

Legislative Notes

To Governor's Desk

The first Federation-sponsored bill to clear both houses of the Legislature is *AB 319 (Davis), strengthening the security provisions for wages in logging operations.

The Senate gave it unanimous approval and sent it to the Governor for signature this Monday.

"Compensatory Education" Bill Passed

Also on its way to the Governor for signature is the McAteer "compensatory education" bill (SB 115) which would launch a pilot program of special educational aids to children from economically and culturally deprived backgrounds.

After a series of minor skirmishes in the lower house over who would appoint the State coordinator of the new program, the Assembly passed it by a vote of 67 to 7. The Governor's signature is assured since the bill is part of his administration's education program.

"Hot Cargo" Repealer Blocked

The Senate Labor Committee, shy two of its members, this Monday failed to pass out a Federation-backed bill (*AB 889—McAteer), repealing the State's unconstitutional "hot cargo" act, which is still in the Labor Code. The bill received a 3 to 2 vote but fell one vote short of the four needed to secure a favorable recommendation out of the seven member upper house committee. An earlier move by Senator Schrade to table the bill was also defeated.

Voting for *AB 889 were Senators Holmdahl, Rodda, and McAteer (Chairman). Voting against it were Schrade and Way. Senators Nisbet and Pitman were absent.

By the same vote, a bill by Senator Holmdahl (SB 525), strengthening the Labor Code provisions on labor camps and employee housing, was also defeated this Monday.

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Brown Outlines Consumer Policy for California to Curb Gouging and Cheating

A crackdown on a host of long-standing consumer abuses ranging from excessive credit charges and interest rates to cheating in auto and radio-TV repair claims and deceptive packaging practices was urged by Governor Edmund G. Brown in a special message to the legislature last week.

The Governor's 12-page message, entitled "A Consumer Policy for California," pointed out that:

"Our state constitution defines usury as more than 10 percent simple annual interest. But today 10 percent simple interest for many consumers would be a bargain. Loans bearing 30 percent annual interest are common: automobile financing can cost 22 percent; most charge accounts cost 18 percent and our mortgage loans and charges are among the highest in the nation. Yet these rates are given legal sanction in our statutes."

In view of this the governor called for:

- A new price of credit law to require full disclosure in writing of

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THOS. L. PITTS

Executive
Secretary-Treasurer

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State AFL-CIO Backs Brown's Tax Reforms; Endorses Income Tax Withholding Plan

The Executive Council of the California Labor Federation, AFL-CIO at its meeting in San Francisco over the weekend, unanimously endorsed Governor Edmund G. Brown's extensive program of tax reforms, designed to modernize tax collection procedures and advance the flow of "growth" revenues into the state treasury.

The 36-member executive body, after reviewing the program in great detail with special attention to the controversial income tax withholding proposal, instructed the Federation's Secretary-Treasurer and legislative representative, Thos. L. Pitts, "to place the full weight of the 1,400,000 member state AFL-CIO behind the Governor's efforts to secure legislative approval of his program."

Pitts noted that the Federation "held off" taking any position on the highly publicized set of tax reforms "pending study of the implementing legislation and until it was

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Dip in U.S., State Jobless Rates No Cause To Cheer

Employment rose and unemployment declined in California and in the nation as a whole between February and March and, although the improvement was significant, labor secretary W. Willard Wirtz commented:

"My feeling is about what it would be if somebody's temperature dropped back from 104 degrees to 103 degrees. We still have to get at the cause of the trouble."

The seasonally adjusted national jobless rate dropped from 6.1 percent to 5.6 percent, indicating a decline in the total unemployed from 4.9 million in February to 4.5 million in March.

The nation's employment rose by 800,000 jobs to total 67.1 million and total non-farm employment

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33% Rate Nicks Some Car Buyers

How high is the interest rate on your auto loan?

A University of California study cited by Governor Edmund G. Brown in his statement last week on *A Consumer Policy For California* reported that four-fifths of 105 buyers failed to look for any source of credit other than their car dealer. One-third of them thought they were paying only five or six percent on their loan but most were actual-

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AWOC Asks Cal-Pak Products Boycott

"Don't Buy Del Monte Brands!"

is the appeal being issued to "Mr. and Mrs. Consumer" by C. Al Green, Director of the AFL-CIO Agricultural Workers Organizing Committee in connection with a long drawn-out strike against the California Packing Corporation at a Stockton area labor camp.

A leaflet giving the background to the boycott request is being circulated by AWOC.

COMMITTEE HEARINGS

Assembly

Monday, April 15

Civil Service and State Personnel,

Room 2117, 1:30 p.m.

*AB 793 (Kennick) Public employees—collective bargaining. **Good**

AB 1380 (Z'berg) Salaries of state employees. **Bad**

AB 1381 (Z'berg) Salaries of state employees. **Watch**

AB 1384 (Meyers) State employees—polygraph examination. **Bad**

AB 1393 (Meyers) Salaries of state employees. **Good**

Education, Room 4202, 3:45 p.m.

AB 1614 (Garrigus) Technical, agricultural and forestry schools. **Bad**

Government Organization,

Room 2133, 8 p.m.

AB 458 (Petris) Workmen's compensation. **Bad**

Judiciary, Room 2170, 3 p.m.

*AB 1531 (Williamson) Jury duty. **Good**

ACA 30 (Thelin) Regulations adopted by counties and cities. **Bad**

AB 1822 (Dymally) Liability of public agencies. **Watch**

AB 1328 (Willson) Mechanics' liens. **Bad**

AB 1511 (Cusanovich) Mechanics' liens. **Watch**

Municipal and County Government,

Room 2133, 3:45 p.m.

AB 1662 (Knox) Formation of local agencies. **Watch**

AB 1663 (Knox) Urban affairs. **Watch**

AB 1194 (Knox) Firemen: maximum working hours. **Watch**

Public Health, Room 5168, 1:30 p.m.

AB 949 (Waite) Radiation control. **Watch**

Tuesday, April 16

Criminal Procedure, Room 2133, 1:30 p.m.

AB 1715 (Waldie) Arrest. **Bad**

Finance and Insurance,

Room 4202, 3:45 p.m.

AB 1785 (Chapel) Statement of interest charges. **Good**

Wednesday, April 17

Elections and Reapportionment,

Room 5168, 1:30 p.m.

AB 1512 (Petris) Elections. **Watch**

Government Efficiency and Economy,

Room 2170, 1:30 p.m.

AB 1599 (Meyers) Schools of cosmetology. **Watch**

AB 1600 (Meyers) Cosmetology. **Watch**

SB 486 (Stiern) Apprentice embalmers. **Watch**

SB 570 (Stiern) Barbers. **Good**

AB 1611 (Knox) Cosmetology. **Watch**

Industrial Relations, Room 5168, 3:45 p.m.

AB 81 (Hinckley) Relating to apprenticeship standards. **Watch**

AB 1272 (Foran) Isolated apprentices: supplemental instruction. **Watch**

AB 1749 (Warren) Relating to employee plans; employer payments. **Watch**

AB 1750 (Warren) Relating to wage deduction statements. **Good**

AB 1799 (Foran) Relating to safety in employment. **Good**

AB 545 (Gaffney) Relating to safety. **Good**

AB 546 (Gaffney) Relating to maritime industrial safety. **Watch**

AB 1287 (Casey) Wages: building and construction industry. **Good**

Revenue and Taxation,

Room 2170, 3:45 p.m.

AB 1451 (Dymally) Education sales taxes. **Bad**

Thursday, April 18

Agriculture, Room 5168, 1:30 p.m.

AB 1602 (Meyers) Poultry. **Bad**

Education, Room 4202, 3:45 p.m.

AB 1745 (Garrigus) Classified employees' sick leave. **Watch**

AB 171 (Grunsky) Changes tenure provisions. **Good**

Government Organization,

Room 2133, 1:30 p.m.

AB 1567 (Waldie) Industrial Accident Commission. **Watch**

AB 1568 (Waldie) Industrial Accident Commission. **Watch**

AB 1579 (Waldie) Public employees' political activities. **Watch**

AB 1710 (Burton) California Fair Employment Practice Act. **Good**

AB 993 (Casey) State Colleges. **Watch**

AB 234 (Britschgil) Alcoholic beverage sales hours. **Bad**

Monday, April 22

Public Health, Room 5168, 1:30 p.m.

AB 1338 (Waite) Filing of employee injury reports. **Good**

Tuesday, April 23

Criminal Procedure, Room 2133, 1:30 p.m.

AB 927 (Knox) Lie detector tests for employees. **Watch**

Finance and Insurance, Room 4202, 3:45 p.m.

*AB 481 (Foran) Repossessing and selling goods. **Good**

*AB 482 (Foran) Attachment and execution. **Good**

Senate

Monday, April 15

Business and Professions,

Room 4040, 9:30 a.m.

AB 986 (Bane) Practice of barbering. **Good**

AB 987 (Bane) Barbers. **Good**

AB 988 (Bane) Practice of barbering. **Good**

Judiciary, Room 4203, 8 p.m.

SB 655 (Lagomarsino) Arrest. **Bad**

SB 683 (Bradley) Depositions in arbitration proceedings. **Bad**

AB 1056 (Willson) Unemployment disability insurance. **Watch**

Labor, Room 5007, 11 a.m.

SB 651 (Nisbet) Relating to payment of wages. **Bad**

AJR 31 (Allen) Equal rights for women. **Watch**

AB 718 (Williamson) Farm labor contractors. **Good**

Tuesday, April 16

Insurance and Financial Institutions,

Room 4040, 1:45 p.m.

SB 804 (Dolwig) Covered employment. **Bad**

SB 877 (Short) Workmen's compensation. **Watch**

SB 691 (McCarthy) Workmen's compensation: exclusive remedy. **Bad**

*SB 782 (McAteer) Workmen's compensation: heart trouble. **Good**

SB 906 (Bradley) Compensation insurance rating organizations. **Bad**

Local Government, Room 4040, 9:30 a.m.

SB 868 (Bradley) County property. **Good**

SB 869 (Bradley) City public works. **Good**

Wednesday, April 17

Education, Room 5007, 9:30 a.m.

SB 638 (Rodda) Public school testing program. **Good**

SB 898 (Rodda) School district organization. **Watch**

AB 158 (Casey) School cafeteria personnel salaries. **Bad**

Government Efficiency,

Room 4203, 9:30 a.m.

SB 153 (Cameron) Park and recreation bonds. **Good**

SB 866 (Bradley) Fair employment practices, applicant's place of work. **Watch**

SB 892 (O'Sullivan) Alcoholic beverages: action against intoxicated person. **Bad**

AB 821 (Elliott) Employment documents. **Watch**

Thursday, April 18

Institutions, Room 2040, 10 a.m.

SB 361 (Farr) Removal of prison inmates. **Bad**

Legislative Notes

(Continued from Page 1)

Public Housing Referendum

On an eight to four roll call, the Assembly Committee on Municipal and County Government this week approved a proposed constitutional amendment (ACA 16—Dymally) which would repeal the requirement of a local referendum before a public housing project may be undertaken. The Real Estate Lobby added the referendum in the fifties and has used it effectively to block many public housing projects. Under the Dymally amendment, the vote of a city council or county board of supervisors would be sufficient to approve a public housing project.

The vote was as follows:

AYES: Alquist, Beilenson, Song, Soto, Warren, Zenovich, Quimby, and Knox Ch.—8.

NOES: Allen, Britschgi, Veneman, and Lanterman—4.

ABSENT: Burgener, Flournoy, Ryan—3.

FEPC Powers

Under AB 1246 (Song), a bill released with a favorable recommendation by the lower house Judiciary Committee this week, the State's Fair Employment Practices Commission would be given the authority to initiate complaints on substantial evidence of discriminatory practices without waiting for an individual complaint to be filed with the Commission. The roll call was as follows:

AYES: Danielson, Foran, Petris, Song, Stanton, Young, Z'berg, Johnson and Wilson (Ch.)—9.

NOES: Bagley, Dannemeyer, Marks, Stevens, and Whitmore—5.

ABSENT: Waldie—1.

Like the Fair Housing Bill currently in the lower house Ways and Means Committee, this measure has a long way to go on an increasingly rough road ahead.

Teachers

The AFL-CIO teachers this week defeated an attempt by the California Teachers' Association to repeal probationary protections against arbitrary dismissal which were extended by the 1961 Session to smaller districts. The CTA bill, AB 620, would have substituted a meaningless informal hearing in lieu of formal hearing rights established under Federation-sponsored legislation enacted in 1961. In view of a short Education Committee, however, the bill may be pressed again by the administrator-dominated "Teachers' Association.

SB 310 (Arnold) Prison production. **Watch**

SB 311 (Arnold) Prison labor and production. **Bad**

Friday, April 19

Elections, Room 3191, 9:30 a.m.

SB 620 (Cobey) Direct primary elections. **Watch**

Monday, April 22

Business and Professions,

Room 4040, 9:30 a.m.

*AB 418 (Knox) Weight of packaged goods. **Good**

SB 975 (Gibson) Contractors. **Good**

SB 1000 (Miller) Regulating the dry cleaning industry. **Bad**

SB 1001 (Miller) Regulating the dry cleaning industry. **Bad**

Revenue and Taxation, Room 4040, 1:15 p.m.

AB 316 (Veneman) Taxation of imported raw materials. **Bad**

DIGEST OF BILLS

Key to Symbols

CR Civil Rights and Civil Liberties
DI Disability Insurance
EA Employment Agencies, Private
ED Education
EL Elections
HO Housing

IN Insurance (Incl. H & W)
LC Labor Code Changes, General
LI Liens, Attachments & Writs
LS Labor Unions, Individually
LU Labor Unions, General
MI Miscellaneous
PE Public Employees
PH Public Health

RE Recreation
S Industrial Safety
SL State & Local Government
TA Taxation
TR Training & Retraining
UI Unemployment Insurance
WC Workmens Compensation
WP Water and Power

*Sponsored by the California Labor Federation, AFL-CIO

No bill may be taken up until 30 days after date of introduction indicated in Digest, except by $\frac{3}{4}$ vote.

ASSEMBLY BILLS

AB 1944 Petris (Rev. & Tax.) Personal income tax. Commencing on July 1, 1964, provides for the withholding of taxes on wages and other income currently earned, and for the filing of declarations of estimated tax. Makes various related and other changes with respect to the payment of taxes, including refunds and credits. Provides for the forgiveness of one-fourth of the tax imposed on individuals for the calendar year 1964 or for a fiscal year beginning in that calendar year. March 19. **TA—Good**

AB 1945 Petris (Rev. & Tax.) Personal income tax. Provides that no personal income tax is imposed where the tax otherwise due in the case of a single individual or a married individual filing a separate return would be less than \$5, or in the case of a married couple filing a joint return or a head of a household would be less than \$10. March 19. **TA—Good**

AB 1946 Petris (Rev. & Tax.) Bank and corporation taxes. Provides that franchise tax imposed under present law shall be payable with respect to net income of 1963 and 1964 and fiscal years beginning in those years. With respect to taxes payable under present law on or after March 15, 1964, eliminates provisions permitting general corporations to pay franchise or income tax in installments. Allows credit against franchise taxes measured by net income of 1964 or fiscal year beginning in that year for amount of one of two taxes required to be paid with respect to same income by corporation as a commencing corporation. Provides that existing provisions on commencing corporations and related provisions on the reorganization, dissolution or withdrawal of corporations shall not apply with respect to net income of years beginning on or after January 1, 1965. With respect to net income of years beginning on or after January 1, 1965, provides that franchise tax on banks and corporations shall be measured by net income of year for which tax is imposed, rather than by net income of year preceding year for which tax is imposed. Beginning in 1965, requires banks and corporations to file declarations of estimated tax and to pay the estimated tax in two installments. Imposes a franchise tax on banks and financial corporations measured by net income of 1965 and fiscal years beginning in 1965 at 5.5 percent rate. Requires that credits or refunds exceeding \$1,000 be imposed by Franchise Tax Board, and prohibits it from delegating its authority in this regard. Eliminates provision requiring approval of State Board of Control for credits or refunds exceeding \$100. March 19. **TA—Good**

AB 1947 Petris (Rev. & Tax.) Taxation of insurers. Requires insurers other than marine insurers, after January 1, 1964, to make quarterly prepayments of the tax imposed by Section 14 4/5 of Article XIII of the California Constitution. March 19. **TA—Good**

AB 1948 Petris (Rev. & Tax.) Surplus line brokers tax. Changes final date from July 1 to June 15 for years after January 1, 1965, for the payment of surplus line brokers tax. Directs that moneys received by the Insurance Commissioner from the surplus line brokers tax be credited to the Insurance Tax Fund instead of the Insurance Fund for lawful refund or deposit in General Fund. Deletes provision requiring State Controller, upon order of Director of Finance, to transfer to General Fund the unencumbered balance in the Insurance Fund at June 30th, each year, in excess of \$2,000,000. March 19. **TA—Good**

AB 1949 Petris (Rev. & Tax.) Insurance tax deduction. Eliminates principal office deduction. To take effect only if ACA 33 is adopted by the voters. March 19. **TA—Good**

AB 1950 Petris (Rev. & Tax.) Gift tax exemption. Decreases gift tax exemption from \$4,000 to \$3,000. March 19. **TA—Good**

AB 2127 Meyers (G.E. & E.) Specialty contractors. Provides that term specialty contractor includes contractor whose operations are concerned with the installation and laying of carpets, linoleum and resilient floor covering, rather than contractors whose operations are principally concerned with such installations. March 28. **LS—Watch**

***AB 2128 Meyers** (C.S. & S.P.) State employees' workweek. Provides that the regularly scheduled workweek shall not exceed 35 hours rather than 40 hours per week, and that the regularly scheduled workday shall not exceed seven hours a workday. March 28. **PE—Good**

***AB 2129 Foran** (Ind.R.) Health care facility employees. Provides for certification by State Conciliation Service, pursuant to prescribed procedures, of collective bargaining representatives of appropriate units of such employees. Requires an employer, upon request, to bargain with a repre-

sentative so certified and, if any understanding is reached, to embody that understanding, upon request, in a signed agreement. March 28. **LU—Good**

AB 2144 Cologne (G.E. & E.) Alcoholic beverages. Makes it a misdemeanor to sell or expose for sale any alcoholic beverages within $1\frac{1}{2}$ miles of a camp for children as defined. Exempts sales in bona fide eating places from prohibition, and excludes presently licensed establishments from prohibition. April 1. **LS—Bad**

AB 2147 Hinckley (C.S. & S.P.) Declares that it is policy of the State that the normal workweek of fire suppression employees of the Division of Forestry not exceed 96 hours a week. Authorizes compensation, in cash or compensating time off, for hours worked in excess of the designated normal workweek. April 1. **LS—Bad**

AB 2148 Monagan (Rls.) State and local indebtedness. Establishes State Commission on State and Local Indebtedness, composed of specified state officers and five members appointed by Governor. Also provides for joint interim committee composed of two members of Senate and two members of Assembly, to work with commission. Directs commission to study all matters relating to state and local indebtedness, including vote requirements and imposition of a ceiling on state indebtedness. Appropriates unspecified sum from General Fund for support of commission. April 1. **SL—Watch**

AB 2149 Casey (Fin. & Ins.) Unemployment insurance. Provides that unemployment compensation benefits paid are to be charged to account of base period employer in inverse chronological order of most recent employment and where there are several base period employers and last employer cannot be determined, charges for benefit are to be prorated but in no event is the maximum charge to an employer to exceed total wages paid to such individual by such base period employer. Redefines base period to be the period of 52 consecutive weeks immediately preceding the first day of the week in which the individual first files a valid claim for benefits. Repeals provisions relating to requirement for using lag period wages and also repeals provisions permitting disability compensation payments as wages. Revises schedule of weekly benefit amounts and changes base period minimum earnings requirement from minimum of \$600 to not less than \$20 in at least 20 of the weeks during the base period and makes conforming changes in affected sections and deletes provision relating to ineligibility for benefits where 75 percent of base earning was in one quarter, and revises formula used to compute maximum amount of unemployment compensation benefits. Provides that notice as to claim of benefits and request for wage information is to be sent to base period employers and the last employing unit and that the employing units are to forward such information within 10 days. Provides that employing unit failing to supply requested information is subject to \$10 penalty for each unsubmitted report and any determination made without such information is final as to charges to the reserve account of the employing unit with respect to benefits paid prior to the week in which the employer does reply. Makes this act applicable to claims effective on or after January 1, 1965. April 1. **UI—Bad**

AB 2156 Burton (Ed.) Occupational training. Appropriates \$200,000 from General Fund to Department of Education for allocation to school districts and county superintendents of schools for expenditures for occupational training of mentally or physically handicapped minors, other than for services of workshops to blind minors. Requires Department of Education to report to Legislature in 1964 and 1965 regarding experience under program. April 1. **TR—Watch**

AB 2157 Rumford (Fin. & Ins.) Unemployment insurance. Provides that where base period employer is employing, and has continuously employed, in part-time employment, an individual who is receiving unemployment compensation benefits, the employer will not have his account charged for benefits paid the individual in any week in which wages are payable to the individual. April 1. **UI—Watch**

AB 2165 Conrad (Rev. & Tax.) Motion picture property taxation. Defines cash value of motion pictures, including negatives and prints thereof, for purposes of property taxation. April 2. **TA—Watch**

AB 2166 Knox (Fin. & Ins.) Unemployment insurance emergency regulations. Provides that the adoption, amendment or repeal of a regulation of the Director of Employment based on a finding of an emergency shall not be

ASSEMBLY BILLS (Continued)

- subject to appeal to the California Unemployment Insurance Appeals Board unless the regulation remains in effect for at least 120 days and that the regulation remain in effect pending the decision of an appeal by the Appeals Board. Applies to regulations made on or after October 1, 1963. April 2. **UI—Bad**
- AB 2167 Alquist** (Agr.) Poultry markings. Authorizes agent of consumer, as well as consumer himself, to remove wholesomeness inspection markings on poultry. April 2. **LS—Bad**
- AB 2169 Waldie** (Ed.) Grants to regularly employed part-time classified school district employees the same sick leave, vacation, and other benefits granted to full-time employees in the same classified positions, to be allotted in the same ratio the part-time employment bears to full-time employment. Excepts substitute, short term, or limited term employees, unless specifically included by a governing board or by the personnel commission in those districts having a merit system. Makes act applicable to districts with a merit system. April 2. **PE—Good**
- AB 2173 Donovan** (G.E. & E.) Alcoholic beverage licenses. Limits number of onsale licenses which may be issued in a city to one for each 2,000 inhabitants in the city. Also limits offsale licenses therein to one for each 2,500 inhabitants. April 2. **LS—Watch**
- AB 2174 Donovan** (G.E. & E.) Alcoholic beverages. Revises provision authorizing the Department of Alcoholic Beverage Control to restrict the issuance of licenses to such number in a county as the department determines is in the interest of the public welfare, to delete beer and offsale beer and wine licenses from those licenses excluded from provisions of section. Authorizes department to deny an application for a license if the issuance thereof would tend to create a law enforcement problem or if issuance would result in an undue concentration of licenses and applicant fails to show that public convenience or necessity served thereby. April 2. **LS—Bad**
- AB 2181 Elliott** (Ed.) Schools—culturally disadvantaged pupils. Defines and authorizes school districts to furnish special programs for culturally disadvantaged minors. Authorizes reimbursement from State School Fund of the excess expense of such programs and prescribes maximum amounts allowable. Authorizes advance apportionments to districts to defray expenses incident to an initiation of programs. Appropriates funds to effectuate program. To take effect immediately, urgency measure. April 2. **ED—Good**
- AB 2182 Mills** (Fin. & Ins.) Definition of insurance. Includes in meaning of "insurance" a contract to furnish medical services or hospitalization, with certain exceptions, and includes in meaning of "insurer" a person who as the party agreeing to furnish such services, contracts to do so. Such person shall be deemed a nonadmitted insurer unless possessed of certificate of authority or exemption from Insurance Commissioner. April 2. **IN—Watch**
- AB 2184 Bane** (Fin. & Ins.) Unemployment insurance. Conforms provision relating to exclusion from wages for purposes of unemployment insurance, to provision of federal law excluding from wages payments under an annuity plan or a bond purchase plan. To take effect immediately, urgency measure. April 3. **UI—Watch**
- AB 2195 Henson** (G.E. & E.) Contractors. Provides that contractors' law does not apply to owner of property building thereon, either by himself or with employees, provided that such structure is not intended or offered for sale, is built for the occupancy of such owner-builder, and contains no more than three dwelling units, one of which is actual domicile of the owner-builder, rather than providing that the law does not apply to owner of property building thereon for the occupancy of such owner and not offered for sale, provided that the building does not contain more than three dwelling units in one of which the actual owner resides. Authorizes the Registrar of Contractors to take disciplinary action against any licensee whenever the grounds or cause for disciplinary action arose upon any project being undertaken on behalf of an owner or the owner's agents by such licensee. April 3. **LS—Good**
- ACA 30 Thelin** (Jud.) Declares under what conditions local, police, sanitary, and other regulations shall be deemed in conflict with general law, and therefore may not be enacted and enforced by any city, county, or city and county. Makes other technical changes. March 13. **LU & SL—Bad**
- ACA 33 Petris** (Rev. & Tax.) Taxation of insurers. In lieu of specified rates of taxes on insurers, authorizes Legislature to fix the rates thereof by majority vote. Eliminates principal office deduction. March 19. **TA—Good**
- ACA 36—Conrad** (Ed.) Superintendent of Public Instruction. Prescribes qualifications for person elected or appointed to the office of Superintendent of Public Instruction. March 27. **ED—Bad**
- ACA 37 Carrell** (G.O.) Legislature: powers and duties. Revises sequence of provisions now contained in Art. IV, combining some, and moving some to other more closely related articles. Abolishes budget sessions of Legislature and provides for annual general session of unlimited duration commencing on the first Monday after January 1 each year. Deletes provisions fixing salary and mileage allowances for legislators. Provides that any change in legislators' salary will not automatically change retirement allowances. Deletes limitation on number of days for which members may receive reimbursement for expenses while attending committee meetings. Makes other technical nonsubstantive changes. April 1. **SL—Watch**
- ACA 39 Monagan** (W. & M.) State indebtedness. Prohibits sale of bonds for state building construction or for loans to school districts for school construction if, and for so long as, bonds authorized for that purpose exceed 125 percent of sum of General Fund income and local repayment on school bonds for last completed fiscal year. April 1. **ED—Bad**
- AJR 31 Allen** (Rls.) Equal rights for women. Memorializes Congress to pass the equal rights amendment to the Constitution. March 18. **MI—Watch**
- AJR 36 Chapel** (Rls.) Amendment to Federal Constitution. Petitions Congress to propose, or call a convention to propose, an amendment to the United States Constitution, to require that proposed constitutional amendments be submitted to the legislatures of the several states automatically upon application of two-thirds of the legislatures of a proposal containing identical texts of a proposed amendment. April 3. **SL—Bad**

SENATE BILLS

- SB 1103 Cameron** (Ins. & F.I.) Insolvency and liquidation proceedings. In cases of insolvency or liquidation proceedings of insurers, establishes procedure for payment of claims for return of premiums and gives priority to payment of workmen's compensation claims over other loss claims. April 2. **WC—Watch**
- SB 1108 Miller** (B. & P.) Discrimination by licensees. Declares contrary to the public policy of this State discrimination on basis of race, color, religion, ancestry, or national origin by a real estate licensee while performing acts for which the license is required. Provides that conduct which violates that policy constitutes a violation of provision of law which permits commissioner to suspend or revoke a license, or deny the issuance thereof, if the licensee acted in a manner which would have warranted the denial of his application as a real estate licensee. April 2. **CR—Good**
- SB 1114 Rodda** (Gov.Eff.) California State Exposition and Fair. Enacts the "California State Exposition and Fair Law" and creates and prescribes membership and powers of a California Exposition and Fair Executive Committee which would succeed to all rights, powers, and responsibilities of the Board of Directors of the California State Fair and Exposition and be authorized to contract with a nonprofit corporation to construct, operate, and maintain the California State Exposition and Fair on the new site in Sacramento County adjacent to the American River. Provides for the continued management and operation of the California Exposition and Fair at the Stockton Boulevard site by the present Board of Directors of the California State Fair and Exposition until the new site is operable. April 3. **LS—Watch**
- SB 1122 Rattigan** (Ins. & F.I.) Disability insurance. Permits disability insurers to form voluntary associations to jointly develop, underwrite and offer extended health insurance to persons 65 or older; provides detailed provisions setting forth powers of and regulating such voluntary associations. April 4. **IN—Bad**
- SB 1123 Farr** (Trans.) Highway advertising. Prohibits, with certain exceptions, the placement of highway advertising within 800 feet of the edge of the right-of-way of any highway in the National System of Interstate and Defense Highways and state highway systems. Provides for the licensing, restriction and regulation of highway advertising permitted within such 800-foot area. April 4. **LS—Watch**

FISHING BILLS

- AB 1644 Hinckley** (F. & G.) Provides for nomination and election of Fish and Game Commission in same manner as members of State Board of Equalization except on a nonpartisan basis. Operative only if constitutional amendment authorizing such election is approved. March 4. **LS—Good**
- AB 1724 Pattee** (F. & G.) Pacific Grove Marine Gardens. Adds Secs. 10660, 10801, F. & G.C. Establishes described area in Pacific Grove as the Pacific Grove Marine Gardens Fish Refuge, except that fish, other than mollusca and crustaceans, may be taken by angling. March 7. **LS—Watch**
- AB 1902 Badham** (F. & G.) Marine Research Committee. Amends Sec. 727, F. & G.C. Provides for staggered four-year terms for members of Marine Research Committee, rather than two-year terms. March 18. **LS—Good**
- AB 1955 Thomas** (Rev. & Tax.) Sales tax. Adds Sec. 6385.5, R. & T.C. Exempts sales of fuel to be used in the operation of watercraft engaged in commercial deep sea fishing operations outside the territorial waters of the State. Declares that "watercraft" includes, but is not limited to, tuna seiners. March 19. **LS—Good**
- SB 990 Christensen** (F. & G.) Trawl nets: shrimps. Amends Sec. 8842, F. & G.C. Deletes permit system subject to regulation of Fish and Game Commission for use of trawl nets to take shrimp or prawns. Authorizes use of any design trawl nets with meshes at least 1½ inches in length to take shrimp or prawns, with season from April 1st to October 31st. March 18. **LS—Good**
- SB 1006 Farr** (F. & G.) Pacific Grove Marine Gardens. Adds Secs. 10660, and 10801, F. & G.C. Establishes described area in Pacific Grove as the Pacific Grove Marine Gardens Fish Refuge, except that fish, other than mollusks and crustaceans, may be taken by angling. March 19. **LS—Watch**

State AFL-CIO Backs Brown's Tax Reforms; Endorses Income Tax Withholding Plan

(Continued from Page 1)

possible to determine more specifically how the withholding plan and other key features of the overall program would work."

Based on these studies, Pitts said, "it was the unanimous opinion of the Executive Council that the Governor's program as a whole, and the proposed income tax withholding system specifically, is economically sound, fiscally necessary, and clearly in the best interests of working people and the public at large."

State income tax withholding on wage and salary income, as part of the second phase of the Governor's tax reform program, would commence in July, 1964. It would be combined with forgiveness of one-quarter of the 1964 income tax liability; a system of quarterly payments through estimated tax declarations by those who have substantial income from interest and dividends and other sources not subject to withholding; required filing of estimated tax returns by larger banks and corporations beginning in 1965; and a proposal to close the "principal office" loophole together with other reforms in the premium tax paid by private insurance carriers.

As part of the first phase of Brown's reform program, beginning in 1963, single persons now paying \$5.00 and married couples paying \$10.00 would also have their income tax liability canceled. This would add some 850,000 to the low and moderate income groups who are currently exempt from the state income tax law based on the exemptions of \$1500 for a single person, \$3000 for a married couple, plus \$600 for each dependent.

Also as part of the first phase, Pitts noted that the preliminary steps toward providing a "current" system of tax collection would be taken in January 1964. This would include: elimination of the franchise tax installment option and require corporations to pay their taxes in full when they file their returns; provide for quarterly remittance of the insurance premium tax by private carriers; and elimination of the present option enjoyed by an upper-income, eight percent who are permitted to pay their personal income tax in three installments.

The combined effect of the reform program under the time table recommended by the Governor would be to:

—Advance the payment of \$139 million to balance the Governor's 1963-64 state budget;

—Make available \$151 million toward balancing the budget in fiscal year 1964-65;

—Add about \$50 million in permanent revenues in fiscal year 1964-65, and thereafter at an increasing rate, largely through more rapid collection of revenues derived from the "growth" of the state.

"Apart from the 'windfall' aspects of the Governor's program," Pitts said, "it is the permanent enhancement of the state's revenue picture that is most significant."

"This permanent increase in revenues would come from a progressive source (ability to pay) in our tax structure — not by increasing taxes, but by updating collection methods and relating the collections more closely to the incidence of growth, primarily through income tax withholding and the filing of estimated tax returns by banks and corporations and by persons receiving significant amounts of income from non-withholding sources," Pitts pointed out.

"Our study," Pitts said, "confirms Governor Brown's statement that the program contains 'long-range benefits that will place this state in a much stronger fiscal position,' in addition to closing some 'loopholes now costing the state millions a year' and helping to distribute the tax responsibility more 'fairly' among all our citizens."

In reference specifically to the income tax withholding plan, Pitts said the Executive Council was guided by these facts:

1. The withholding system will be patterned after the federal system in its technical aspects, but only about one-half of regularly employed wage and salary workers would be subject to withholding because of the level of exemptions under our state's progressive income tax.
2. Approximately 44 percent of the state income tax yield comes from sources other than wages and salaries. Such income would be subject to the "quarterly estimate method of current payment."
3. Any over-withholding, whenever this may occur, will be readily refunded upon filing of the annual return. No one would be over-taxed, and many of those who currently escape their liability by not filing a return would be required to pay their fair share of the progressive income tax.
4. Withholding would be adapted to the type of pay period, with deductions starting with annual earnings of \$2,340 for single persons, \$4,680 for married couples, plus an exemption of \$600 for each dependent. For example,

Jobless Rates No Cause To Cheer

(Continued from Page 1)

rose to 62.8 million, about 1.4 million above one year ago.

California conformed with the national pattern according to a joint report issued this week by the Departments of Industrial Relations and Employment. The state's unemployment dropped from 500,000 to 446,000, reflecting a state unemployment rate of 6.7 percent in March compared to 7.4 percent in February. The state jobless rate, however, cannot be compared with the national rate since it is not a seasonally adjusted figure.

On the brighter side of the national report was the fact that practically all the March decline in unemployment was among adult men and women who had been looking for full time work.

But on the darker side, the Labor Department noted:

- The teenagers' jobless rate remained at 15 percent in March, continuing higher than a year ago.

- No improvement was shown in the long-term unemployed — those out of work 15 weeks or longer—which remained at 1.4 million.

- No improvement was seen in the very long-term jobless. About 700,000 persons have been without a job for more than half a year, about the same number in that status one year ago.

- Although farm employment rose somewhat more than usual from 4 million to 4.3 million in March, agricultural jobs were 400,000 fewer than one year ago.

The Labor Department's new index measuring the amount of available man hours lost to the economy through shorter hours and unemployment which is designated as labor force time lost dropped from 7.1 percent to 6.6 percent as a result of the drop in unemployment.

The nation's total labor force, including the armed services, rose to 74.4 million in March.

- the wage withholding would be 50 cents a week for a worker who has a family of four and earns \$7,500 a year.
5. The withholding system would strengthen the income tax in California as a progressive source of revenue.

The San Francisco meeting, held at the Fairmont Hotel, was a regular session of the Executive Council. Secretary-Treasurer Pitts' report on the Federation's legislative program and review of the 1963 general session to date was one of the main items on the agenda.

The Executive Council, following Pitts' report, ordered an all-out effort to press for enactment of the state AFL-CIO's legislative program in all of its major features.

In separate action, it also approved the introduction of legislation to license auto repair shops and certify the competency of mechanics for the protection of consumers.

Brown Outlines Consumer Policy for California to Curb Gouging and Cheating

(Continued from Page 1)

the simple annual interest before a credit contract is signed.

- A slash in the present maximum statutory automobile finance rate of 21 percent and enactment of a scale of maximum rates based on the age of the car.

- Full disclosure and listing of all charges and fees in connection with home loans.

- Elimination of abuses resulting from the 1½ percent monthly service charge (18 percent a year) retailers are presently permitted to charge on "outstanding balances" and study of the feasibility of cutting the 18 percent rate.

- Extension of credit law protections to sales under \$50, which are presently exempted, to provide protection for "those who need it most—low income groups who make small purchases on credit."

- Outlawing referral selling in which a buyer is led to believe he can earn money or a discount by referring customers to the seller.

- Legislation to protect the rights of the buyer in an installment contract when the seller assigns the contract to a third party.

- Outlawing provisions calling for a cancellation charge in conditional sales contracts.

- Legislation to give the buyer an option to avoid an installment sales contract if there is a wilful violation of its provisions.

In addition to the foregoing "truth-in-lending" recommendations the governor also submitted a six point truth in packaging program and called for what he called a "long overdue" study of all of our weights and measures and packaging laws.

Noting that the vast array of odd shapes and sizes in today's supermarkets makes price comparisons virtually impossible unless the shoppers are "mathematical geniuses or carry a slide rule," the

governor said he would submit legislation to:

- 1—Require the quantity of a package to be displayed on the principal display panel of the package.

- 2—Require advertisements of packaged products to state the quantity of the package next to the price.

- 3—Eliminate the "absurdity" of standard bread loaf sizes of from 15 to 17 ounces and from 1 lb. 6½ ounces to 1 lb. 9½ ounces, and outlaw the "ballooning" of small loaves into a package that appears equal to a large loaf. Instead, the governor called for a return to pre-war bread sizes of one pound and one and one-half pounds and the addition of a third size, the half-pound loaf.

- 4—Require that food that once has been frozen be so labelled.

- 5—Require carbonated processors to state the ingredients of the product on the label.

- 6—Where ingredients of a food product must be listed, require that water also be listed if it has been added.

The governor said that the complexity of modern goods and services today is such that the consumer can no longer judge competently the quality of professional repairs or the fairness of prices. As a result, "abuses have crept into all of the services industries." He said he would submit legislation "to crack down hard on cheating in both electronics repairs and automobile repairs as well as on unfair or shady practices by unethical household movers.

In addition he told the legislators that California's statutes on false and misleading advertising need strengthening and promised to submit legislation to discourage visual misrepresentation in advertising and on labels and packages.

33% Rate Nicks Some Car Buyers

(Continued from Page 1)

ly paying between 12 and 33 percent in simple annual interest.

In singling out credit as "by far the greatest" consumer problem for Californians, Governor Brown said we are paying among the highest interest and finance charges on housing in the nation. Since these charges are generally wrapped up in a lump sum monthly mortgage payment, home buyers are often almost unaware of them. But, the Governor pointed out:

"A difference of one percentage point interest in the mortgage on a middle income family home can amount to \$3,500 in the lifetime of the contract—the difference perhaps, between sending a child to college or not."

1 U.S. Family in 5 Has Annual Income Less Than \$3,000

More than one out of every five of the nation's 46 million families had incomes of less than \$3000 in 1961, according to figures recently released by the U.S. Census Bureau.

Since the nation's average family is comprised of 3.65 persons, this means that the per capita annual income for one-fifth of the citizens of the United States was less than \$822.

The Bureau's report also demonstrated once again the monetary value of education. Families headed by college graduates averaged \$9300; those headed by high school graduates averaged \$6300; those headed by elementary school graduates, \$4800; and families headed by persons who failed to finish elementary school averaged only \$3300.

The report disclosed that the average U.S. family had an income of \$5700 in 1961, up \$120 or 2 percent for the year.

The report indicated the following distribution of annual incomes among the nation's 46 million families: 10 million with less than \$3000; 9 million between \$3000 and \$5000; 10 million between \$5000 and \$7000; and 17 million with incomes of more than \$7000.

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