance with the mandate to define and outlaw the open saloon. By the adoption of the amendment on August 24th we are once more dedicated as a people to the principle of local self-government. This means not only that the people in wet territory are entitled to liquor under proper regulation, but that the community which has voted dry has an equal right to expect that it shall not be overrun by an outlawed traffic beyond its boundaries. Great care should be exercised in this regard.

It will not be sufficient, in my judgment, to simply prohibit, for instance, "the manufacture, sale, possession and transportation of intoxicating liquors" in dry territory! Every other form of traffic in liquor in such communities should be outlawed. In other words, all needful legislation, such as prohibiting the taking of orders, giving, furnishing, etc., of liquor within such communities, should be enacted.

5

This Legislature must make provision for the holding of local option elections to determine whether the people of a particular county, justice precinct, or incorporated town or city, now desire to permit or prohibit the sale of liquors containing more than 3.2% alcohol.

Until this provision is made, the status of the district in 1919 (when the prohibition amendment was adopted) will bind the people in such district. It is, therefore, imperative that immediate provision be made for the holding of local option elections to determine the present attitude of the people.

6

Provision must be made for supervision and regulation of the manufacture and transportation of liquors within the state.

The history of liquor legislation and enforcement, within our own memory, has demonstrated the difficulty of dealing with this subject, under any laws or no laws. Any system set up by the state, whether regulation or monopoly, should be simplified so far as possible to expedite collections of taxes and detection of violations.

Procedure in the prosecution of liquor cases should be simplified so far as possible. For instance, it may be difficult in some counties now to make proof that a given political subdivision was dry in 1919; or, after a local option election has been held, to make proof of such election. As a matter of fact, these matters are of common knowledge in the counties or communities affected. No prosecuting attorney would accept a complaint, and no grand jury I am sure would indict, for an offense against the liquor laws in wet territory. It seems to me, therefore, that provision could be incorporated in any regulatory Act passed that where an information is filed or indictment returned for violation of the liquor laws in a given community in any county, the court shall take judicial notice (without allegation or proof) of the status of such territory at the time of the alleged offense.

7

The laws of some states, as I understand, provide that liquors can be manufactured, sold or transported only by corporations chartered by the state for that purpose. Whatever provision you see fit to make, I would suggest that the books and records of any person or corporation engaging in the business be subject to inspection at all reasonable times by whatever regulatory or tax collecting agency you may establish. This will simplify the cost and expedite administration of the law.

GENERAL

During the old open saloon days the State's welfare was menaced by monopolistic and political practices of brewers and distillers. It seems to me that any law passed by you should prohibit the ownership of any dispensing agency or store, or the furnishing of any fixtures, or financing through

holding companies or otherwise, by any brewers, distilling company or other person or corporation engaged in any other branch of the liquor business.

Various other details will necessarily arise in the passage of this important legislation:

I think the people expect this Legislature to prohibit the sale of liquor to minors or their being employed in places where liquor is sold.

The State's Attorney before the Court of Criminal Appeals, advises that there are now pending before the court 71 cases in which convictions have been sustained for violation of the so-called Dean law; and that unless this condition is cared for by appropriate legislation these cases will probably have to be dismissed.

My friends of the Legislature, the people voted for the general principle of repeal of the liquor amendment; but they are looking to this Legislature to carry out their desires by prompt, intelligent and clear-cut legislation. This calls for unselfish, patriotic, earnest service.

May I respectfully suggest to you that real results can best be accomplished through cooperation and understanding. I hope we may all of us speak thoughtfully, considerately and softly at all times. In that manner we can work faster and more efficiently.

Again, I pledge you my earnest cooperation and best efforts at all times during the session, day or night.

Respectfully submitted,

JAMES V. ALLRED,
Governor of Texas.

MESSAGE FROM THE GOVERNOR

The Speaker laid before the House and had read the following message from the Governor:

Austin, Texas,
September 17, 1935.

To the Members of the Forty-fourth Legislature

(In First Called Session):

Amendment 6 (on the ballot) adopted by the people at the election on August 24th requires the Legislature at the first special session after the adoption of the amendment to pass such legislation as will be necessary to adequately compensate on a salary basis fee officers referred to in said amendment in all counties having a population of 20,000, or more, according to the last preceding Federal census.

I hereby submit to you for legislative action the entire subject matter of said amendment, which was S. J. R. 6, appearing at pages 1235-36, of the General and Special Laws of the Forty-fourth Legislature at its regular session.

It is my understanding that the author of this amendment has been working on a bill for some time. I have been happy to furnish him such assistance as I could, but have had no time to personally study the matter. It is simply submitted to you for such action as you may see fit to take.

I have been advised by United States Senator Morris Sheppard and Senators, Stone and Poage, that in order for the Brazos River Reclamation project (concerning which an enabling measure was passed during the regular session) to qualify for the securing of Federal funds, it will be necessary to amend existing laws in the following particulars:

1. To permit the tax diversion funds, which under the original Act could only be used to discharge bonds payable to Federal agencies, to be negotiable so that they might be issuable to any other agency or holder.

2. To permit the net revenues of the district to be used to repay the loan from any agency in addition to Federal agencies.

3. That the original Act required use of local relief labors; and Senator Sheppard now states in a telegram

that in view of the fact that the Federal Government will find more than enough smaller projects in Texas to require use of all local relief labor and will find it necessary to use transients on the Brazos River Project, in the event of its adoption, it is imperative that this provision restricting labor on this project be changed to permit use of transients if the Federal Government deems it advisable.

4. That in view of the possibility that the Federal Government might find it necessary to allot less than thirty million dollars to the Brazos River project, provision should be made to make available the tax diversion funds in proportionately less amounts in case less than thirty million dollars be secured.

Based on these representations, and realizing the necessity and importance of this project, I am submitting to you for immediate consideration the question of so amending the existing law as to enable this project to qualify for the securing of Federal funds.

Respectfully submitted,
JAMES V. ALLRED,
Governor of Texas.

MESSAGE FROM THE GOVERNOR

Mr. Edward Clark, secretary to the Governor, appeared at the bar of the House, and being duly announced, presented the following messages from

the Governor, which were read to the House, as follows:

Austin, Texas, September 18, 1935.

To the Members of the Forty-fourth Legislature

(In First Called Session):

I hereby submit to you for immediate consideration a number of corrective measures dealing with local subjects and local institutions so as to validate the various acts of boards of regents and other public officials of the institutions and municipalities set out. These largely are submitted for the purpose of meeting objections of various Federal agencies where loans have been tentatively approved subject to these corrective local measures. They are specifically as follows, to-wit:

1

A bill to amend Article 704, Revised Civil Statutes of Texas of 1925, so as to provide that the election order shall designate the time and place of holding the election; that such election shall be held not less than 15 or not more than 30 days from the date of such order and that notice shall be given by posting a copy of the election order in each election precinct not less than 14 days before the election and in addition shall be published on the same day in each of two successive weeks in a newspaper of general circulation published within said county or city, the date of the first publication to be not less than 14 days before the date set for the election; and to provide that this Act shall control over any provisions in any city charter to the contrary.

2

A bill providing that all bonds, notes or warrants heretofore issued or which have been authorized but not yet issued or which may be hereafter issued under the provisions of Articles 1111 to 1118, inclusive, Revised Civil Statutes of Texas for 1925, including all amendments thereto, to aid in financing any undertaking for which a loan or grant has been made by the United States through the Federal Emergency Administration of Public Works shall be negotiable instruments.

3

A bill amending Section 2 of Chapter 109, Acts of the First Called Session of the Forty-third Legislature

by providing that warrants issued under subdivision (b) thereof shall be negotiable and that the same may be sold for not less than par value to the United States of America acting through the Federal Emergency Administrator of Public Works or other Federal agency, and further providing that all warrants heretofore issued under Sub-division (b), shall be negotiable instruments; and amending Section 4 of said Act so as to provide that powers conferred by this Act shall not be exercised after June 30, 1937.

4

A bill validating, ratifying, approving and confirming bonds and other instruments or obligations heretofore issued by water control and improvement district, water improvement district, irrigation district, conservation and reclamation district, navigation district, road district, school district, county, city or incorporated town of this State for public works projects.

5

A bill validating and approving all proceedings had by cities and towns in the issuance and sale of revenue obligations under the provisions of Articles 1111 to 1118, Revised Civil Statutes of 1925, as amended, to aid in financing any undertaking for which a loan or grant has been made by the United States through the Federal Emergency Administrator of Public Works, or any other governmental agency, declaring that such bonds, notes or warrants shall be valid and binding special obligations of such cities or towns, and validating the pledge of revenues to the payment of said bonds.

6

A bill validating and approving all Acts of the governing bodies of cities and towns of the State of Texas in the issuance and sale of bonds, to aid in financing any undertaking for which a loan or grant has been made by the United States through the Federal Emergency Administration of Public Works or other agency of the United States Government; validating such bonds and the tax levies made for the payment of such bonds.

7

A bill validating all school districts heretofore established, validating all elections and the levy of taxes by

school districts, validating all proceeding had in the issuance of bonds and the levying of taxes therefor, validating bonds heretofore authorized or voted but not yet issued when such bonds are to be used in financing any undertaking for which a loan or grant has been made through the Federal Emergency Administrator of Public Works, providing that this Act shall not apply to districts which may have been established or consolidated and later returned to its original status, providing that this Act shall not apply to any district the organization or creation or tax levy of which is now involved in litigation.

8

A bill validating, ratifying, approving and confirming the Acts of the Board of Regents of the University, Board of Directors of A. and M. College, Board of Directors of the College of Arts and Industries, the Board of Directors of the College of Industrial Arts, and the Board of Regents of the State Teachers Colleges in the issuance of revenue bonds and warrants for the construction of dormitories and other permanent improvements.

I also submit to you the matter of erecting the "Texas Supreme Court Memorial Building." It is a matter of common knowledge that the efficiency of our Supreme Court, Court of Criminal Appeals and Attorney General's Department is shamefully impaired because of crowded quarters and poor conditions under which they must work in the present State Capitol Building.

There is no estimating the financial cost to the State of present conditions under which they must operate, particularly the Attorney General's Department. Even a casual visit to this department will disclose that these legal representatives of the people, who must cope with the best legal talent in the State, are quartered in match box, thinly partitioned offices, with no room for private conferences or study.

An incomplete survey shows almost a dozen state departments and institutions now housed in down town office buildings for lack of quarters in the Capitol Building. The taxpayers are paying the rent which should be applied on the erection of a suitable office building for the courts and Attorney General's Department. If this is done, in my judgment, these various

state agencies now housed in down town office buildings, and paying rent, can be returned to the State Capitol where they belong.

It is my understanding that at the present time with an outlay of not more than \$200,000.00 in cash and the building site on the southwest corner of 11th and Congress, across from the Capitol, we can secure Federal aid for the erection of a beautiful modern state courts building which will be a monument not only to the courts but to the Legislature authorizing same. Incidentally, this will carry on a part of the building program of progress and provide much needed employment for many worthy citizens.

A bill appropriating \$200,000.00 for this purpose, and conditioned upon the securing of this aid from any Federal Government agency, will be offered. This bill is hereby submitted to you for your consideration.

The subject submitted is strictly confined to the matter set out in the bills enumerated above.

Respectfully submitted,

JAMES V. ALLRED,
Governor of Texas.

Austin, Texas,
September 18, 1935.

To the Members of the Forty-fourth
Legislature

(In First Called Session):

I

OLD AGE PENSIONS

On August 24th the people of Texas adopted by their referendum an amendment to the Constitution, authorizing the Legislature to provide for Old Age Pensions. This action followed in the wake of a Congressional Act providing for Federal participation in state pension plans. If this Legislature is to dispose of the people's business within the thirty days to which special sessions of the Legislature are limited by the Constitution, I feel this subject must be submitted to you at the very outset of the session.

Pursuant, therefore, to the people's mandate, I submit to the Legislature the problem of providing for old age pensions for actual bona fide citizens of Texas who are over the age of 65 "under such limitations and restrictions and regulations as may be deemed by the Legislature expedient."

Experience has brought to the attention of all civilized nations the necessity of providing sustenance for useful citizens who have passed the years of productive activity. A policy of humanity and social betterment prompted the Federal Government and the people of Texas to attempt provision for aged citizens.

It now becomes the duty of this Legislature to determine what sort of pension plan is best suited and most practicable under existing conditions to the State of Texas. In determining this problem it behooves the Legislature to consider not alone the immediate results, but as well the far-reaching effects which such a policy may have. It is to be remembered always that this pension plan, when begun, may be expected to long continue.

I regret exceedingly that this Legislature cannot have the benefit of wide experience in other states in setting up a pension system in Texas. There is very little accurate information or data to serve as a guide to the deliberations of this body.

At the time of calling this special session, I requested the State Auditor to prepare and distribute to each member such data as was available. In order that this information may be readily available to you, a copy of such report is hereto attached with the suggestion that same be incorporated in the Journal.

In submitting his report, the State Auditor calls attention to the fact that it is necessarily speculative and is, in the main, a group of anticipatory calculations based upon such meager accurate information as was available. The report shows, however, what has been done by Congress and in other states in establishing a policy of social security legislation.

I urge you to consider the problem carefully in connection with all of the material which has been or which may be made available to you. Bear in mind that we are thrusting the state forward on a new program; that we are beginning a policy without the light of experience to guide us.

I shall be happy at all times to discuss with you the multitudinous problems that will present themselves in the consideration of this topic. I urge every official of the state who may be called upon to supply you information to do his utmost in affording you all available data. I am confident that

this serious and far-reaching problem will receive your mature and deliberate consideration.

Because of the urgent necessity for immediate attention to this subject, I am submitting same without further elaboration at this time. Should the occasion arise, I may supplement this message with further recommendations as to old age pensions during the session.

II

REVENUE AND TAXATION

The old age pension amendment necessarily requires the Legislature to provide means of paying the pensions provided for by such law as you may see fit to pass. For that reason, among others, I deem it my duty to submit to this Legislature the subject of revenue and taxation.

This administration inherited a tremendous deficit. The rural aid appropriation was increased two million dollars by the regular session of the Legislature and three million dollars was voted for the Texas Centennial. In addition, Texas must now begin the retirement of the twenty million dollar bond issue voted in 1933 for relief purposes. These added financial responsibilities, together with the existing deficit, require submission of revenue and taxation so that this Legislature may devise ways and means to provide necessary finances.

III

SPECIFIC TAX RECOMMENDATIONS

In submitting this subject I desire to reiterate the specific recommendations made as to the imposition of special taxes in my tax message during the regular session, dated February 25, 1935. I particularly urge the immediate passage of a real graduated chain store tax, a sulphur tax, a tax on pipe lines, a selective luxury tax and the corrective measures suggested at that time with reference to various franchise taxes.

IV

CHAIN STORE TAX

With particular reference to the chain store tax:

I again direct your attention to the fact that this was a plank in the State Platform of the Democratic Party. In

addition, I believe the local merchants in Texas are surely entitled by this time to a fair chance of sustaining themselves during this period of continued economic difficulty. They have long borne a more than substantial part of the financial burden of the state, and are entitled to have imposed upon their chain store competitors a tax that will require them to contribute their proportionate share of the cost of government.

A congressional investigation of the methods adopted by the national chain stores to freeze out competition and defeat legislation discloses the justice and necessity for the passage of chain store tax legislation. Among other things, this investigation shows that the great foreign chain stores set aside large sums of money to defeat state legislation, including the chain store tax bills introduced during the regular session of this Legislature. The chief lobbyist for these concerns testified that he thought it legitimate, if it became apparent that a chain store bill was going to be passed, to attempt to have it passed in an unconstitutional form so that it would be stricken down by the courts. I caution you, therefore, to proceed carefully. There is, however, no reason why a valid, real graduated chain store tax cannot be enacted.

The revenues received can constitute a just and substantial contribution to needed state revenues. In addition to this, unless something is done to equalize the unfair conditions prevailing and check the rapid growth of these great foreign chains, then our independent business men must ultimately become hirelings of monopolies controlled by holding companies from beyond the state.

V

SULPHUR TAX

Again, I recommend particularly the passage of a substantial increase in the tax levied on sulphur. Texas sulphur deposits are the largest in the world. A majority of the sulphur mined in this state is shipped outside our borders. Evidence has been produced before committees of this Legislature to show that those who have exploited these God-given resources in Texas for years have amassed astounding and stupendous profits from a very negligible investment.

This evidence, I think, also shows that the sulphur companies have not borne a reasonable share of the state tax burdens, especially as compared with the owner of non-revenue producing real estate.

With the tremendous deficit we have, the relief bonds which must be retired and the old age pensions to be voted by this Legislature, I think it only fair that this industry make a far more substantial contribution to the cost of government.

VI

TAX DELINQUENCIES

In keeping with a promise made to a distinguished member of the Senate, the late Senator Duggan, I ask you to consider carefully the problem of tax delinquencies. To that end, I call your attention to S. B. 114 introduced during the regular session by Senator Duggan and passed by the Senate. It may be that this bill as passed in the Senate should be amended, but I ask that you earnestly consider the principle involved.

There is no way of estimating the amount of delinquent taxes owed by people who are able to pay; but in this time when we are trying to meet a new and increased financial burden, those who are delinquent and able to pay should be required to meet their share of the cost of government.

VII

TAX COLLECTIONS

I further suggest for your consideration the remedial changes advocated in the report submitted to the regular session of the Legislature by the finance committee on taxation. Where it is possible to more fairly and effectively collect taxes already imposed by amplifying or modifying the machinery of collection, I think this Legislature should give special emphasis to the needed changes.

CONCLUSION

These tax suggestions have been made not to confine the deliberations of this body to these specific measures alone, but are to be considered as cumulative of such other tax measures as the individual members of the Legislature may see fit to support in seeking to solve this broad and comprehensive problem of taxation.

We must be mindful of the fact that Texas has got to have a great deal of money in order to pay for its added activities.

Together we must cooperate in the realization that we are faced with the tremendous responsibility which must be met.

Respectfully submitted,
JAMES V. ALLRED,
Governor of Texas.

COST AND GENERAL PLAN FOR OLD AGE PENSIONS

REPORT TO THE GOVERNOR AND THE FIRST CALLED SESSION OF THE FORTY-FOURTH LEGISLATURE

LETTER OF TRANSMITTAL

This report, at the direction of the Governor, is being submitted to the members of the 44th Legislature for the purpose of making available to it such information as we have been able to gather concerning Old Age Pensions, with a view to presenting both what has been done in the United States Congress toward assisting the States in establishing Old Age Pension plans, and, of the methods used and the results obtained by other States now having Old Age Pension plans. The report also contains information in the nature of estimates as to present conditions in Texas, reflecting upon the problem of establishing the Old Age Pension system of this State. It should be borne in mind that there are very little accurate data available on the subject of Old Age Pensions and that most of the figures shown in this report are estimates based upon such data as are available.

Respectfully submitted,
ORVILLE S. CARPENTER,
State Auditor.
R. B. ANDERSON,
State Tax Commissioner.

ESTIMATED COST GENERAL STATEMENT

Any statements of the probable cost of Old Age Pensions in Texas must necessarily be estimates based on very meager data, which are not at all accurate. We have used as a starting point the population of Texas as shown by the census for the year 1930.

TOTAL NUMBER 65 AND OVER

Following the method outlined by the U. S. Census Bureau of estimating future population we have arrived at the figure 6,550,476 as being the estimated population of Texas in 1935. Based upon data secured and furnished by the Actuarial Staff of the United States Senate Committee on Economic Security, and taking into consideration the increase from year to year of the percentage of persons who are aged sixty-five and over, it appears that there are in Texas, today, approximately 283,199 people of the age sixty-five and over. Assuming that the ratio between the age groups as shown by the 1930 census will apply to the present population, these people will be divided according to ages as follows:

Age	Number
65-69	112,255
70-75	83,708
Over 75	87,236

Total 283,199

ESTIMATED MAXIMUM COST

\$56,073,402

If Texas pays \$15.00 per month to each of those persons who are aged sixty-five and over in the State in the year 1935, then the pension requirements for this State will be \$50,975,820; and if ten per cent is added to this amount as the estimated administrative cost the total pension requirements of the State will be \$56,073,402.

CLASSIFICATIONS

Using the population and classifications as shown by the Census for 1930 we have worked out the following probable distribution by race and sex of those persons aged sixty-five and over in Texas today:

	Male	Female	Total
Native white	103,815	99,665	203,480
Foreign born,			
White . . .	2,693	2,091	4,784
Negro . . .	20,547	21,021	41,568
Mexican . . .	17,069	16,171	33,240
Others . . .	65	62	127
	144,189	139,010	283,199

REDUCING FACTORS

The Constitutional Amendment prescribes certain qualifications that applicants must possess in order to re-

ceive a pension from the State Government, even assuming eligibility by reason of age:

(1) Every pensioner must be a bona fide citizen of Texas.

(2) No pensioner may be a habitual criminal.

(3) No pensioner may be a habitual drunkard.

(4) No pensioner may be an inmate of any State supported institution.

(5) Each pensioner must have been an actual resident of Texas for at least five years during the nine years immediately preceding application for old age assistance and continuously for one year immediately preceding such application.

(6) The Legislature may prescribe "such limitations and restrictions as may be deemed by the Legislature expedient."

In this connection the attention of the Legislature is further directed to Section 1 of the Social Security Act, recently passed by the United States Congress, wherein the following language is employed:

"For the purpose of enabling each state to furnish financial assistance, as far as practicable under the conditions in such state, to aged, needy individuals, there is hereby authorized to be appropriated for the fiscal year ending June 30, 1936, the sum of \$49,750,000, and there is hereby authorized to be appropriated for each fiscal year thereafter a sum sufficient to carry out the purposes of this title. The sums made available under this section shall be used for making payments to states which have submitted, and had approved by the Social Security Board established by Title VII, State plans for old age assistance."

A study of the State laws wherein a pension system is now in effect reveals the following factors as affecting qualifications of an applicant for a pension, assuming age eligibility:

(a) Inmate of any prison, jail, insane asylum, or correctional institution.

(b) Desertion of spouse.

(c) To have failed without just cause to provide support for wife and minor children.

(d) Relatives legally liable and able to support.

(e) Sentence for crime.

(f) Disposed of or deprived oneself of property to qualify for pension.

(g) Need of institutional care.

(h) Recipient of pension from Federal, State, or foreign government.

Reference is made to a photostatic copy attached hereto and marked "Table 15."

It is obvious therefore that the number of persons who will be able to qualify for pensions in Texas is necessarily dependent upon such disqualifications, restrictions and limitations as are adopted by the Texas Legislature in addition to the requirements of the Constitutional Amendment.

ESTIMATES

There is no accurate information available reflecting the number of persons which would be affected by any of the foregoing factors should any or all of them be incorporated in legislation for this State. In estimating therefore the number of persons who may qualify for pensions in Texas out of the 283,199 age-eligibles it is necessary to indulge in generalities:

Dr. Witte, of the United States Senate Committee on Economic Security, estimates that 32 2-3 % of all persons in the United States aged 65 and over are supported by children, relatives, or friends. The percentage of persons of this age in Texas is 92,511.

Dr. Witte estimates that only 13 1-3 % of all persons of eligible age are able to qualify for assistance. This per cent of persons of eligible age in Texas is 37,760.

Dr. Witte estimates that there are 1,000,000 people in the United States who could qualify for old age assistance. Texas' proportion of this 1,000,000 people, based on the proportion of the total population of the United States living in Texas is 47,442.

Adjusting these averages of the experience of the four States having the widest range of experience in this field to the minimum age and residence requirements which will probably be found in the Texas law, there would possibly qualify for assistance in Texas on this basis 62,933.

A letter from Mr. Merrill G. Murray, Acting Executive Director of the Committee on Economic Security, dated September 3, 1935, states as his opinion, that possibly twenty per cent of those of eligible age in Texas might

be able to qualify for old age assistance. Twenty per cent of the estimated number of age eligibles, is 56,640.

There is one definite known condition which has a direct bearing on the number of people who will probably qualify for Old Age Pensions, and that is that in December, 1934, there were 41,787 people on the Relief Rolls in Texas who were sixty-five years of age and over. It appears that this figure is probably an absolute minimum of the number of persons who could qualify.

FEDERAL ASSISTANCE

The Federal Government through the medium of the Social Security Act has provided a plan for assisting the various States in bearing the cost of old age assistance. Briefly stated, the Federal Government will pay:

"(1) An amount, which shall be used exclusively as old age assistance, equal to one-half of the total of the sums expended during such quarter as old age assistance under the State plan with respect to each individual who at the time of such expenditure is sixty-five years of age or older and is not an inmate of a public institution, not counting so much of such expenditure with respect to any individual for any month as exceeds \$30, and (2) 5 per centum of such amount, which shall be used for paying the costs of administering the State plan or for old age assistance, or both, and for no other purpose." (Sec. 3, Social Security Act.)

Section 2 of the Social Security Act states the provisions that must be included in any State plan in order for the State to receive assistance from the Federal Government. For the sake of accuracy and clarity we are quoting Section 2, as follows:

"Section 2. (a) A State plan for old age assistance must (1) provide that it shall be in effect in all political subdivisions of the State, and, if administered by them, be mandatory upon them; (2) provide for financial participation by the State; (3) either provide for the establishment or designation of a single State Agency to administer the plan, or provide for the establishment or designation of a single State Agency to supervise the administration of the plan; (4) provide for granting to any individual, whose claim for old age assistance is

denied, an opportunity for a fair hearing before such State Agency; (5) provide for such methods of administration (other than those relating to selection, tenure of office, and compensation of personnel) as are found by the Board to be necessary for the efficient operation of the plan; (6) provide that the State Agency will make such reports, in such form and containing such information as the Board may from time to time require, and comply with such provisions as the Board may from time to time find necessary to assure the correctness and verification of such reports; and (7) provide that if the States or any of its political subdivisions collect from the estate of any recipient of old age assistance any amount with respect to old age assistance furnished him under the plan, one-half of the net amount so collected shall be promptly paid to the United States. Any payment so made shall be deposited in the Treasury to the credit of the appropriation for the purposes of this Title.

(b) The Board shall approve any plan which fulfills the conditions specified in subsection (a), except that it shall not approve any plan which imposes, as a condition of eligibility for old age assistance under the plan.

(1) An age requirement of more than sixty-five years, except that the plan may impose, effective until January 1, 1940, an age requirement of as much as seventy years; or (2) Any residence requirement which excludes any resident of the State who has resided therein five years during the nine years immediately preceding the application for old age assistance and has resided therein continuously for one year immediately preceding the application; or (3) Any citizenship requirement which excludes any citizen of the United States."

Although large plans have been put into operation by the Federal Government for cooperating with and assisting the various States in the matter of old age pensions, in order to secure such assistance the State must first put into operation a State plan, and must create or designate the machinery or agency for the administration of such State plan, and must provide, by appropriation or otherwise, funds for carrying out the State's part of such plan.

The attention of the Legislature is directed to the fact that these pro-

visions are apparently mandatory and define those essentials which must be a part of any State Pension plan in order for the State to participate in Federal funds for Old Age Pensions. If, therefore, this Legislature does contemplate such participation by the State of Texas it follows that the provisions set out in Section 2 of the Social Security Act should be closely adhered to.

The attention of the Legislature is further directed to the following language in Section 1:

"The sums made available under this section, shall be used for making payments to States which have submitted and had approved by the Social Security Board, established by Title VII (hereinafter referred to as the "Board"), State plans for old age assistance.

In explaining items 5 and 6 of Section 2 of the Social Security Act, Mr. Harrison, reporting for the Committee on Finance of the United States Senate said:

"The methods of administration of the State plan, insofar as they are found by the Social Security Board to be essential to the plan's efficient operation, must be approved by the Board, and reports must be made to the Board; but the State will not be impeded in the exercise of its full discretion in the matters of selection, the tenure of office, and the compensation of State and local personnel."

In connection with the possible assistance that might be received by this State from the United States Government attention is directed to the fact that by Section 1 of the Social Security Act there was appropriated the sum of \$49,750,000:

"For the purpose of enabling each State to furnish financial assistance, as far as practicable under the conditions in such State to aged, needy individuals, there is hereby authorized to be appropriated for the fiscal year ending June 30, 1936, the sum of \$49,750,000, and there is hereby authorized to be appropriated for each fiscal year thereafter a sum sufficient to carry out the purposes of this Title. The sums made available under this section shall be used for making payments to States which have submitted, and had approved by the Social Security Board, established by Title VII (hereinafter referred to as the "Board"), State plans for old age assistance."

We have no way of knowing at this time what part of this amount might become available to the State of Texas as there is no indication in the Act of the basis of apportionment of this sum between the States.

RESULTS IN OTHER STATES

GENERAL STATEMENT

There is attached hereto a table showing the results of operations of Old Age Pension Acts in various States during the year 1934. This table has been compiled by the United States Bureau of Labor Statistics and the Committee on Economic Security and is found on page 5 of the report of the Senate Committee on Finance dated May 13, and being report No. 628. This table shows for each of the states thereon the number of persons of eligible age in the State, number of pensioners and the amount paid them, the maximum monthly pension payable in the State, and the average amount paid monthly to each person during the year 1934.

The following is a running summary of the results of operations of certain State laws for the year 1934. Reference is made to Table II which is attached hereto and shows further details of the operation of State plans.

ARIZONA

Number of persons of eligible age, 9,118.

Number of persons receiving assistance December, 1934, 1,820.

Per cent of total age eligibles receiving assistance, 19.9%.

Average amount paid per person per month, \$19.56.

Features of law:

Age requirement, 70 years.

Residence requirement, 35 years in State.

Disqualifications:

\$300.00 annual income.

Inmates of jails, asylums and correctional institutions.

Disposed of property in order to qualify.

CALIFORNIA

Number of persons of eligible age, 210,379.

Number of persons receiving assistance, December, 1934, 19,619.

Per cent of total age eligibles receiving assistance, 9.3%.

Average amount paid per person per month, \$20.25.

Features of Law:

Age requirement, 70 years.

Residence requirement, 15 years citizenship, 15 years residence in State, 1 year in County.

Disqualifications:

\$3,000 property value and \$365 annual income.

Inmates of jail, asylums and correctional institutions.

Disposed of property in order to qualify.

Inmate of benevolent, charitable, or fraternal institution.

Relatives able and responsible for support.

COLORADO

Number of persons of eligible age, 61,787.

Number of persons receiving assistance December, 1934, 10,008.

Per cent of total age eligibles receiving assistance, 16.2%.

Average amount paid per person per month, \$8.69.

Features of law:

Age requirement, 65 years.

Residence requirement, 15 years State and 5 County.

Disqualifications:

Inmates of jails, asylums and correctional institutions.

Desertion of spouse.

Failure to provide support for wife and minor children.

Relatives legally liable and able to support.

Disposed of property in order to qualify.

Inmate of benevolent, charitable, or fraternal institution.

DELAWARE

Number of persons of eligible age, 16,678.

Number of persons receiving assistance December, 1934, 1,583.

Per cent of total age eligibles receiving assistance, 9.5%.

Average amount paid per person per month, \$9.91.

Features of Law:

Age requirement, 65 years.

Residence requirement, 5 years in State.

Disqualifications:

\$300 annual income.

Inmate of jails, asylums and correctional institutions.

Relatives legally liable and able to support.

Disposed of property in order to qualify.

Habitual tramp, vagrant, or beggar.

Inmate of benevolent, charitable, or fraternal institution.

INDIANA

Number of persons of eligible age, 138,426.

Number of persons receiving assistance December, 1934, 23,533.

Per cent of total age eligibles receiving assistance, 17.0%.

Average amount paid per person per month, \$4.50.

Features of law:

Age requirement, 70 years.

Residence requirement, 15 years citizenship, 15 years in State, 15 years in County.

Disqualifications:

\$1,000 property value; \$180 annual income.

Inmates of jails, asylums and correctional institutions.

Desertion of spouse.

Failure to provide for support of wife and minor children.

Relatives legally liable and able to support.

Sentence for crime.

Disposed of property in order to qualify.

Habitual tramp, beggar or vagrant.

Inmate of benevolent, charitable, or fraternal institution.

MASSACHUSETTS

Number of persons of eligible age, 156,590.

Number of persons receiving assistance March, 1934, 21,473.

Per cent of total age eligible receiving assistance, 13.7%.

Average amount paid per person per month, \$21.84.

Features of law:

Age requirement, 70 years.
 Residence requirement, 15 years citizenship, 20 years State.
 Disqualifications:
 Relatives legally liable and able to support.
 Must be deserving citizen.

MINNESOTA

Number of persons of eligible age, 94,401.

Number persons receiving assistance December, 1934, 4,334.

Per cent of total age eligibles receiving assistance, 4.6%.

Average amount paid per person per month, \$10.77.

Features of Law:

Age requirement, 70 years.
 Residence requirement, 15 years citizenship, 15 years in State, 15 years in County.

Disqualifications:
 \$3,000 property value, \$365 annual income.

Inmates of jails, asylums and correctional institutions.

Failure to provide for support of wife and minor children.

Relatives legally liable and able to support.

Sentenced for crime.

Disposed of property in order to qualify.

Habitual tramp, vagrant, or beggar.

Inmate of benevolent, fraternal or charitable institution.

MONTANA

Number of persons of eligible age, 14,377.

Number of persons receiving assistance December, 1934, 2,780.

Per cent of total age eligibles receiving assistance, 19.3%.

Average amount paid per person per month, \$5.32.

Features of Law:

Age requirement, 70 years.
 Residence requirement, 15 years citizenship, 15 years State.

Disqualifications:

\$300 annual income.

Desertion of spouse.

Failure to support wife and minor children.

Relatives legally liable and able to support.

Sentenced for crime.

Disposed of property in order to qualify.

Habitual tramp, vagrant, or beggar.

NEW JERSEY

Number of persons of eligible age, 112,594.

Number of persons receiving assistance December, 1934, 11,401.

Per cent of total age eligibles receiving assistance, 10.1%.

Average amount paid per person per month, \$12.96.

Features of Law:

Age requirement, 70 years.
 Residence requirement, 15 years State, 1 County.

Disqualifications:

\$3,000 property value.

Must be unable to maintain self.

Relatives legally liable and able to support.

Sentenced for crime.

Disposed of property in order to qualify.

In need of institutional care.

NEW YORK

Number of persons of eligible age, 373,878.

Number of persons receiving assistance December, 1934, 51,834.

Per cent of total age eligibles receiving assistance, 13.9%.

Average amount paid per person per month, \$20.36.

Features of Law:

Age requirement, 70 years.
 Residence requirement, 10 years State, 1 County.

Disqualifications:

Must be unable to support self.

Inmates of jails, asylums and correctional institutions.

Relatives legally liable and able to support.

Disposed of property in order to qualify.

In need of institutional care.

OHIO

Number of persons of eligible age, 414,836.

Number of persons receiving assistance December, 1934, 36,543.

Per cent of total age eligibles receiving assistance, 8.8%.

Average amount paid per person per month, \$24.45.

Features of Law:

Age requirement, 65 years.

Residence requirement, 15 years citizenship, 15 State, 1 County.

Disqualifications:

\$3,000 property value, \$300 annual income.

Inmate of jail, asylum and correctional institution.

Failure to support wife and minor children.

Desertion of spouse.

Relatives legally liable and able to support.

Disposed of property in order to qualify.

OREGON

Number of persons of eligible age, 39,133.

Number of persons receiving assistance December, 1934, 6,525.

Per cent of total age eligibles receiving assistance, 16.6%.

Average amount paid per person per month, \$10.64.

Features of Law:

Age requirement, 70 years.

Residence requirement, 15 years citizenship, 15 years State, 2 years County.

Disqualifications:

\$3,000 property value, \$300 annual income.

Inmate of jail, asylum and correctional institution.

Desertion of spouse.

Failure to provide support for wife and minor children.

Relatives legally liable and able to support.

Disposed of property in order to qualify.

Habitual tramp, vagrant, or beggar.

Convicted of crime, involving moral turpitude.

PENNSYLVANIA

Number of persons of eligible age, 289,705.

Number of persons receiving assistance December, 1934, 18,261.

Per cent of total age eligibles receiving assistance, 6.3%.

Average amount paid per person per month, \$21.18.

Features of Law:

Age requirement, 70 years.

Residence requirement, 15 years citizenship, 15 years State.

Disqualifications:

Must be indigent.

Inmates of jails, asylums and correctional institutions.

Desertion of spouse.

Failure to provide support for wife and minor children.

Relatives legally liable and able to support.

Habitual tramp, vagrant, or beggar.

Note: Reference may be made to the tables attached hereto for further details of operation in the States and for full details on other States not shown here:

TABLE II—OPERATION UNDER STATE OLD AGE PENSION ACTS DURING 1934

State	Number of Eligible Age	Number Pensioners End of 1934	Per Cent of Pensioners To Total of Eligible Age	Amount Disbursed	Monthly Pension	
					Maximum Payable	Average Paid, 1934
Arizona*	9,118	1,820	19.9	\$ 427,527	\$30.00	\$ 19.56
California	210,379	19,619	9.3	4,288,508	30.00	20.25
Colorado*	61,787	10,008	16.2	1,043,120	30.00	8.69
Delaware	16,678	1,583	9.5	193,231	25.00	9.91
Idaho	22,310	1,712	7.6	138,443	25.00	a 8.85
Indiana	138,426	23,533	17.0	1,134,250	15.00	4.50
Iowa	184,239	4,589	2.5	121,636	25.00	13.25
Kentucky	84,252	.....	...	.....	20.83	.....
Maine	69,010	.....	...	.....	30.00	.....
Maryland	92,972	267	.3	65,228	30.00	24.43
Massachusetts	156,590	b 21,473	13.7	b 5,628,492	(c)	b 21.84
Michigan	148,853	3,557	2.4	103,180	30.00	9.99
Minnesota*	94,401	4,334	4.6	560,254	30.00	10.77
Montana	14,377	2,780	19.3	177,426	25.00	5.32
Nebraska*	86,194	694	.8	8,762	20.00	10.52
Nevada*	4,814	7	...	1,552	30.00	18.48
New Hampshire	25,714	d 1,423	5.5	e 298,722	32.50	e 19.06
New Jersey	112,594	11,401	10.1	1,773,319	30.00	12.96
New York	373,878	51,834	13.9	12,651,098	(c)	20.36
North Dakota	30,280	3,914	12.9	24,259	12.50	.69
Ohio	414,836	36,543	8.8	1,434,416	25.00	14.45
Oregon*	39,133	6,525	16.6	639,296	30.00	10.64
Pennsylvania*	289,705	18,261	6.3	386,717	30.00	21.18
Utah*	22,665	902	3.0	86,415	25.00	7.97
Washington*	101,503	1,378	1.4	99,136	30.00	5.95
West Virginia	73,043	.....	...	.....	30.00	.....
Wisconsin	112,112	a 1,969	1.8	a 395,707	30.00	a 18.75
Wyoming*	8,707	706	8.1	81,818	30.00	9.66
Totals	2,998,570	230,832	7.7	31,620,509	.....	15.50

* Figures for 1934 are preliminary only.
a Data are for 1933.

b Year ending March 31, 1934.
c No limit.

d Data are for Dec. 1, 1934.
e Data are for September, 1934.

TABLE 15—PRINCIPAL FEATURES OF THE OLD-AGE PENSION LAWS OF THE UNITED STATES

State	Date enacted	Date amended	In effect	Nature of law	Administration			Allocation of expenses			Fund provided by—	Qualifications for recipients					Disqualifications (see explanatory footnotes)	Other provisions (see explanatory footnotes)	Maximum amount of pension	Period of payments		
					State	Local	Degree of State supervision	State	County	Town		Age	Citizenship	Residence		Property limit					Annual income limit	
														State (years)	County (years)							
Alaska	1915	{1917, 1919, 1925, 1929}	1915	Mandatory	Alaska Pioneers Home—state auditor.	No local administration.	Territory administration.	All.	None.	None.	Territory.	{ M 65 W 60 70	{ Required. do.	(¹) 35	None.	{ Insufficient means of support. (²) \$300	365	{ d, n. a, f.	B.	{ M \$35 a month. W \$45 a month. \$30 a month.	Quarterly.	
Arizona	1923		1933	do.	do.	County old-age pension commission.	Duplicate certificate to auditor; annual report.	67 percent	33 percent	None.	State and county.	70	do.	15	1.	\$3,000	365	a, f, n, o.	A.	\$1 a day.	Monthly.	
California	1929	1931, 1933.	1929	do.	Department of social welfare, division of State aid for the aged.	County board of supervisors, local department of public welfare.	Complete supervision; monthly reports.	One-half.	One-half.	None.	do.	70	15 years.	15	1.	\$3,000	365	a, f, n, o.	A.	\$1 a day.	Do.	
Colorado	1927	1931, 1933.	1927	do.	Right of appeal to district court and supreme court.	County court; board of county commissioners, trustees.	Annual report to Secretary of State.	State fund allocated to counties in proportion to population.			State estate and liquor tax; local liquor tax.	65	do.	15	5.	\$2,000	265	a, b, c, d, f, n.	A, B, C.	do.	Monthly or quarterly.	
Delaware	1931	1933.	1931	do.	State old-age welfare commission.	do.	State administration.	All.	None.	None.	State current revenues.	65	Not required. ⁴	5	None.	300	a, d, f, i, n.	C.	\$25 a month.	Monthly.		
Hawaii	1933	1933.	1934	Optional	Territorial auditor.	Old-age pension commission.	Annual report to territorial auditor.	None.	Shared by county and city.	None.	Counties and cities.	65	30 years.	15	None.	(³)	300	e, i, f.	A, B, C.	\$15 a month.	Do.	
Idaho	1931		1931	Mandatory	Department of public welfare—state auditor.	do.	Annual report only.	None.	All.	None.	County.	65	15 years.	10	3.	(²)	300	a, b, c, d, e, f, i, m.	A, B, C, D.	\$25 a month.	Do.	
Indiana	1933		1934	do.	do.	Board of county commissioners.	Annual report; duplicate certificate to auditor.	One-half.	One-half.	None.	State and county.	70	do.	15	15.	\$1,000	180	a, b, c, d, e, f, i, n.	A, B, C.	\$15 a month.	Do.	
Iowa	1934		1934	do.	Old-age assistance commission.	Old-age assistance boards.	Complete supervision.	All.	None.	None.	State poll tax.	65	do.	10	2.	(³)	365	a, b, c, d, f, i, j.	A, B, C, D.	\$25 a month.	Monthly or quarterly.	
Kentucky	1926		1926	Optional	None.	County commissioners.	None.	None.	All.	None.	County.	70	do.	10	10.	2,500	400	a, d, f, h, i, j, n.	B.	\$250 a year.	Do.	
Maine	1933		(⁵)	Mandatory	Department of health and welfare.	Old-age pension boards.	Complete supervision.	One-half.	One-half.	One-half cities, towns, plantations.	No provisions as yet.	65	Required.	15	1.	\$300	365	a, b, c, e, f, i, k.	A, B, C.	\$1 a day.	Not specified.	
Maryland	1927	1931.	1927	Optional	None.	County commissioners.	Annual report to Governor.	None.	All.	None.	County.	65	15 years.	10	10.		365	a, c, d, e, f, i, n.	C.	do.	Do.	
Massachusetts	1930	1932, 1933.	1931	Mandatory	State department of public welfare.	Bureau of old-age assistance.	Complete supervision.	One-third.	Two-thirds cities and towns.	None.	State poll tax; liquor tax.	70	Required.	20	None.	None specified.		d, "deserving citizens."	Adequate assistance.	do.	Do.	
Michigan	1933		1933	do.	State welfare department, old-age pension bureau.	Old-age pension board.	do.	All.	None.	None.	State poll tax.	70	15 years.	10	None.	\$3,500	365	a, b, c, d, f, i.	A, B, C, D.	\$30 a month.	Monthly.	
Minnesota	1929	1931, 1933.	1929	Optional	None.	Board of county commissioners.	None.	None.	All.	Reimburse county.	County, city, town, village.	70	do.	15	15.	\$3,000	365	a, c, d, e, f, i, n.	A, B, C.	\$1 a day.	Monthly or quarterly.	
Montana	1923		1923	do.	None.	Old-age pension commission.	Annual report to State auditor.	None.	All.	None.	County poor fund.	70	do.	15	None.	(³)	300	b, c, d, e, f, i.	A, B, C.	\$25 a month.	Monthly.	
Nebaska	1933		1933	Mandatory	Auditor of public accounts.	do.	do.	None.	All.	None.	County poll tax.	65	do.	15	None.	(³)	300	b, c, d, e, f, i.	A, B, C.	\$20 a month.	Do.	
Nevada	1925		1925	Optional	None.	Board of county commissioners.	Annual report to Governor.	None.	All.	None.	County.	65	do.	10	None.	\$3,000	360	a, b, c, d, e, f, i.	A, B, C, D.	\$1 a day.	Monthly or quarterly.	
New Hampshire	1931		1931	Mandatory	None.	County commissioners.	None.	None.	All.	Reimburse county.	do.	70	do.	15	15.	2,000	360	a, c, d, e, f, i, n.	A, B, C.	\$7.50 a week.	Weekly or monthly.	
New Jersey	1931	1932, 1933.	1932	do.	Department of institutions and agencies, division of old-age relief.	County welfare board.	Complete supervision.	Three-fourths.	One-fourth.	None.	State inheritance tax and county fund.	70	Required.	15	1.	3,000	(⁶)	d, e, f, g.	A, C.	\$1 a day.	Monthly.	
New York	1930	1934.	1930	do.	State department of social welfare.	Public welfare district official.	do.	One-half.	One-half public welfare district.	None.	State, county, city.	70	do.	10	1.	Unable to support self. ⁽²⁾		a, d, f, g.		Determined by official.	Not specified.	
North Dakota	1933		1933	do.	Secretary of agriculture and labor.	Board of county commissioners.	do.	All.	None.	None.	State special tax.	63	do.	20	None.	150		a, f, i, m, n, p.	A, B.	\$150 a year.	Monthly.	
Ohio	1933		1934	do.	Department of public welfare, division of aid for the aged.	Board of aid for the aged.	do.	All.	None.	do.	State.	65	15 years.	15	1.	{ \$3,000; couple \$4,000	300	a, b, c, d, f.	A, B, C, D.	\$25 a month.	Do.	
Oregon	1933		1934	do.	State board of control.	Old-age pension commission.	Annual report to State board of control.	Part of State liquor tax distributed to counties, balance paid by counties.	do.	do.	State liquor tax; county general fund.	70	do.	15	2.	\$3,000	360	a, b, c, d, f, i, l.	A, B, C, D.	\$30 a month.	Monthly or quarterly.	
Pennsylvania	1934		1934	do.	Department of welfare.	Board of trustees of old-age assistance fund.	Complete supervision.	State fund allocated to counties according to number of people on pension rolls.			State.	70	do.	15	None.	Indigent.		a, b, c, d, i.	C.	do.	Monthly.	
Utah	1929		1929	do.	None.	Board of county commissioners.	None.	None.	All.	None.	County.	65	do.	15	5.	(²)	300	a, b, c, d, e, f, i.	A, B, C.	\$25 a month.	Do.	
Washington	1933		1933	do.	None.	Board of county commissioners.	None.	None.	All.	None.	do.	65	do.	15	5.	(²)	360	a, b, c, d, e, f.	A, B, C.	\$30 a month.	Do.	
West Virginia	1931		1931	Optional	None.	County court.	Annual audit by tax commissioner.	None.	All.	None.	do.	65	do.	10	10.			a, d, e, f, g, h, i, n.	B.	\$1 a day.	Do.	
Wisconsin	1925	1929, 1931, 1933.	1925	(⁶)	State board of control.	County judge.	Annual report.	One-third.	Two-thirds.	Reimburse county.	State, county, local.	70	do.	15	15.	\$3,000	365	a, c, d, e, f, i, n.	A, B, C.	do.	Monthly or quarterly.	
Wyoming	1929	1931.	1929	Mandatory	None.	Old-age pension commission.	Annual report to State auditor.	None.	All.	None.	County poor fund.	65	do.	15	5.	(²)	360	b, c, d, e, f, i.	A, B, C.	\$30 a month.	Monthly.	

¹Since 1906.²Annual income of any property to be computed at 3 percent of its value.³Annual income of any property to be computed at 5 percent of its value.⁴Required residence in United States 15 years.⁵When Governor can raise funds.⁶House in which applicant lives not to be considered property.⁷Earnings and gifts up to \$100 exempt.⁸Unable to maintain self.⁹Mandatory from July 1, 1935, on.

Disqualifications:

a. Inmate of any prison, jail, insane asylum, or correctional institution.

b. Desertion of spouse.

c. To have failed without just cause to provide support for wife and minor children.

d. Relatives legally liable and able to support.

e. Sentence for crime.

f. Disposed of or deprived oneself of property to qualify for pension.

g. Need of institutional care.

h. Recipient of pension from Federal, State, or foreign government.

i. Habitual tramp, vagrant, or beggar.

j. Unable to earn at least \$1 per day.

k. Spouse and children able to furnish support.

l. Convicted of crime involving moral turpitude.

m. To have failed to work according to ability.

n. Inmate of benevolent, charitable, or fraternal institution.

o. Husband, wife, parent, or child able and responsible for support.

p. Children liable and able to support.

Other provisions:

A. Transfer of applicant's property to pension authority may be demanded before pension is granted.

B. Amount of payments to be collected from estate on death of pensioner or the survivor of a married couple.

C. Allowances for funeral expenses.

D. Payments may be made to charitable or benevolent institution if pensioner is inmate.

Source: Compiled by Committee on Economic Security from State laws.

MESSAGE FROM THE GOVERNOR

The Speaker laid before the House, and had read the following message from the Governor:

Austin, Texas, October 8, 1935.

To the Members of the Forty-fourth Legislature.

(In First Called Session):

Without any criticism of your deliberations thus far, I appeal to you to hasten the people's business. You have now been in session 23 days and have but 6 working days left. Practically all of the momentous problems you were called to deal with remain unsolved.

Most of you have toiled diligently and faithfully. It is no easy matter, of course, to intelligently legislate concerning liquor, fee systems, old age pensions and revenues in so short a time.

When this session was called, however, I submitted to you, in the order of their importance, urgent, emer-

gency matters, we simply must get something done during this session about the first two matters submitted—liquor and the substitution of salaries for the fee system.

The liquor traffic is at present totally unregulated. The State is losing tremendous revenues. There is no semblance of any orderly handling of the liquor traffic. All of us, both wets and dries, must concede that it will be nothing short of deplorable if this condition continues beyond the close of the session.

The constitutional amendment substituting salaries for fees stipulated that enabling legislation must be passed at the first called session of the Legislature; and that such salaries must be made effective by January 1st following such session. If a salary law is not passed at this session, even if another should be called, unless a two-thirds vote is secured on final passage, thousands of fee officers throughout the state might be without compensation of any kind.

I think I have demonstrated that I want to be fair with the members of this Legislature. So far as possible, I have endeavored to give you a free hand. For almost three weeks I have refused to submit any measures of any kind. At no time have I submitted any controversial measures whatever other than those dealing with constitutional amendments voted by the people.

Frankly, in view of the legislative jam that has developed, I will now be happy (and I am sure the people will also), if, at the end of this thirty day session, you have passed a reasonable liquor control measure, a salary bill for fee officers and a real chain store tax. We must get loose from this legislative jam! This is no time for petty bickering or filibusters. The occasion demands patriotism of the highest type. After all, any measures enacted will necessarily be experimental and on trial.

Things can be worked out if politics are "tabooed," and all of us will work together.

If this Legislature will only pass a reasonable liquor regulation bill, a salary statute and a chain store tax bill, and it is then necessary, I will feel justified in immediately calling another session to provide old age pensions.

I have heretofore held up a number of local bills, but they are of such

supreme importance to particular localities that I feel compelled to submit them in a separate message. They are non-controversial and, I believe, can be passed at two night sessions. I have discussed this with the Speaker and Lieutenant-Governor. They agree with me and state that, in their judgment, the two Houses would be happy to set aside two night sessions for these local matters.

I urge that, if necessary, we hold continued night sessions in order to certainly wind up liquor regulation, a salary system for fee officers and a chain store tax bill. This latter measure was incorporated in the State Democratic platform. It overwhelmingly passed the House, has been reported favorably by the Senate Committee on State Affairs and, in my judgment, should be disposed of once and for all.

Respectfully submitted,

JAMES V. ALLRED,
Governor of Texas.

MESSAGE FROM THE GOVERNOR

The Speaker laid before the House, and had read the following message from the Governor:

Austin, Texas, October 9, 1935.

To the Members of the Forty-fourth Legislature,

(In First Called Session):

As stated to you in my message of yesterday, I have been holding up a number of local and non-controversial bills of such importance to particular localities and the State in general that I deem it advisable to submit them to you in this message inasmuch as most of them are non-controversial. The Speaker and Lieutenant Governor have told me they feel sure you would be glad to set aside two night sessions for these matters.

In submitting these matters I desire to confine the subjects strictly to that specified in this message.

1

A bill, by Graves and others, to authorize the directors of the Colorado Valley Authority to draw compensation for each day actually consumed in the discharge of their official duties.

At present the law only provides compensation for days when they are in attendance upon board meetings. I am advised that most of the directors have had to spend a great part of their valuable time for which they can draw no compensation whatever. I have suggested to the authors of this bill that a maximum number of days for which they might draw compensation be inserted in the bill.

2

A bill to permit the Houston Independent School District to hold a new election in order to qualify for Federal funds.

I am advised that this bill will apply only to the City of Houston and that if they are to receive certain Federal funds to assist them in a building program, a new election must be held. Under the present law it cannot be held for some six months.

3

A bill by Senator Cotten to correct S. B. 525, enacted during the regular session, reorganizing and providing for the terms of court for the 87th district so as to authorize the transfer of cases from one court to another.

This was omitted from the original bill.

4

A bill, by Frazer of Robertson County, to validate certain county warrants for that county.

5

A bill, by Olsen, to authorize the Yoakum Independent School District to qualify for certain PWA funds.

6

A bill, by Hofheinz and others of Harris, to authorize the City of Houston to issue revenue bonds for a proposed convention and exposition hall, which bonds are to be used as security for a Federal loan.

7

A bill to authorize the State Highway Department to use funds allocated by the Federal Government for improvement of lateral roads, such work to be under the direction of the State Highway Department.

This is a bill to authorize funds appropriated by the Federal Government under the NIRA and subsequent acts, including the emergency relief appropriation act of Congress of April 8, 1935, specifically for expenditure on roads which are not a part of the State Highway System may be expended on such roads by and under the supervision of the State Highway Department.

At present, the State Highway Commission is authorized to accept Federal funds but is not permitted to expend such funds on roads not a part of the State Highway System. The Federal Government has allocated certain funds for the improvement of lateral roads not on the system of the State Highways. It is desirable, in my judgment, that the Highway Department should supervise this work

and the construction of these lateral roads should be under the direction of the State Highway Department.

It is my understanding that approximately four million dollars of Federal funds are now available for this purpose, but the Highway Department is not authorized to carry on this work on other than State designated highways. It is essential, in my judgment, that this bill should be passed at your earliest convenience so as to begin the improvement of lateral or farm-to-market roads.

8

A bill by Settle, of Lubbock, to authorize the Ralls Independent School District to receive rural aid.

It is my understanding that this school was eligible for and received this aid until the passage of H. B. 327 during the regular session, when this district was inadvertently omitted. The late Senator Duggan was very anxious to have this matter corrected and, I am informed, intended to request me to submit it at a called session.

9

A bill to correct the appropriation made for the State Prison System.

In one particular, for instance, the Legislature provided for a flat salary of \$80.00 per month for guards, yet did not make sufficient appropriation to pay the salaries of these guards. In another instance, the salary of the manager of the Central Prison Farm was entirely omitted.

10

A bill to correct appropriations made during the regular session for the Livestock Sanitary Commission.

This appropriation was drastically reduced in the free conference committee. The present commission has been performing its work nobly and has secured a tremendous sum of money for aid from the Federal Government. In the preceding two years, however, many herds became infected, and it is highly necessary that these appropriations be straightened out.

11

A bill to appropriate moneys to take care of the deficiency certificates issued to West Texas State Teachers College at Canyon.

12

A bill, by Tarwater of Hale, to create a special road district for Lamb County, Texas.

13

A bill to authorize a public works eminent domain law to authorize the State and counties, cities, towns, municipal corporations, authorities, commissions, boards, districts, subdivisions, agencies and instrumentalities, and departments, boards and the Governor of the State to acquire property by the exercise of the power of eminent domain for public works projects, financed in whole or in part by such public bodies or by the United States of America; authorizing the exercise of such power of eminent domain and the conveyance of property acquired thereby for the purpose of aiding public works projects being undertaken by the United States of America; providing for the exercise of such power of eminent domain and for the taking of property for all such purposes and for the procedure thereof; providing for the payment and recovery of awards made for property.

14

A bill amending Article 5242, R. C. S., 1925, enlarging the authorized uses to which the United States Government may put lands in this state so as to include slum clearance, housing projects, etc.

15

A bill, by Dunlap of Hays and others, to create the Guadalupe Conservation District.

16

A bill, by Moffett and Walker in the House and Oneal in the Senate, to create the Pease River Flood Control District.

With reference to the last two bills numbered, 15 and 16, above: the authors and sponsors have assured me they will not ask for any tax omissions since this would be highly controversial. They have further assured me they will not accept amendments calling for tax omissions. They simply want these districts created so as to have an adequate agency through which they may deal with the Federal Government.

17

A bill to appropriate \$50,000.00 for the State Parks Board for the purchase of materials to be used in state parks.

The Federal Government has allocated over two million dollars to be expended through the State Director of the National Youth Movement in

Texas. This labor will be used entirely in the State Park System of Texas, the only requirement from the state being that we furnish not exceeding \$50,000.00 for the purchase of material for improvement in these parks.

The expenditure of these Federal funds will result in permanent improvement of our parks, our highways, and our schools.

The proposal which I submit for your consideration is outlined in the following letter of Lyndon B. Johnson, State Director of the National Youth Administration:

September 27, 1935.

"Hon. James V. Allred
Governor of Texas
Austin, Texas

Dear Governor Allred:

"The National Youth Administration is prepared to offer the State of Texas certain opportunities to participate in the program of the Federal Government for young men and women between the ages of sixteen and twenty-five.

"The first purpose of this program is to convert these young men and women from non-productive to productive citizens, to remove them from the excessive burden already imposed upon the taxpayers.

"Its second purpose is to provide urgently needed construction work in the state parks of Texas, on our state highways, and in our public schools where local budgetary limitations have precluded the provision of highly essential equipment.

"In Texas there are approximately 125,000 young men and young women from sixteen to twenty-five years old, unemployed, and without means of support of any kind.

"The National Youth Administration of Texas, on its own initiative and without the assistance of any state, county, or city government, has already provided approximately 5,000 part-time jobs for young men and young women desiring to pursue their college education. They are now attending eighty-three (83) colleges scattered over the entire state.

"Not one of these 15,000 youths would darken the door of any school in the State of Texas except for this aid which is provided by the National Youth Administration. There are thousands of high school boys and girls in Texas who, except for the provisions of these part-time jobs,

would not see one single day in school this winter. There is not one of the 15,000 aided who will not be expected to work for the aid given him, and all will work at worth while jobs. They will do work which otherwise would go undone; and it has been arranged so that not one will replace any productive employee or potential employee. The work will be done in the colleges and the high schools of Texas at a cost of \$128,080.00 per month, and many years from now the work resulting from the efforts of these students will still be in evidence.

"The National Youth Administration has also approved six projects to employ young men and young women, and all have been given the approval of the State Office of the Works Progress Administration in San Antonio. These projects call for the direct employment of 41,038 youths for approximately nine months, at a cost to the Federal Government of \$2,501,760.00.

"In order that these thousands of young people may be placed in practical and remunerative work to provide substantial improvements urgently needed, it will be necessary for the State at this Session of the Legislature to provide a fund of not less than \$50,000.00. Virtually every cent of this fund will go for actual materials. The Federal Government will provide the labor, and this fund will provide the materials to make that labor possible.

"I respectfully suggest that you submit to the First Special Session of the Forty-fourth Legislature the question of providing such appropriations as shall be necessary to obtain a release for Texas of funds the Federal Government is making available for the Texas park system.

"At the same time you will be giving the members of the Legislature the opportunity to make such provisions as they may deem necessary so that Texas may avail itself of the opportunity to obtain its proportionate share of all Federal funds now earmarked for it in the nation's construction program for permanent rehabilitation.

"Sincerely yours,
"LYNDON B. JOHNSON,
"NYA Director for Texas."

The subjects submitted are strictly confined to the matter set out in the bills enumerated above.

Respectfully submitted,
JAMES V. ALLRED,
Governor of Texas.