SENATE JOURNAL

TWENTY-FIRST

LEGISLATURE

OF THE

STATE OF UTAH

SPECIAL SESSION

1936

PUBLISHED BY AUTHORITY

CERTIFICATION

The undersigned, being first duly appointed to revise the Senate Journal for the Special Session of the 21st Legislature of the State of Utah, does hereby certify that the contents published herein beginning at Page 5 and ending at Page 30 is a full, true and correct record of the proceedings of the Senate of the Special Session of the 21st Legislature of the State of Utah commencing on the 24th day of August, 1936, and ending on the 28th day of August, 1936.

LYNN S. RICHARDS,
Secretary of the Senate.

SENATE JOURNAL

TWENTY-FIRST LEGISLATURE

SPECIAL SESSION

FIRST DAY

SENATE CHAMBER,
State Capitol,
Salt Lake City, Utah, August 24, 1936.

Pursuant to a call by his Excellency, the Governor, the Senate of the Twenty-first Legislature of the State of Utah met in Special Session in the Senate Chamber at the State Capitol at 12 o'clock noon.

Prayer by the Chaplain.

COMMUNICATION FROM THE SECRETARY OF STATE

August 24, 1936.

Hon. Herbert B. Maw,
President, Utah State Senate,
Building.

Dear Mr. Maw:

I have the honor to transmit to you herewith certified copy of a Proclamation of his Excellency Our Governor, Henry H. Blood, convening a special session of the Twenty-first Legislature of the State of Utah.

Very respectfully yours,

M. H. WELLING,
Secretary of State.

Communication filed.

A PROCLAMATION
BY THE GOVERNOR OF THE STATE OF UTAH

WHEREAS an extraordinary occasion requires the convening of a special session of the Legislature of the State of Utah, to give to the inhabitants thereof the full benefits of the unemployment insurance provisions of the National Social Security Act;

NOW, THEREFORE, I, HENRY H. BLOOD, Governor of the State of Utah, by virtue of the authority vested in me by the Constitution of the State of Utah, do by this proclamation call the Legislature of the State of Utah to meet in special session in the Capitol, Salt Lake City, Utah, on the 24th day of August, 1936, at 12 o'clock noon thereon, for the purpose of amending Chapter 38, Laws of Utah, 1935, relating to unemployment reserves, so that the said chapter when amended will conform to the provisions of Titles III and IX of the Social Security Act enacted by the Seventy-fourth Congress of the United States and approved August 14, 1935, relating to the same subject, and to provide for the expenses of such special session.

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

Done at the Capitol, Salt Lake City, this 3rd day of August, 1936.
[SEAL]

HENRY H. BLOOD,
Governor.

By the Governor.

M. H. WELLING,
Secretary of State.

SECRETARY OF STATE'S OFFICE

I, M. H. Welling, Secretary of State of the State of Utah, do hereby certify that the above and foregoing is a full, true and correct copy of the proclamation made by the Governor of the State, August 3, 1936, calling the Legislature of the State of Utah, to meet in special session at and upon the date therein specified.

As appears of record in my office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of Utah, at Salt Lake City, this 24th day of August, 1936.

[SEAL]

M. H. WELLING,
Secretary of State.

SECRETARY OF STATE'S OFFICE

August 24, 1936.

Hon. Herbert B. Maw,
President, Utah State Senate,
Building.

Dear Mr. Maw:

I have the honor to transmit to you herewith the credentials of Hon. C. S. Thomson of Moab, Utah, to serve as a State Senator from the Twelfth Senatorial District.

Very respectfully yours,

M. H. WELLING,
Secretary of State.

Communication filed.

SECRETARY OF STATE'S OFFICE

I, MILTON H. WELLING, Secretary of State of the State of Utah, hereby certify that His Excellency, Henry H. Blood, Governor of Utah, pursuant to law, did issue on August 21, 1936, a proclamation appointing C. S. Thomson of Moab, Utah, to serve as a State Senator from the Twelfth District until the election and qualification of a successor to Hon. W. D. Hammond, resigned.

As appears of record in my office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of Utah, at Salt Lake City, this 24th day of August, 1936.

[SEAL]

M. H. WELLING,
Secretary of State.

The oath of office was administered to Mr. C. S. Thomson by the President of the Senate.

Senator Bamberger moved that the President and Secretary of the last regular session of the Twenty-first Legislature be retained for this special session.

Motion carried.

Senator Bamberger moved that the Joint and Senate Rules of the 21st Legislature be adopted for this Special Session.

Motion carried.

Roll Call—All senators present.

On motion of Senator Holbrook the President appointed a committee consisting of Senators Holbrook, Musser and Griffin to notify the House that the Senate is organized and ready for business.

On motion of Senator Holbrook the President appointed Senators Bamberger, Thomson and Day to act with a like committee from the House to wait upon the Governor and inform him that the Legislature is organized and ready to receive any communication that he wishes to make.

COMMUNICATIONS FROM THE HOUSE

Mr. President:

August 24, 1936.

I am directed to inform your Honorable Body that the Speaker of the House has this day appointed Representatives Bosone, Richards and Gammeter to notify the Senate that the House is in session and is ready for business.

Respectfully,

J. EDWARD LYNCH,
Chief Clerk.

Communication filed.

August 24, 1936.

Mr. President:

I am directed to inform your Honorable Body that the Speaker of the House has this day appointed Representatives Twitchell, Cook and Mrs. Jensen to act with a like committee from the Senate to wait upon the Governor and inform him that the legislature is ready to receive any communication that he has to make.

Respectfully,

J. EDWARD LYNCH,
Chief Clerk.

Communication filed.

Representatives Bosone, Gammeter and Richards appeared and notified the Senate that the House is organized and ready for business.

On motion of Senator Fowles the following were elected officers and employees of the Senate for the Special Session.

E. C. Dayton	Chaplain
J. H. Shaw	Sergeant-at-Arms
LeRoy Drushall	Minute Clerk
Fred T. Odell	Docket Clerk
Mrs. E. R. Laraway	Committee Clerk
Elaine Hatch	Committee Clerk
Marjorie Loomis	Committee Clerk
Jean Bleak	Committee Clerk
Frank Connole	Door Keeper
Ray Fisher	Door Keeper
William Nisbet	Door Keeper
West Hammond	Messenger
David R. Trevithick	Messenger

The oath of office was administered to the officers and employees by the President.

The Committee appointed to wait upon the Governor reported that the Governor would meet with the Legislature in Joint Convention at 2:00 P. M.

On motion of Senator Parratt the Senate recessed until 1:55 P. M.

The Senate reconvened at 1:55 P. M.

The President declared the Senate in recess and proceeded to the House Chamber to meet in Joint Convention.

JOINT CONVENTION

Prayer by the Senate Chaplain.

Roll Call—Showed a quorum of both Houses present..

The President appointed a Joint Committee consisting of Senators Bamberger, Day and Thomson and Representatives Mrs. Albert Jensen, Twitchell and Cook to notify the Governor that the Legislature is in Joint Convention and ready to hear his message.

The committee returned escorting Governor Henry H. Blood who was introduced to the Joint Convention by President Maw.

GOVERNOR'S MESSAGE

To the Members of the Twenty-first Legislature of the State of Utah:

I greet you and at the same time thank you for your willing response to call to public duty. I assure you that you would not have been called from your private concerns in mid-summer, except for the fact that an emergency exists which cannot await the assembling of the regular session of the Legislature next January.

On August 3, 1936, the following proclamation was issued by the Governor:

> "Whereas an extraordinary occasion requires the convening of a special session of the Legislature of the State of Utah, to give to the inhabitants thereof the full benefits of the unemployment insurance provisions of the National Social Security Act;
>
> "NOW, THEREFORE, I, HENRY H. BLOOD, Governor of the State of Utah, by virtue of the authority vested in me by the Constitution of the State of Utah, do by this proclamation call the Legislature of the State of Utah to meet in special session in the Capitol, Salt Lake City, Utah, on the 24th day of August, 1936, at 12 o'clock noon thereon, for the purpose of amending Chapter 38, Laws of Utah, 1935, relating to unemployment reserves, so that the said chapter when amended will conform to the provisions of Titles III

and IX of the Social Security Act enacted by the Seventy-Fourth Congress of the United States and approved August 14, 1935, relating to the same subject, and to provide for the expenses of such special session."

The Special Session was called in accordance with authority granted to the Governor in Section 6 of Article 7 of the State Constitution which provides that "on extraordinary occasions, the Governor may convene the Legislature."

The extraordinary occasion at present arises out of the fact that Utah failed to receive the approval of the Federal Government of an Act of this Legislature, passed at the 1935 Regular Session, relating to unemployment compensation. The statute referred to forms Chapter 38, Laws of Utah, 1935. It will not be necessary in this message to discuss the terms of that law. It is the result of an attempt to place on the statute books of Utah a plan by which employees might be provided with some measure of security against the unfortunate condition in which they find themselves when thrown out of employment through no fault of their own. The bill was introduced in the House of Representatives January 30, 1935, and was approved by the Governor March 25, 1935.

The Federal Social Security Act did not become a law until August 14, 1935, and even then was rendered ineffective as to its grants in aid and financial cooperation features by the failure of the Congress to make the appropriation which had been authorized in the Act. It was not until February 17, 1936, that the appropriation was finally made available.

In the meantime, the Social Security Board had been organized and had prosecuted a study of the laws of the various states which hoped to cooperate with the national government under the terms of the Federal Act.

Despite the fact that the Utah Legislature had adjourned in March, 1935, long before the Federal Act became law, the State of Utah was able to, and did, qualify under laws you passed, for cooperation with the Social Security Board and other Federal agencies. All aid features of the national program are now in full force and effect and beneficiaries are receiving needed assistance.

However, after careful study and prolonged negotiations between the Industrial Commission of Utah, the Attorney General's Office, and your Governor, representing the State, and various agencies of the Federal Government, it was found that it would be impossible for Utah to qualify Chapter 38, Laws of Utah, 1935, under the Social Security Act.

Title III of that Statute authorizes an appropriation "for the purpose of assisting the States in the administration of their unemployment compensation laws."

Title IX imposes a federal tax on employers of eight or more persons. This tax, under the terms of Section 901 of the Social Security Act, is due and payable after the close of each calendar year. The rate is fixed at one per cent of the total wages paid by the employer with respect to employment during 1936; and is increased to two per cent with respect to employment during the year 1937 and three per cent with respect to employment after the close of that calendar year. Section 902, Title IX, reads:

> "The taxpayer may credit against the tax imposed by section 901 the amount of contributions, with respect to employment during the taxable year, paid by him (before the date of filing his return for the taxable year) into an unemployment fund under a State law. The total credit allowed to a taxpayer under this section for all contributions paid into unemployment funds with respect to employment during such taxable year shall not exceed 90 per centum of the tax against which it is credited, and credit shall be allowed only for contributions made under the laws of States certified for the taxable years as provided in section 903."

It is not necessary here to go into detail as to further provisions of Title IX of the Social Security Act for carrying out the plan above outlined.

You should be informed, however, that reasonably careful estimates of the amount of the tax on Utah employers reach a total for the 1936 payroll of around $700,000. Ninety per cent of such an amount is $630,000. If the State of Utah qualifies under the Social Security Act, this $630,000, or what ever the sum may ultimately prove to be, will be placed in an unemployment reserve fund, which will be available after January 1, 1938, for giving financial assistance to Utah employees who are deprived of their regular wage income by a term of unemployment which results from no fault of their own. If this State does not qualify with the Social Security Board, Utah employers will, nevertheless, be required to pay the tax to the Federal Government, but Utah employees will receive no benefit from such payments. Under these conditions, it is obvious that the State of Utah should by proper legislation comply with the requirements of the Social Security Board as set up in accordance with the Federal Act.

At one time it was thought by some that there was necessity for earlier action in order to protect benefits to employees. However, the legal issue thus raised has been studied by attorneys for the Social Security Board and by the Attorney General of the State of Utah. I am in receipt of an opinion of the Attorney General, holding that tax legislation may be made retroactive, and that, therefore, a law passed now, imposing a payroll tax from January 1, 1936, will be constitutional. Such a law will permit the Utah employer concerned to take credit allowed

him under Title IX, and at the same time will permit the Utah employee to receive the benefits in accordance with an approved State law for unemployment compensation after January 1, 1938.

It was necessary that the Legislature be called into Special Session in ample time to give the Social Security Board opportunity to pass on the results of your deliberations and to permit the State to set up the requisite administrative machinery and have it in running order before the close of this year. Should this Legislature enact such a law, it would not become effective for sixty days after its approval, unless it is passed by a vote of two-thirds of all the members elected to each House. Due weight was given to this fact when the call was issued for the Special Session to convene at this time, rather than during the last two months of the year.

I am hopeful that the bill you finally approve will receive a two-thirds' vote. However, a constitutional majority from the members of each House is sufficient to make its provisions fully effective this year.

I am herewith submitting to you a draft of a bill on the subject of unemployment compensation. Representatives of various groups with my cooperation have been at work on this subject for some time because it was recognized soon after the Social Security Act was passed that there might be some question as to the sufficiency of Chapter 38, Laws of Utah, 1935. In recent months, representatives of organized labor and various groups of employers have been giving intensive study to the entire subject. At my request they conferred with each other and found it possible to reach common understanding.

I desire to express my appreciation of the fair-mindedness and co-operative spirit shown by representatives of organized labor and of employers during the preparation of this proposed bill. I remember no finer exhibition of sincere desire to arrive at a proper conclusion, fair to industry and labor, than that shown throughout these negotiations.

The bill was drafted by representatives of the Social Security Board, Division of Unemployment Compensation, sent here at my request from Washington and from Denver for such purpose, in collaboration with the office of the Attorney General of the State, with the Industrial Commission, and with my office. It embodies the ideas and policies on which agreement was reached. The following digest of the contents of the bill was furnished by the Federal Social Security Board conferees:

> "Under this bill the Legislature proposes, pursuant to the police power of the State, to make a levy upon employers to build up a fund from which during periods of unemployment workmen may draw benefits.
>
> "The bill is drawn to cooperate with the Federal Social Security Act. Every employer who has four or more employees in

employment is required to pay a contribution at the rate of ninety per cent of the levys made by the Federal Government. Under the provisions of the Social Security Act, an employer secures credit against the Federal levy for payments made by him to the State. Certain employments are excluded from the provisions of the act, principally public employment of any kind, and services performed in agriculture, domestic service, and for non-profit, religious, charitable and educational institutions. Contributions are collected by the State Tax Commission and paid over to the State Treasurer who immediately deposits them with the Secretary of the Treasury of the U. S. in the Unemployment Trust Fund to the credit of the State of Utah, as required by the Social Security Act.

"Notwithstanding the requirement for the payment of contributions, the bill provides for a merit-rating system under which an employer whose account for three years shows a good record of continuous employment and little unemployment, may have his contribution reduced, or, with an exceptionally favorable record, may escape entirely the payment of the contribution. Under this merit-rating system, if, because of a good record, an employer's contribution ceases, he will also escape nine-tenths of the Federal tax, since under the Federal Social Security Act his merit record is equivalent to a money contribution.

"The Bill provides that benefits shall be paid to any eligible employee at the rate of 50 per cent of his full-time weekly wages, with a weekly maximum of $15 and a weekly minimum of $7. The duration of the employee's benefits depends upon the length of his previous work record; in fact, an employee by virtue of having worked, builds up his right to benefits under the act.

"The employee must meet certain qualifications in order to receive benefits, including the serving of a waiting period. Under certain conditions workers are disqualified for benefits for limited periods in such contingencies as discharge for misconduct, the voluntary abandonment of work, or the refusal to accept suitable work.

"The administration of the act, the cost of which will be paid by the Federal Government, is placed under the Industrial Commission, mainly because it it is a quasi-judicial tribunal before whom a fair hearing can be had in disputed cases. The administration really involves two functions—the administration of the fund for the payment of benefits, and the maintenance of free public employment offices through which the benefits will be paid. This bill accepts the provisions of the Wagner-Peyser Act (the U. S. Employment Service) under which cooperative arrangement state public employment offices will be financed by the State on a 50-50 basis with the Federal Government."

I recommend the proposed bill and ask for its enactment as a workable plan for establishing unemployment compensation in this State. Its provisions are liberal and progressive and are designed to protect the interests of employer, employee, and the public. Its passage and approval will mean that Utah employees will have the benefit of proper credits being set up from the contributions made by Utah employers under the tax imposed in the Federal Social Security Act.

Whenever the Legislature meets in either special or general session, the demands for legislation always are insistent. Some requests have been made for additional legislation at this session, but let me assure you that there is not an item called for that in my judgment may not better be disposed of at the coming regular session, which will soon convene. I appeal to you, in the interest of public economy, to complete without unnecessary delay the business before you. For such a result you will have deep executive appreciation and the plaudits of your constituents.

The President introduced the Honorable U. S. Senator Elbert D. Thomas who addressed the Joint Convention.

The Joint Committee then escorted the Governor to his executive office.

On motion of Senator Griffin the Joint Convention dissolved.

The Senate reconvened at 2:40 P. M.

Senator Fowles moved that the personnel of the Senate Committees acting in regular session be the same for the special session and that Senator Thomson replace former Senator Hammond on the committees of which he was a member.

Motion carried.

Senator Wallace moved that the Revision and Enrolling Committee meet with a like Standing Committee from the House to consider the Governor's proposed Unemployment Insurance bill before printing of the same.

Motion carried.

Senator Huggins moved that there be no mailing list during this session for Senate Journals or Bills.

Motion carried.

Senator Wallace moved that the number of bills to be printed be left to the discretion of the Joint Committee on Revision and Enrolling.

Motion carried.

Senator Holbrook moved that a committee be appointed to act with a like committee from the House to fix the compensation of Legislative employees.

Motion carried.

The President appointed Senator Bamberger to revise the Journal for the first day.

On motion of Senator Huggins the Senate adjourned.

SECOND DAY

August 25, 1936.

The Senate was called to order at 2:00 P. M. President Maw in the chair.

Roll Call—All Senators present except Senator Day, excused.

Prayer by the Chaplain.

August 25, 1936.

Mr. President:

Your Committee on Revision of the Journal respectfully reports that it has read the Journal for the first day and found it correct with minor amendments noted on the final copy.

Respectfully,

JULIAN BAMBERGER.

Report adopted.

The President appointed Senators Ray and Stewart to revise the Journal for the second day.

The President appointed a committee consisting of Senators Huggins, Royle and Bowman to meet with a like committee from the House to fix the salaries to be paid employees of the Special Session.

COMMUNICATION FROM THE HOUSE

August 24, 1936.

Mr. President:

I am directed to inform your Honorable Body that the House has this day passed, under suspension of the rules, *H. B. No. 1*, by Mr. Maw, entitled, "AN ACT APPROPRIATING $5,000.00 OR SO MUCH THEREOF AS MAY BE NECESSARY TO DEFRAY THE REGULAR

AND CONTINGENT EXPENSES OF THE SPECIAL SESSION OF THE TWENTY-FIRST LEGISLATURE OF THE STATE OF UTAH," and the same is transmitted herewith for your action.

Respectfully,

J. EDWARD LYNCH,
Chief Clerk.

Communication filed.

H. B. No. 1 was read the first time.

On motion of Senator Holbrook the rules were suspended and *H. B. No.* 1 was read the second and third times and placed on its final passage.

H. B. No. 1 then passed on the following roll call:

Yeas, 22; nays, 0; absent, 1.

Those voting in the affirmative were: Senators Bamberger, Bowman, Calder, Fennell, Fowles, Frischknecht, Griffin, Thomson, Holbrook, Holmgren, Hopkin, Huggins, Miller, Musser, Ray, Parratt, Royle, Stevens, Stewart, Wallace, Woodward, Mr. President.

Absent and not voting: Senator Day.

H. B. No. 1 was returned to the House.

COMMUNICATION FROM THE HOUSE

August 24, 1936.

Mr. President:

I am directed to inform your Honorable Body that the House has this day passed, under suspension of the rules, *H. C. M. No. 1*, by Mrs. Gibson, entitled, "A CONCURRENT MEMORIAL OF CONDOLENCE TO THE FAMILY OF REPRESENTATIVE ELMER HOLDAWAY UPON HIS UNTIMELY DEATH," and the same is transmitted herewith for your action.

Respectfully,

J. EDWARD LYNCH,
Chief Clerk.

Communication filed.

H. C. M. No. 1 was read the first time.

On motion of Senator Fowles the rules were suspended and *H. C. M. No. 1* was read the second and third times and placed on its final passage.

H. C. M. No. 1 then passed on the following roll call:

Yeas, 20; Nays, 0; Absent, 3.

Those voting in the affirmative were: Senators Bowman, Calder, Fennell, Fowles, Frischknecht, Griffin, Thomson, Holbrook, Holmgren, Hopkin, Miller, Musser, Ray, Parratt, Royle, Stevens, Stewart, Wallace, Woodward, Mr. President.

Absent and not voting: Senators Bamberger, Day, Huggins.

H. C. M. No. 1 was returned to the House.

Senator Bamberger moved that the Senate resolve itself into a Committee of the Whole to hear Mr. Cochrane, a representative of the Federal Government, discuss the proposed Unemployment Insurance Bill and that President Maw act as chairman of said Committee.

Motion carried.

Senate resolved itself into Committee of the Whole.

The chairman declared the Committee of the Whole dissolved, and the Senate resumed session.

COMMUNICATION FROM THE HOUSE

August 25, 1936.

Mr. President:

I am directed to inform your Honorable Body that the Speaker of the House has this day appointed Representatives Doty, Marthakis, Pectol, Hendricks and Swapp to act with a like committee from the Senate to consider a resolution for the purpose of fixing the compensation of legislative employees.

Respectfully,

J. EDWARD LYNCH,
Chief Clerk.

Communication filed.

COMMUNICATIONS FROM THE GOVERNOR

August 25, 1936.

TO THE MEMBERS OF THE LEGISLATURE:

Mrs. Blood and I extend to you and your partners a cordial invitation to a reception in your honor Wednesday evening, from 8:00 to 11:00, at our residence, 649 East South Temple Street, Salt Lake City.

Very sincerely yours,

HENRY H. BLOOD,
Governor.

Communication filed.

August 25, 1936.

TO THE OFFICERS AND EMPLOYEES OF THE SENATE OF THE TWENTY-FIRST LEGISLATURE IN SPECIAL SESSION:

Mrs. Blood and I extend to you and your partners a cordial invitation to a reception in honor of the Legislature Wednesday evening, from 8:00 to 11:00, at our residence, 649 East South Temple Street, Salt Lake City.

Very sincerely yours,

HENRY H. BLOOD,
Governor.

Communication filed.

Senator Wallace moved that 100 copies of the Unemployment Insurance Bill be printed for the Senate.

Motion carried.

INTRODUCTION OF BILL

S. B. No. 1 By Mr. Royle and Mr. Bamberger

AN ACT TO BE KNOWN AS UNEMPLOYMENT COMPENSATION LAW; ESTABLISHING AN UNEMPLOYMENT COMPENSATION FUND AND PROVIDING FOR THE DISTRIBUTION AND INVESTMENT THEREOF; PROVIDING FOR THE ASSESSMENTS AND COLLECTION OF CONTRIBUTIONS UPON PAYROLLS OF EMPLOYERS, TO BE COLLECTED BY THE STATE TAX COMMISSION; CREATING AN UNEMPLOYMENT COMPENSATION DEPARTMENT TO BE ADMINISTERED BY THE INDUSTRIAL COMMISSION OF UTAH; CREATING A STATE EMPLOYMENT SERVICE; PROVIDING AN APPROPRIATION THEREFOR; PROVIDING PENALTIES FOR VIOLATIONS; PROVIDING FOR AN INCREASE IN THE SALARIES OF THE MEMBERS OF THE INDUSTRIAL COMMISSION OF UTAH; REPEALING CHAPTER 38, LAWS OF UTAH, 1935, RELATING TO UNEMPLOYMENT COMPENSATION AND ALL OTHER LAWS IN CONFLICT HEREWITH; AND FOR OTHER RELATED PURPOSES, was read the first time and referred to the Committee on Revision and Enrolling.

COMMUNICATION FROM THE HOUSE

August 25, 1936.

Mr. President:

I am directed to inform your Honorable Body that the House has this day adopted the joint rules of the Twenty-first Legislature.

Respectfully,

J. EDWARD LYNCH,
Chief Clerk.

Communication filed.

On motion of Senator Bamberger the Senate adjourned.

THIRD DAY

August 26, 1936.

The Senate was called to order at 2:00 P. M. President Maw in the chair.

Roll Call—All Senators present except Senator Day, excused.

Prayer by the Chaplain.

August 26, 1936.

Mr. President:

Your Committee on Revision of the Journal respectfully report that we have read the Journal for the Second Day and find it correct with minor amendments noted on the final copy.

Respectfully,

PAUL H. RAY,

MRS. FRANK PAGE STEWART.

Report adopted.

The President appointed Senators Stevens and Griffin to revise the Journal for the third day.

REPORT OF STANDING COMMITTEE

August 26, 1936.

Mr. President:

Your Committee on Revision and Enrolling to whom was referred *S. B. No. 1* by Mr. Royle and Mr. Bamberger have conferred with the Rules Committee of the House and find *S. B. No. 1* and *H. B. No. 2* to be identical, and recommend that the bill be printed in the House as *H. B. No. 2* by Mrs. Bosone and Mr. Peterson and be printed in the Senate as *S. B. No. 1* by Mr. Royle and Mr. Bamberger by title only.

Respectfully,

GEO. M. MILLER,
Chairman.

Report adopted.

Senator Holbrook moved that the rules be suspended and that the Senate do now consider *S. B. No. 1* on the Second Reading Calendar.

Motion carried.

CONSIDERATION OF BILLS ON SECOND READING

S. B. No. 1 was read the second time.

Senator Holbrook moved that the Senate hold a public hearing on *S. B. No. 1* in the Senate Chamber, sitting as a Committee of the Whole, Thursday morning at 10:00 A. M. and that President Maw act as chairman of said committee.

Motion carried.

On motion of Senator Griffin the Senate adjourned.

FOURTH DAY

August 27, 1936.

The Senate was called to order at 2:00 P.M. President Maw in the chair.

Roll Call—All Senators present.

Prayer by the Chaplain.

August 27, 1936.

Mr. President:

Your Committee on Revision of the Journal respectfully report that we have read the Journal for the Third Day and find it correct with minor amendments noted on the final copy.

Respectfully,

DANIEL STEVENS,
W. H. GRIFFIN.

Report adopted.

The President appointed Senators Frischknecht and Thomson to revise the Journal for the fourth day.

COMMUNICATION FROM THE GOVERNOR

August 27, 1936.

To the Senate:

I regret to inform you that Secretary of War George H. Dern, who was Governor of Utah from January 1, 1925 to December 31, 1932, passed away at Walter Reed Hospital in Washington, D. C., this morning after an illness of many weeks duration. May I suggest that in an appropriate manner you honor the memory of a distinguished citizen whose service has been outstanding in the State and Nation.

Very respectfully yours,

HENRY H. BLOOD,
Governor.

Communication filed.

On motion of Senator Parratt the President appointed a committee consisting of Senators Musser, Parratt and Miller to act with a like committee from the House to draft a resolution of condolence to the widow and family of the Honorable George H. Dern, Secretary of War.

COMMUNICATION FROM THE HOUSE

August 26, 1936.

Mr. President:

I am directed to inform your Honorable Body that the House has this day passed, under suspension of the rules, *H. J. R. No. 1*, by Salaries, Fees, Contingent Expenses Committee, entitled: "A RESOLUTION FIXING THE COMPENSATION OF EMPLOYEES OF THE SPECIAL SESSION OF THE TWENTY-FIRST LEGISLATURE OF THE STATE OF UTAH," and the same is transmitted herewith for your action.

Respectfully,

J. EDWARD LYNCH,
Chief Clerk.

Communication filed.

H. J. R. No. 1 was read the first time.

REPORT OF SPECIAL COMMITTEE

August 25, 1936.

Mr. President,

Mr. Speaker:

We, your joint committee on the preparation of a Resolution to Fix the Compensation of Employees of the Special Session of the Twenty-first Legislature, beg leave to report that we have met and drafted the attached Resolution.

Respectfully submitted,

IRA A. HUGGINS,
Chairman Senate Committee.

CHAS. B. DOTY,
Chairman House Committee.

Report adopted.

On motion of Senator Musser the rules were suspended and *H. J. R. No. 1* was read the second and third times and placed on its final passage.

COMMUNICATIONS FROM THE HOUSE

August 26, 1936.

Mr. President:

I am directed to inform your Honorable Body that the Speaker of the House has this day signed, in open session, in the presence of the House, *H. B. No. 1* by Mr. Maw, entitled, "AN ACT APPROPRIATING $5,000.00 OR SO MUCH THEREOF AS MAY BE NECESSARY TO DEFRAY THE REGULAR AND CONTINGENT EXPENSES OF THE SPECIAL SESSION OF THE TWENTY-FIRST LEGISLATURE OF THE STATE OF UTAH," and the same is transmitted herewith for the signature of the President.

Respectfully,

J. EDWARD LYNCH,
Chief Clerk.

Communication filed.

H. B. No. 1 was signed by the President in open session in the presence of the Senate and was returned to the House for transmission to the Governor.

August 26, 1936.

Mr. President:

I am directed to inform your Honorable Body that the Speaker of the House has this day signed in open session, in the presence of the House, *H. C. M. No. 1*, by Mrs. Gibson, entitled, "A CONCURRENT MEMORIAL OF CONDOLENCE TO THE FAMILY OF REPRESENTATIVE ELMER HOLDAWAY UPON HIS UNTIMELY DEATH," and the same is transmitted herewith for the signature of the President.

Respectfully,

J. EDWARD LYNCH,
Chief Clerk.

Communication filed.

H. C. M. No. 1 was signed by the President in open session in the presence of the Senate and was returned to the House for transmission to the Governor.

CONSIDERATION OF BILLS ON SECOND READING

S. B. No. 1 on second reading.

On motion of Senator Bamberger the bill was amended as follows:

Page 15, line 17, after the word "work" strike the comma and insert the word "shall".

Page 26, line 15, strike the word "to" and insert the word "by".

Page 28, line 30, strike the first two words "for it".

Senator Royle moved to delete the whole of Section 24.

Senators Royle with the aid of four Senators requested a roll call on the motion.

The motion was lost on the following roll call:

Yeas, 8; Nays, 15; Absent, 0.

Those voting in the affirmative were: Senators Fennell, Frischknecht, Huggins, Miller, Musser, Royle, Woodward, Mr. President.

Those voting in the negative were: Senators Bamberger (explained vote), Bowman, Calder, Day, Fowles, Griffin, Thomson, Holbrook, Holmgren, Hopkin, Parratt, Ray, Stevens, Stewart, Wallace.

The President introduced Mr. Charles Duffy, State Senator from Oklahoma, who addressed the Senate briefly.

INTRODUCTION OF RESOLUTION

S. C. R. No. 1 By Mrs. Musser, Mr. Parratt, Mr. Miller, Mrs. Gibson, Mr. Ramey and Mr. Swapp.

A CONCURRENT RESOLUTION OF CONDOLENCE TO THE FAMILY OF THE HONORABLE GEORGE H. DERN, SECRETARY OF WAR.

S. C. R. No. 1 was read the first time.

On motion of Senator Musser the rules were suspended and *S. C. R. No. 1* was read the second and third times and placed on its final passage.

S. C. R. No. 1 then passed on the following roll call:

Yeas, 23; Nays, 0; Absent, 0.

Those voting in the affirmative were: Senators Bamberger, Bowman, Calder, Day, Fennell, Fowles, Frischknecht, Griffin, Thomson, Holbrook, Holmgren, Hopkin, Huggins, Miller, Musser, Parratt, Ray, Royle, Stevens, Stewart, Wallace, Woodward, Mr. President.

S. C. R. No. 1 was transmitted to the House.

S. B. No. 1 on Second Reading.

On motion of Senator Bamberger the bill was amended as follows:

Page 24, line 4, correct the spelling of the word "administration".

On motion of Senator Holbrook the bill was amended as follows:

Page 33, line 23, after the word "suspended" insert the words "until the Legislature shall meet and take action relative thereto".

Page 33, line 25, after the word "shall" insert "be held in custody by the state treasurer under the supervision of the commission until the Legislature shall provide for the disposition thereof", and strike lines 26 and 27.

On motion of Senator Bamberger the bill was amended as follows:

Page 24, line 11, after the numerals "20,000" strike the comma and the balance of the sentence and insert a period in lieu thereof.

S. B. No. 1 was placed on the Third Reading Calendar on the following roll call:

Yeas, 22; Nays, 0; Absent, 1.

Those voting in the affirmative were: Senators Bamberger, Bowman, Calder, Day, Fennell, Fowles, Frischknecht, Griffin, Thomson, Holbrook, Holmgren, Hopkin, Huggins, Miller, Parratt, Ray, Royle, Stevens, Stewart, Wallace, Woodward, Mr. President.

Absent and not voting: Senator Musser.

On motion of Senator Miller the rules were suspended and *S. B. No. 1* was read the third time and placed on its final passage.

S. B. No. 1 then passed on the following roll call:

Yeas, 22; Nays, 0; Absent, 1.

Those voting in the affirmative were: Senators Bamberger, Bowman, Calder, Day (explained vote), Fennell, Fowles, Frischknecht, Griffin, Thomson, Holbrook (explained vote), Holmgren, Hopkin, Huggins, Miller, Parratt, Ray, Royle, Stevens, Stewart, Wallace, Woodward, Mr. President.

Absent and not voting: Senator Musser.

S. B. No. 1 was transmitted to the House.

On motion of Senator Parratt the Senate adjourned until tomorrow, August 28, at 10:00 A. M.

FIFTH DAY

MORNING SESSION

August 28, 1936.

The Senate was called to order at 10:00 A. M. President Maw in the chair.

Roll Call—All Senators present, except Senator Royle, excused, Stewart and Griffin.

Prayer by the Chaplain.

August 28, 1936.

Mr. President:

Your Committee on Revision of the Journal respectfully report that we have read the Journal for the Fourth Day and find it correct with minor amendments noted on the final copy.

Respectfully,

CONRAD FRISCHKNECHT,
C. S. THOMSON.

Report adopted.

The President appointed Senators Calder and Musser to revise the Journal for the Fifth Day.

COMMUNICATIONS FROM THE HOUSE

August 27, 1936.

Mr. President:

I am directed to inform your Honorable Body that the House has this day passed under suspension of the rules, *S. C. R. No. 1*, by Mrs. Musser, Mr. Parratt, Mr. Miller, Mrs. Gibson, Mr. Ramey and Mr. Swapp, entitled, "A CONCURRENT RESOLUTION OF CONDOLENCE TO THE FAMILY OF THE HONORABLE GEORGE H. DERN, SECRETARY OF WAR," and the same is transmitted herewith for your action.

Respectfully,

J. EDWARD LYNCH,
Chief Clerk.

Communication filed.

S. C. R. No. 1 was referred to the Committee on Revision and Enrolling to be engrossed.

August 27, 1936.

Mr. President:

I am directed to inform your Honorable Body that the House has this day passed, under suspension of the rules, *H. C. R. No. 1*, by Mrs. Musser, Mr. Parratt, Mr. Miller, Mrs. Gibson, Mr. Ramey and Mr. Swapp, entitled, "A CONCURRENT RESOLUTION OF CONDOLENCE TO THE FAMILY OF THE HONORABLE GEORGE H. DERN, SECRETARY OF WAR," and the same is transmitted herewith for your action.

Respectfully,

J. EDWARD LYNCH,

Chief Clerk.

Communication filed.

H. C. R. No. 1 was read the first time and referred to Committee on Revision and Enrolling.

REPORT OF STANDING COMMITTEE

August 28, 1936.

Mr. President:

We, your Committee on Revision and Enrolling, together with a like committee from the House, to which has been referred *S. C. R. No. 1*, by Mrs. Musser, Mr. Parratt, Mr. Miller, Mrs. Gibson, Mr. Ramey and Mr. Swapp, entitled, "A CONCURRENT RESOLUTION OF CONDOLENCE TO THE FAMILY OF THE HONORABLE GEORGE H. DERN, SECRETARY OF WAR," have carefully compared the bill as passed with the enrolled and engrossed copy and find it correct, and return the same for the signature of the President.

Respectfully,

GEO. M. MILLER,

Chairman.

Report filed.

S. C. R. No. 1 was signed by the President in open session in the presence of the Senate and was transmitted to the House for the signature of the Speaker.

COMMUNICATIONS FROM THE HOUSE

August 28, 1936.

Mr. President:

I am directed to inform your Honorable Body that the Speaker has this day signed in open session, in the presence of the House, *S. C. R. No. 1*, by Mrs. Musser, Mr. Parratt, Mr. Miller, Mrs. Gibson, Mr. Ramey and Mr. Swapp, entitled, "A CONCURRENT RESOLUTION OF CONDOLENCE TO THE FAMILY OF THE HONORABLE GEORGE H. DERN, SECRETARY OF WAR," and the same is forwarded herewith for transmission to the Governor.

Respectfully,

J. EDWARD LYNCH,
Chief Clerk.

Communication filed.

S. C. R. No. 1 was transmitted to the Governor.

August 28, 1936.

Mr. President:

I am directed to inform your Honorable Body that the House has this day passed, as amended by the House, *H. B. No. 2*, by Mrs. Bosone and Paul M. Peterson, entitled, "AN ACT PROVIDING FOR UNEMPLOYMENT COMPENSATION; ESTABLISHING AN UNEMPLOYMENT COMPENSATION FUND AND PROVIDING FOR THE DISTRIBUTION AND INVESTMENT THEREOF; PROVIDING FOR THE ASSESSMENTS AND COLLECTION OF CONTRIBUTIONS UPON PAYROLLS OF EMPLOYERS, TO BE COLLECTED BY THE STATE TAX COMMISSION; CREATING AN UNEMPLOYMENT COMPENSATION DEPARTMENT TO BE ADMINISTERED BY THE INDUSTRIAL COMMISSION OF UTAH; CREATING A STATE EMPLOYMENT SERVICE; PROVIDING AN APPROPRIATION THEREFOR; PROVIDING PENALTIES FOR VIOLATIONS; PROVIDING FOR AN INCREASE IN THE SALARIES OF THE MEMBERS OF THE INDUSTRIAL COMMISSION OF UTAH; REPEALING CHAPTER 38, LAWS OF UTAH, 1935, RELATING TO UNEMPLOYMENT COMPENSATION AND ALL OTHER LAWS IN CONFLICT HEREWITH; AND FOR OTHER RELATED PURPOSES," and the same is transmitted herewith for your action.

Respectfully,

J. EDWARD LYNCH,
Chief Clerk.

Communication filed.

H. B. No. 2 was read the first time.

On motion of Senator Bamberger the rules were suspended and *H. B. No. 2* was read the second and third times and placed on its final passage.

H. B. No. 2 then passed on the following roll call:

Yeas, 20; nays, 0; absent, 3.

Those voting in the affirmative were: Senators Bamberger, Bowman, Calder, Day, Fennell, Fowles, Frischknecht, Thomson, Holbrook, Holmgren, Hopkin, Huggins, Miller, Musser, Ray, Parratt, Stevens, Wallace, Woodward, Mr. President.

Absent and not voting: Senators Griffin, Royle, Stewart.

H. B. No. 2 was returned to the House.

Senator Fowles moved that the Senate meet one hour before the funeral of the Honorable George H. Dern on Tuesday, September 1st, at the Senate chamber and attend the funeral as a body, and that the President appoint a committee to meet with the proper authorities and arrange for seating space.

Motion carried.

In compliance with Senator Fowles' motion, the President appointed Senators Fowles, Musser and Bamberger to act as the committee.

CONSIDERATION OF BILLS ON THIRD READING

H. J. R. No. 1 on third reading.

On motion of Senator Huggins the bill was amended as follows:

Between the last two lines of the bill insert the following: "Sergeant-at-Arms—$5.00 per day, but not to exceed $150.00." "Mrs. B. B. Meyers —$50.00."

H. J. R. No 1 then passed on the following roll call:

Yeas, 19; nays, 0; absent, 4.

Those voting in the affirmative were: Senators Bamberger, Bowman, Calder, Day, Fennell, Fowles, Frischknecht, Thomson, Holmgren, Hopkin, Huggins, Miller, Musser, Ray, Parratt, Stevens, Wallace, Woodward, Mr. President.

Absent and not voting: Senators Griffin, Holbrook, Royle, Stewart.

H. J. R. No. 1 was returned to the House.

On motion of Senator Parratt the President appointed a committee consisting of Senators Bamberger, Thomson and Day to wait upon the Governor and ascertain if he has any further business to be transacted.

On motion of Senator Parratt the Senate recessed until 3:00 P. M.

AFTERNOON SESSION

The Senate reconvened at 3:00 P. M.

Roll Call—All Senators present, except Senators Royle and Day, excused.

COMMUNICATIONS FROM THE HOUSE

August 28, 1936.

Mr. President:

I am directed to inform your Honorable Body that the House has this day concurred in the Senate amendments to *H. J. R. No. 1*, by Joint Committee on Salaries, Fees, and Contingent Expenses.

Respectfully,

J. EDWARD LYNCH,
Chief Clerk.

Communication filed.

August 28, 1936.

Mr. President:

I am directed to inform your Honorable Body that the Speaker of the House has this day signed, in open session, in the presence of the House, *H. J. R. No. 1*, by Joint Committee on Salaries, Fees, Contingent Expenses, entitled, "A RESOLUTION FIXING THE COMPENSATION OF EMPLOYEES OF THE SPECIAL SESSION OF THE TWENTY-FIRST LEGISLATURE OF THE STATE OF UTAH," and the same is transmitted herewith for the signature of the President.

Respectfully,

J. EDWARD LYNCH,
Chief Clerk.

Communication filed.

H. J. R. No. 1 was signed by the President in open session in the presence of the Senate and was returned to the House for transmision to the Secretary of State.

August 28, 1936.

Mr. President:

I am directed to inform your Honorable Body that the Speaker of the House has this day signed, in open session, in the presence of the House,

H. B. No. 2, by Mrs. Bosone and Paul M. Peterson, entitled, "AN ACT PROVIDING FOR UNEMPLOYMENT COMPENSATION; ESTABLISHING AN UNEMPLOYMENT COMPENSATION FUND AND PROVIDING FOR THE DISTRIBUTION AND INVESTMENT THEREOF; PROVIDING FOR THE ASSESSMENTS AND COLLECTION OF CONTRIBUTIONS UPON PAYROLLS OF EMPLOYERS, TO BE COLLECTED BY THE STATE TAX COMMISSION; CREATING AN UNEMPLOYMENT COMPENSATION DEPARTMENT TO BE ADMINISTERED BY THE INDUSTRIAL COMMISSION OF UTAH; CREATING A STATE EMPLOYMENT SERVICE; PROVIDING AN APPROPRIATION THEREFOR; PROVIDING PENALTIES FOR VIOLATIONS; PROVIDING FOR AN INCREASE IN THE SALARIES OF THE MEMBERS OF THE INDUSTRIAL COMMISSION OF UTAH; REPEALING CHAPTER 38, LAWS OF UTAH, 1935, RELATING TO UNEMPLOYMENT COMPENSATION AND ALL OTHER LAWS IN CONFLICT HEREWITH; AND FOR OTHER RELATED PURPOSES," and the same is transmitted herewith for the signature of the President.

Respectfully,

J. EDWARD LYNCH,

Chief Clerk.

Communication filed.

H. B. No. 2 was signed by the President in open session in the presence of the Senate and was returned to the House for transmission to the Governor.

COMMUNICATIONS FROM THE GOVERNOR

August 28, 1936.

To the Senate:

I have this day approved and transmitted to the Secretary of State *S. C. R. No. 1*, by Mrs. Musser, entitled: "A CONCURRENT RESOLUTION OF CONDOLENCE TO THE FAMILY OF THE HONORABLE GEORGE H. DERN, SECRETARY OF WAR."

Respectfully yours,

HENRY H. BLOOD,

Governor.

Communication filed.

August 28, 1936.

To the Senate:

Ladies and Gentlemen:

You have officially informed me that the legislative business for which the Twenty-first Legislature was called into Special Session has been completed. I have the honor to inform you that I have no further legislative matters to lay before you.

At the same time I wish to express my appreciation for the careful and diligent manner in which you have attacked the intricate subject of unemployment compensation legislation. I feel highly gratified that the legislative approval granted the bill I presented to you Monday was unanimous. That measure was the result of the efforts of broad-minded and efficient committees representing employers and employees. I have been informed by representatives of the Social Security Board with whom you have conferred that they consider this Utah measure in many respects a model bill.

I very much appreciate and thank you for the maintenance of the cordial relationships and the close cooperation that have existed between your membership and my office.

I value highly the experiences gained in my association with you the present week. You carry home with you my sincere good wishes for your continued health, prosperity and happiness.

Very respectfully yours,

HENRY H. BLOOD,

Governor.

Communication filed.

The President appointed a committee consisiting of Senators Fennell, Stewart and Calder to notify the House that the Senate has concluded its business and is ready to adjourn sine die.

A committee consisting of Representatives Richards, Mrs. Aird and Holmes appeared and notified the Senate that the House had concluded its business and was ready to adjourn sine die.

August 28, 1936.

Mr. President:

Your Committee on Revision of the Journal respectfully reports that it has read the Journal for the Fifth Day and find it correct with minor amendments noted on the final copy.

Respectfully,

HYRUM B. CALDER.

MRS. BURTON W. MUSSER.

Report adopted.

On motion of Senator Huggins the Special Session of the Twenty-first Legislature adjourned sine die.

BILLS INTRODUCED IN THE SENATE

S. B. No. 1—Royle and Bamberger—Unemployment Compensation Law.

S. C. R. No. 1—Musser, Parratt, Miller, Gibson, Ramey and Swapp—Condolence to Family of George H. Dern.

BILLS INTRODUCED IN THE HOUSE

H. B. No. 1—Maw—Legislative Expense.

H. B. No. 2—Bosone and Peterson—Unemployment Compensation.

H. C. R. No. 1—Musser, Parratt, Miller, Gibson, Ramey and Swapp—Condolence to Family of George H. Dern.

H. J. R. No. 1—Salaries, Fees, Contingent Expenses Committee—Compensation of Employes.

H. C. M. No. 1—Gibson—Condolence to Family of Elmer Holdaway.

COMMUNICATIONS FROM THE GOVERNOR

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