

STATE OF NORTH DAKOTA

Journal of the House

of the

Seventeenth Session

of the

Legislative Assembly

*Begun and held at the Capitol at Bismarck
January 4 to March 4, 1921
Inclusive*

BISMARCK TRIBUNE, STATE PRINTERS



MEMBERS OF HOUSE

Dist.	County	Name	Address
1.	Pembina	John K. Olafson	Gardar
		John Halcrow	Bowesmont
		Paul Johnson	Mountain
2.	Pt. of Ward	J. H. Burkhart	Berthold
3.	Pt. of Walsh	Gilbert Erickson	Lankin
		Aaron Levin	Park River
4.	Pt. of Walsh	Frank D. Slominski	Minto
5.	Pt. of Grand Forks	P. G. Hanson	Northwood
6.	Pt. of Grand Forks	John Freeman	Grand Forks
7.	Pt. of Grand Forks	Lawrence K. Bjorge	Thompson
8.	Traill	E. O. Ellingson	Hillsboro
		Carl E. Johnson	Hatton
		C. A. Ulland	Mayville
9.	Pt. of Cass	Robert J. Boyd	Fargo
		J. A. Jardine	Fargo
		L. L. Twitchell	Fargo
10.	Pt. of Cass	Roy Johnson	Casselton
		John G. Plath	Davenport
11.	Pt. of Cass	R. M. Sproul	Buffalo
		William Watt	Leonard
12.	Pt. of Richland	H. B. Durkee	Wahpeton
		Vacancy	
13.	Sargent	L. E. Cole	Cogswell
		J. B. Johnson	DeLamere
14.	Ransom	F. F. Babcock	Elliott
		Martin Larson	Nome
15.	Pt. of Barnes	M. O. Grangaard	Rogers
16.	Steele and Griggs	Ole L. Anderson	Binford
		S. W. Johnson	Colgate
		Wm. Bierke	Hatton
17.	Nelson	L. O. Frederickson	Pekin
		Nels Ophaug	Kloten
18.	Cavalier	A. N. Flom	Nekoma
		H. McDowell	Langdon
		Joseph McGauvren	Osnabrock
19.	Rolette	Joseph Renauld	Thorne
		James McManus	St. John
20.	Benson	John Maddock	Maddock
		Theodore Hanson	Leeds
21.	Ramsey	Martin Olson	Devils Lake
		C. A. Sagen	Edmore
		Adolph Mikkelson	Garske
22.	Towner	A. J. McLarty	Starkweather
		H. J. Botz	Cando
23.	Stutsman	S. O. Allen	Jamestown

Dist.	County	Name	Address
		Adam Preszler.....	Medina
		D. C. Wood.....	Jamestown
		A. I. Quade.....	Pingree
24.	La Moure.....	J. F. Brady.....	Jud
		J. C. Arduser.....	Marion
25.	Dickey	T. R. Shimmin.....	Forbes
		J. D. Root.....	Guelph
26.	Emmons and Kidder	Rollan V. Weld.....	Bowdon
		Fay Harding.....	Linton
		John C. Sherman.....	Steele
		Roy A. Yeater.....	Hazelton
27.	Burleigh	Harold V. Semling.....	Bismarck
		Victor L. Anderson.....	Wilton
		L. E. Heaton.....	McKenzie
28.	Bottineau	William Martin.....	Lansford
		Fred E. Sims.....	Willow City
		Nels Magnuson.....	Souris
		J. C. Miller.....	Souris
29.	Pt. of Ward.....	Andrew Johnson.....	Douglas
		A. B. Carlson.....	Minot
		J. H. Burns.....	Surrey
		B. B. Mouck.....	Minot
30.	Morton	Jacob Bollinger.....	Flasher
		J. J. Strain.....	St. Anthnoy
		J. F. Elmer.....	Hebron
31.	Stark	D. E. Shipley.....	Dickinson
		C. H. Starke.....	Dickinson
		Pius Kopp.....	Richardton
32.	Eddy and Foster..	B. C. Larkin.....	Brantford
		C. W. Reichert.....	Carrington
33.	Wells	William R. Hartl.....	Bremen
		Roy B. Weld.....	Chaseley
34.	Pt. of McHenry....	Frank Lazier.....	Barton
35.	Sheridan	J. W. Hempel.....	Denhoff
36.	McIntosh and Logan	M. W. Kelly.....	Napoleon
		Adam Nagel, Jr.....	Lehr
		Henry Nathan.....	Lehr
37.	Pt. of Richland....	J. J. Kjos.....	DeLamere
		Nels Olsgard.....	Kindred
38.	Pt. of Barnes.....	C. J. Olson.....	Valley City
39.	Billings, Bowman Golden Valley and Slope.....	O. C. Martin.....	DeSart
		Joseph A. Kitchen.....	Sentinel Butte
		Carl B. Olsen.....	Medora
40.	Burke and Divide..	C. E. Erickson.....	Crosby
		E. B. Kellogg.....	Alkabo
		Elmer Cart.....	Kenmare

Dist.	County	Name	Address
41.	Willimas and McKenzie	Geo. V. Bilquist.....	Alamo
		P. F. Doyle.....	Charlson
		Fred Eckert.....	Williston
		Kristian Hall.....	Wildrose
		George Lakie.....	Williston
42.	Pierce	L. A. Larson.....	Tunbridge
		D. L. Peters.....	Wolford
43.	Renville	G. Patterson.....	Donnybrook
44.	Mountrail	Walter Maddock.....	Plaza
		Soren Franson.....	Ross
45.	Pt. of McHenry	E. E. Bryans.....	Voltaire
46.	Pt. of McLean	A. L. Maxwell.....	Turtle Lake
		Oscar Oberg.....	Washburn
		Frank A. Vogel.....	Coleharbor
47.	Grant	William Kamrath.....	Leith
		Claude Lackey.....	Leith
48.	Mercer, Oliver and Dunn	J. B. Hagelberger.....	Beulah
		Geo. W. Morton.....	Manning
		Chas. M. Whitmar.....	Yucca
49.	Adams, Hettinger and Sioux	William Bauer.....	Stowers
		H. O. Bratsberg.....	Reeder
		O. H. Opland.....	Mott

MEMBERS OF SENATE

Dist.	County	Name	Address
1.	Pembina	Fred Van Camp	St. Thomas
2.	Pt. of Ward	John E. Fleckton	Niobe
3.	Pt. of Walsh	Christ Levang	Park River
4.	Pt. of Walsh	P. J. Murphy	Grafton
5.	Pt. of Grand Forks	J. E. Eastgate	Larimore
6.	Pt. of Grand Forks	W. S. Whitman	Grand Forks
7.	Pt. of Grand Forks	P. O. Thorson	Grand Forks
8.	Traill	H. H. McNair	Portland
9.	Pt. of Cass	H. J. Rusch	Fargo
10.	Pt. of Cass	A. G. Storstad	Horace
11.	Pt. of Cass	Peter McLachlin	Hunter
12.	Pt. of Richland	E. M. Nelson	Fairmount
13.	Sargent	Nels Petterson	Gwinner
14.	Ransom	Peter A. Berg	Englevale
15.	Pt. of Barnes	Frank E. Ployhar	Valley City
16.	Steele and Griggs	John L. Miklethum	Wimbledon
17.	Nelson	R. J. Gardiner	Brocket
18.	Cavalier	W. H. Porter	Calvin
19.	Rolette	John W. Benson	Rollette
20.	Benson	William J. Church	York
21.	Ramsey	J. E. Stevens	Lawton
22.	Towner	D. J. Beisel	Newville
23.	Stutsman	Alfred Steel	Jamestown
24.	LaMoure	F. A. Bowman	Kulm
25.	Dickey	C. A. Ward	Hazelton
26.	Emmons and Kidder	T. J. Kelsch	Fullerton
27.	Burleigh	Lynn W. Sperry	Bismarck
28.	Bottineau	A. M. Hagan	Weshope
29.	Pt. of Ward	Walter R. Bond	Minot
30.	Morton	F. W. Mees	Glen Ullin
31.	Stark	L. R. Baird	Dickinson
32.	Eddy and Foster	O. H. Olson	New Rockford
33.	Wells	James A. Wenstrom	Dover
34.	Pt. of McHenry	F. H. Kendall	Norwich
35.	Sheridan	John Nathan	Goodrich
36.	McIntosh and Logan	Jacob Schrenk	Ashley
37.	Pt. of Richland	C. W. Carey	Lidgerwood
38.	Pt. of Barnes	C. H. Noltimier	Valley City
39.	Billings, Bowman Golden Valley and Slope	Gust Wog	Belfield
40.	Burke and Divide	Ralph Ingerson	Flaxton

Dist.	County	Name	Address
41.	Williams and McKenzie	Robert Byrne.....	Arnegard
42.	Pierce	Andrew Oksendahl.....	Tunbridge
43.	Renville	B. F. Baker.....	Glenburn
44.	Mountrail	R. W. Patten.....	Plaza
45.	Pt. of McHenry....	Ole Ettestad.....	Balfour
46.	McLean	R. L. Fraser.....	Garrison
47.	Grant	O. C. Gross.....	Stebbins
48.	Mercer, Oliver and Dunn.....	A. A. Liederbach.....	Killdeer
49.	Adams, Hettinger and Sioux.....	P. B. Garberg.....	Hettinger

Journal of the House

Seventeenth Legislative Assembly

FIRST DAY

House of Representatives,
Bismarck, North Dakota,
January 4, 1921.

At the hour of twelve o'clock meridian, the fourth day of January, 1921, being the day and hour designated by the law for the convening of the Legislative Assembly of the State of North Dakota, the members-elect of the House of Representatives of the Seventeenth Session of the Legislative Assembly assembled in the House Chamber at the Capitol at Bismarck and were called to order by Geo. A. Totten, Jr., Chief Clerk of the House of Representatives of the Sixteenth Legislative Assembly of the State of North Dakota.

The session opened with prayer by Rev. H. C. Postlethwaite.

The roll being called, the following members, as certified by the Secretary of State, responded to their names as shown by the following certificate by said Secretary of State:

Dist.	County	Name	Address
1	Pembina	John K. Olafson	Gardar
		John Halcrow	Bowesmont
		Paul Johnson	Mountain
2	Pt. of Ward	J. H. Burkhart	Berthold
3	Pt. of Walsh	Gilbert Erickson	Lankin
		Aaron Levin	Park River
4	Pt. of Walsh	Frank D. Slominski	Minto
5	Pt. of Grand Forks	P. G. Hanson	Northwood
6	Pt. of Grand Forks	John T. Freeman	Grand Forks
7	Pt. of Grand Forks	Lawrence K. Bjorgo	Thompson
8	Trail	E. O. Ellingson	Hillsboro
		Carl E. Johnson	Hatton
		C. A. Ulland	Mayville
9	Pt. of Cass	Robert J. Boyd	Fargo
		J. A. Jardine	Fargo
		L. L. Twitchell	Fargo
10	Pt. of Cass	Roy Johnson	Casselton
		John G. Plath	Davenport
11	Pt. of Cass	R. M. Sproul	Buffalo
		William Watt	Leonard
12	Pt. of Richland	H. B. Durkee	Wahpeton
		C. Ness	Wahpeton
13	Sargent	L. E. Cole	Cogswell
		J. B. Johnson	DeLamere
14	Ransom	F. F. Babcock	Elliott
		Martin Larson	Nome
15	Pt. of Barnes	M. O. Grangaard	Rogers
16	Steele & Griggs	Ole L. Anderson	Binford
		S. W. Johnson	Colgate
		Wm. Bjerke	Hatton

Dist.	County.	Name.	Address.
17	Nelson	L. O. Fredrickson	Pekin
		Nels Ophaug	Michigan
18	Cavalier	A. N. Flom	Nekoma
		H. McDowall	Langdon
		Joseph McGauvren	Osnabrock
19	Rolette	Joseph Renauld	Thorne
		James McManus	St. John
20	Benson	John R. Maddock	Maddock
		Theodor Hanson	Leeds
21	Ramsey	Martin Olson	Devils Lake
		C. A. Sagen	Edmore
		Adolph Mikkelson	Garske
22	Towner	A. J. McLarty	Starkweather
		H. J. Botz	Cando
23	Stutsman	S. O. Allen	Jamestown
		Adam Preszler	Medina
		D. C. Wood	Jamestown
		A. I. Quade	Pingree
24	LaMoure	J. E. Brady	Jud
		J. C. Arduser	Marion
25	Dickey	T. R. Shimmin	Forbes
		J. D. Root	Guelph
26	Emmons & Kidder	Rollan V. Weld	Bowdon
		Fay Harding	Linton
		John C. Sherman	Steele
		Roy A. Yeater	Hazelton
27	Burleigh	Harold V. Semling	Bismarck
		Victor L. Anderson	Wilton
		L. E. Heaton	McKenzie
28	Bottineau	William Martin	Lansford
		Fred E. Simms	Willow City
		Nels Magnuson	Souris
		J. C. Miller	Souris
29	Pt. of Ward	Andrew Johnson	Douglas
		A. B. Carlson	Minot
		J. H. Burns	Surrey
		B. B. Mouck	Minot
30	Morton	Jacob Bollinger	Flasher
		J. J. Strain	St. Anthony
		J. F. Elmer	Hebron
31	Stark	D. E. Shipley	Dickinson
		C. H. Starke	Dickinson
		Pius Klopp	Richardton
32	Eddy & Foster	B. C. Larkin	Brantford
		C. W. Reichert	Carrington
33	Wells	William R. Hartl	Bremen
		Roy B. Weld	Chaseley
34	Pt. of McHenry	Frank Lazier	Barton
35	Sheridan	J. W. Hempel	Denhoff
36	McIntosh & Logan	M. W. Klely	Napoleon
		Adam Nagel, Jr.	Lehr
		Henry Nathan	Lehr
37	Pt. of Richland	J. J. Kjos	DeLamere
		Nels Olsgard	Kindred
38	Pt. of Barnes	C. J. Olson	Valley City
39	Billings, Bowman, Golden Valley & Slope	O. C. Martin	DeSart
		Joseph A. Kitchen	Sentinel Butte
		Carl B. Olson	Medora

40	Burke & Divide.....	C. E. Erickson.....	Crosby
		E. B. Kellogg.....	Alkabo
		Elmer Cart	Kenmare
41	Williams & McKenzie..	Geo. V. Bilquist.....	Alamo
		P. F. Doyle.....	Charlson
		Fred Eckert	Williston
		Kristian Hall	Wildrose
		George Lakie	Williston
42	Pierce	L. A. Larson.....	Tunbridge
		D. L. Peters.....	Wolford
43	Renville	G. Patterson	Donnybrook
44	Mountrail	Walter Maddock	Plaza
		Soren Frandson.....	Rose
45	Pt. of McHenry.....	E. E. Bryans.....	Voltaire
46	McLean	A. L. Maxwell.....	Turtle Lake
		Oscar Oberg	Washburn
		Frank A. Vogel.....	Coleharbor
47	Grant	William Kamrath	Leith
		Claude Lackey	Leith
48	Mercer, Oliver, Dunn...	J. B. Hagelberger.....	Beulah
		Geo. W. Morton.....	Manning
		Chas. M. Whitmer.....	Yucca
49	Adams, Hettinger, Sioux	William Bauer	Stowers
		H. O. Bratsberg.....	Reed
		O. H. Opland.....	Mott

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of North Dakota, this 4th day of January, 1921.

(SEAL)

THOMAS HALL,
Secretary of State.

The oath of office was administered to the members by the Hon. Judge Grace, Justice of the Supreme Court.

The House then proceeded to its organization.

Mr. Roy Johnson of Cass nominated L. L. Twichell of Cass County for Speaker.

The following named members seconded the nomination of Twichell:

Johnson of Pembina, Mr. Ness of Richland, and others.

Mr. Johnson of Steele nominated Walter Maddock of Mountrail County.

The following named members seconded the nomination of Mr. Maddock:

Mr. Vogel of McLean, Patterson of Renville, and others.

The question being upon the election of Speaker,

The roll was called and there were 111 votes cast, of which Mr. Twichell received 58 and Mr. Maddock received 53; therefore Mr. Twichell was duly declared elected. Those votes for Mr. Twichell were:

Allen, Anderson of Burleigh, Bauer, Bjorgo, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Gransgaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Nagel, Nathan, Ness, Olafson, Olsgard, Olson of Billings, Olson of Ramsey, Ophaug, Peters Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood.

Those voting for Mr. Maddock were:

Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Franson, Fredrickson, Hagelberger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Messrs. Maddock and Twichell did not vote for Speaker.

Mr. Maddock moved that the election of Mr. Twichell as Speaker be made unanimous. Mr. Maddock of Benson seconded the motion which was unanimously carried.

Messrs. Johnson of Cass and Johnson of Steele were appointed by the Chief Clerk to escort the Speaker-elect to the chair.

The oath of office was administered to the Speaker-elect by the Hon. Judge Grace of the Supreme Court.

Mr. Opland nominated Geo. A. Totten, Jr., for Chief Clerk, which nomination was seconded by Mr. Bratsberg.

Mr. Kitchen nominated C. L. Dawson for Chief Clerk, which nomination was seconded by Mr. Freeman.

The roll was called and there were 113 votes cast of which Mr. Dawson received 58 and Mr. Totten 55; therefore Mr. Dawson was declared duly elected.

Those voting for Mr. Dawson were:

Allen, Anderson of Burleigh, Bauer, Bjorge, Bollinger, Batz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Gransgaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Nagel, Ness, Olafson, Olsgard, Olson of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Those voting for Mr. Totten were:

Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Franson, Fredrickson, Hagelberger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Keflogg, Lakie, Larkin, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Nathan, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

The oath of office was administered to C. L. Dawson as Chief Clerk by the Speaker.

Mr. G. Monahan was nominated by J. Patterson for Sergeant at-Arms.

Mr. Larson of Pierce nominated Nels T. Hedalen for Sergeant-at-Arms.

The roll being called, there were 113 votes cast of which

Mr. Hedalen received 57 and Mr. Monahan received 56; therefore Mr. Hedalen was duly declared elected.

Those voting for Mr. Hedalen were:

Allen, Anderson of Burleigh, Bauer, Bjorge, Bollinger, Batz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Gransgaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Nagel, Nathan, Ness, Olafson, Olgard, Olson of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimm, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Those voting for Mr. Monahan were:

Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Franson, Fredrickson, Hagelberger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer Yeater.

A message from the Senate informed the House that the Senate was organized and was ready to transact business.

Mr. Ness introduced the following resolution and moved its adoption:

RESOLVED, That the House hereby adopts temporarily as its rules to govern its proceedings the rules in force during the Fourteenth Legislative Session. On roll call there were 58 ayes and 55 nays and the resolution was duly declared adopted.

Those voting in the affirmative were:

Allen, Anderson of Burleigh, Bauer, Bollinger, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Gransgaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Nagel, Nathan, Ness, Olafson, Olgard, Olson of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimm, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Those voting in the negative were:

Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorge, Batz, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Franson, Fredrickson, Hagelberger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Kopp, Lakie, Larkin, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Strain, Sims, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Mr. Johnson of Cass moved that the House recess for fifteen minutes.

Which motion prevailed.

AFTER RECESS

The House assembled pursuant to recess taken.

Mr. Watt of Cass placed the following persons in nomination for the positions named:

First Assistant Chief Clerk—E. M. Crary of Devils Lake.

Second Assistant Chief Clerk—Forrest F. Skinner of Bismarck.

Enrolling and Engrossing Clerk—George Richmond of Stutsman County.

Assistant Enrolling and Engrossing Clerk—J. P. Tucker of Bismarck.

Doorkeeper—Joanas Hall of Pembina.

Bill Clerk—H. L. Holdren of Medora.

Bill Room Clerk—Jacob Mack of Dickinson.

Mailing Clerk—Mose Rosensweig of Grand Forks.

Messenger and Postmaster—E. D. Skinner of Minot.

Chaplain—Bismarck ministers to be selected.

Clerk of the Appropriation Committee—Carl Mikkelson of Richland County.

Clerk of State Affairs Committee—Ernest G. Wanner of Bismarck.

Clerk of Judiciary Committee—A. E. Sheets of Nelson County.

Doorkeeper—Jacob Froelich of Sioux County.

Bill Messenger—Joseph Fetting.

Stenographer in Charge—Luella Pennebaker.

Stenographers—Amanda Nelson of Logan County; Belle Eensen of Sioux County; Blythe Hall of Morton County; Miss Myrtle Ross of Cass County; Clara Anderson of Sargent County; Geraldine Williamson of Billings County.

Pages—Douglas Galloway of Bismarck; Clare Register of Bismarck; Earl Lebo of Ransom County.

Desk Stenographer—C. H. Olsen.

The question being upon the election of the foregoing employes, the roll was called and there were 110 votes cast of which 109 voted aye, one nay, two absent and one passed.

Those voting aye were:

Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorge, Bollinger, Batz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Ellingson, Erickson of Divide, Erickson of Walsh, Flom, Franson, Freeman, Fredrickson, Gransgaard, Hagelberger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakin, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Nagel, Nathan, Ness, Oberg, Olafson, Olsgard, Olson of Barnes, Olson of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Reichert, Renauld, Root, Sagen, Semling Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Those voting nay were Mr. Elmer.

Those absent and not voting were Messrs. Eckert and Quade.

Mr. Johnson of Cass moved that the House employ C. H. Olson as desk stenographer during the session with his compensation to be fixed at the rate of eight dollars per day.

The question being on the motion to employ C. H. Olson as desk stenographer, the roll was called. There were 81 ayes, 30 nays, 1 passed and 1 absent and not voting.

Those voting aye were:

Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bjerke, Bjorge, Bollinger, Batz, Boyd, Brady, Bratsberg, Bryans, Burns, Carlson, Cart, Cole, Durkee, Ellingson, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Gransgaard, Hagelberger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larson of Pierce, Larson of Ransom, McDowell, McGauvran, McManus, Magnuson, Mikkelson, Mouck, Nagel, Ness, Olafson, Olsgard, Olson of Barnes, Olson of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Those voting nay were:

Bilquist, Burkhart, Doyle, Elmer, Franson, Hempel, Johnson of Steele, Larkin, Lazier, Levin, McLarty Maddock of Mountrail, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Nathan, Oberg, Opland, Patterson, Reichert, Renauld, Sherman, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater. Eckert passed.

Maddock of Benson absent and not voting.

Mr. Johnson of Cass introduced the following resolution and moved its adoption:

RESOLVED, That the Speaker be authorized to appoint a committee of three to inform the Governor that the House of Representatives of the Seventeenth Session of the Legislative Assembly has organized and is ready to receive any message he desires to communicate to the House.

Which motion prevailed and the resolution was adopted.

The Speaker appointed as such committee Messrs. Johnson of Cass, Maddock of Mountrail, and Olson of Ramsey.

Mr. Kelly introduced the following resolution and moved its adoption:

RESOLVED, That the Speaker appoint a committee of three to notify the Senate that the House has completed its organization and is ready for the transaction of business.

Which motion prevailed and the resolution was adopted.

The Speaker appointed as such committee Messrs. Kelly, Patterson and Plath.

Mr. Larson of Pierce moved that the Speaker appoint a committee of three on the correction and revision of the Journal.

Which motion prevailed.

The Speaker appointed as such committee Messrs. Larson of Pierce, Johnson of Steele, and Shipley.

Mr. Burns offered the following resolution and moved its adoption:

RESOLVED, That the Chief Clerk of the House of the Sixteenth Legislative Assembly be allowed the sum of six dollars per day for three days' service and railroad fare from Fargo to Bismarck, North Dakota, and return for calling the House to order as provided by law.

Which motion prevailed and the resolution was adopted.

Mr. Watt offered the following resolution and moved its adoption:

RESOLVED, That the Board of Administration be authorized and directed to furnish the Speaker and the Chief Clerk with the necessary postage during the session.

Which motion prevailed and the resolution was adopted.

Mr. Ellingson offered the following resolution and moved its adoption:

RESOLVED, That the Speaker is hereby authorized to appoint a committee of three upon mileage and per diem.

Which motion prevailed and the resolution was adopted.

The Speaker appointed as such committee Messrs. Olsgard, Jardine, and Maddock of Benson.

Mr. Watt moved that members of the House introducing bills be required to furnish three copies of the same.

Which motion prevailed.

Mr. Starke offered the following resolution and moved its adoption:

RESOLVED, That the Board of Administration be authorized and directed to furnish such supplies and postage upon signed requisitions of the members of the House as shall be necessary; and the expense of carrying out the provisions of this resolution be hereby authorized to be paid from the General fund of the state as a charge for Legislative expense.

Which motion prevailed and the resolution was adopted.

Mr. Maddock of Mountrail moved that the House proceed to draw for the selection of seats, and that such drawing be made by the Chief Clerk of the House.

Which motion prevailed.

The Chief Clerk then proceeded to draw for the selection of seats.

The committee appointed by the Speaker reported that it had notified the Senate that the House had completed its organization and was ready for the transaction of business.

The committee appointed by the Speaker to inform the Governor that the House of Representatives of the Seventeenth Session of the Legislative Assembly had organized and is ready to receive any message which he desired to communicate to the House reported that the Governor would meet the House and Senate in joint session at 2 o'clock P. M. January 5th.

The Speaker administered the oath of office to the following employes:

E. M. Crary, Forrest F. Skinner, George Richmond, J. P. Tucker, A. E. Sheets, H. L. Holdren, R. E. Herbert, Jacob Froelich, Luella Pennebaker, Amanda Nelson, Blythe Hall, Ernest G. Wanner.

Mr. Starke moved that the Speaker appoint a committee of three as part of the joint committee of the Senate to wait on the Governor and inform him that the House and Senate were organized and ready for business.

Which motion prevailed.

The Speaker appointed as such committee Messrs. Anderson of Burleigh, Starke, and Burkhart.

Mr. Miller moved that the House do now recess until one o'clock P. M. January 5th, 1921.

Which motion prevailed and the House took a recess.

C. L. DAWSON,
Chief Clerk.

FIRST DAY—AFTER RECESS

House of Representatives,
Bismarck, North Dakota,
January 5, 1921.

The House assembled after recess at 1:00 P. M.

House moved to third order of business.

Correction of Journal moved by Mr. Patterson to pass the third order of business at this time. Carried.

PRESENTATION OF COMMUNICATIONS AND
PETITIONS

Mr. Maddock asked to refer back to the sixth order of business.

And by a rising vote the resolution was unanimously adopted.

MOTIONS AND RESOLUTIONS

Mr. Whitmer introduced the following resolution and moved its adoption:

WHEREAS, The Honorable J. A. Harris, a member of the Sixteenth Session of the House of Representatives of the State of North Dakota, for the 48th Legislative District, has been called from this life to the mysteries of the great beyond; and,

WHEREAS, The members of the present House of Representatives and the House of which he was a member are united in their sorrow at the final departure of one who by his life has ever shown true devotion to the State of North Dakota and to his fellowmen; it is meet that we, the members of this legislature, pay tribute to his memory;

NOW THEREFORE, BE IT RESOLVED: That as members of the House of Representatives of the Seventeenth Legislative Assembly, we express our sympathy for his family and our esteem and regard for the Honorable J. A. Harris, as a man and a citizen, which tribute can in no way voice our deep sorrow at the loss of a man of his kindly disposition, upright character and sterling worth.

That a copy of this Resolution be engrossed and forwarded by the Chief Clerk of this house to the sisters of the late Honorable J. A. Harris.

Mr. Watt of Cass moved that the House do now adjourn.

Which motion prevailed and the House adjourned.

The courtesies of the floor were extended to James Mulloy of Grand Forks.

C. L. DAWSON,
Chief Clerk.

SECOND DAY

House of Representatives,
Bismarck, North Dakota,
January 5, 1921

The House assembled at 2 o'clock P. M. pursuant to adjournment. The Speaker presiding.

Prayer by Chaplain.

Roll call.

All members present except Mr. McGauvran who was excused.

Mr. Maddock moved that the Chair appoint a committee of three to escort Ex-Speaker Stair to the platform during the Joint Session.

The chair appointed Messrs Maddock, Ness and Eckert, who duly conducted Mr. Stair to the platform.

Mr. Grangaard moved that the chair appoint a committee of three to notify the Senate that the House is ready to go into Joint Session.

The Chair appointed Messrs. Grangaard, Jardine and Strain.

The committee reported that the Senate had been duly informed.

The Sergeant-at-Arms announced the members of the Senate.

JOINT SESSION

Roll call of the Senate.

Roll call of the House.

Senator Levang moved that a committee of five be appointed to wait upon the Governor and notify him that the Joint Session is now ready to receive him.

Which motion prevailed, and the President appointed as such committee Senators Levang and Kendall, and Representatives Maddock of Mountrail, Shimmin and Lakie.

Senator Church moved that a committee of five be appointed to wait upon the state Officials and escort them to the Joint Session, which motion prevailed, and the President appointed Senators Church, and Porter, and Representatives Cole, Mouck and Weld of Wells.

Senator Bowman moved that a committee of five be appointed to wait upon the Supreme Court and escort them to the Joint Session; which motion prevailed and the President appointed Senators Bowman, and Carey, and Representatives Mikkelson, Renauld and Sherman.

The Sergeant-at-Arms announced the arrival of the Governor-elect, State Officials and Supreme Court.

Governor Frazier was introduced to the members of the Joint Session by the President of the Senate.

Governor Frazier delivered his message.

MESSAGE FROM THE GOVERNOR

During the past four years the Legislative Assemblies of North Dakota have enacted much progressive legislation. The wishes of the majority of the people as expressed by their ballots have become laws. The Constitution of the state has been amended to provide for a workable initiative, referendum and recall which makes our state government more democratic by giving the voters a chance to more directly express themselves, and by making all public officials more directly responsible to the people. An Industrial Program has been put into operation and, while there has naturally been opposition and criticism, nevertheless a good showing has been made and there is no doubt but that the people want to see this program fully and fairly tried out. It is their privilege. They expect it and upon this there must be no compromise.

There is but little new legislation necessary at this time. Not laws, but co-operation and an earnest helpful endeavor of all our people to test and try out that which we have, is what is needed. New legislation will be required in the future to meet the changing conditions as they arise, but at the present time we are less in need of new laws than ever before. Poor crops and low prices have materially reduced the purchasing power of a vast majority of our people. The same causes have likewise reduced their ability to pay taxes. Under these extenuating conditions it is our duty, as public officials, to economize and conserve. Needless legislation means needless expense. The greatest service, you can confer is by making essential adjustments and speedily providing for the necessary appropriations, and then adjourn.

You are members of the Legislative Body and, as such, it is your duty to lay aside personal interest and to do what you believe is for the best interests of the whole state.

ECONOMY.

It was perfectly natural that, during the period of high prices and high wages, people should get the habit of freely spending, but now that the readjustment is taking place, a halt must be called and economy must be practiced. Economy is essential to progress and the state should help by setting a practical example. We must always bear in mind that the public has to 'foot the bills' and that the taxes, in whatever form, fall on the people.

HEALTH.

The health, as well as the finances, of our people must be conserved for upon it depends largely our welfare and happiness. Our County School Nurses are doing excellent work and should be encouraged. Physical training in some form should be compulsory for every pupil in our schools. Pure air is an essential to health and a preventive of disease. Proper ventilation should be required by law in every school, church and other place of public gathering.

EDUCATION

North Dakota has many excellent high schools and con-

solidated schools, yet our educational standards are still in need of improvement and especially in our rural schools where there are altogether too many poorly trained teachers. This situation is unquestionably due to the prevalent low salaries and should be regulated by law so that adequate wages will be an inducement for better qualified teachers. There is an old saying that unless the teacher amounts to something the pupil will not amount to anything.

SOLDIERS' BONUS.

The claims for soldiers' bonuses are being paid just as fast as the money is provided by the taxes for that purpose but at the present rate it is a slow process and I recommend an increase of the tax to one mill in order to facilitate these payments.

STATE COAL MINE

The law now provides that our state institutions must use lignite coal for fuel. There are approximately 75,000 tons of coal used per annum by the state. I recommend that provision be made for a state-owned coal mine to furnish this supply, as I am confident it would be a great saving and at present prices would soon pay for itself.

GREAT LAKES-ST. LAWRENCE TIDEWATER ASSOCIATION

A Great Lakes-St. Lawrence Tidewater Association has been organized and as this project when carried out will mean a cheaper and shorter market route for North Dakota, I respectfully request that you adopt a concurrent resolution, confirming and approving the participation of our state in this Association.

CORPORATIONS

The property of the Railroad Companies and of other corporations that operate in this state should be subject to the state laws just as any other property is, and should be subject to the same penalties for infringements and violations of the state laws. Judging from the recent rulings made by the Interstate Commerce Commission it would seem that they hold to have authority to grant a company, incorporated in some other state which does an interstate business, the right to come into our state and disregard our laws in purely intrastate affairs. Therefore, I urgently recommend that this Legislature memorialize Congress to enact the necessary laws to insure to each state the right to regulate its own affairs, as is guaranteed by the federal constitution

MARKETING

I also recommend that you memorialize Congress to enact legislation to provide for an honest market for farm products and to prevent the gambling in food products and other necessities of life. The present financial situation is largely due to the unfair marketing conditions which can and should be easily remedied by Congress, and must be remedied in order to place our main industry—agriculture—on a business basis. If agriculture is to be encouraged in this or any other state, it must be made a paying proposition.

LABOR LAWS

Several progressive labor laws were put upon our statute books by the last regular session of the Legislature. In my opinion, these laws when given a fair chance to be tried out will not only prove a just benefit to the workers but will also be a benefit to the employers and the general public. I recommend that these laws be left unchanged, that a fair demonstration of their workings may be had.

CONCLUSION

Public officials often find that what is right is not the easiest thing to do. In my experience during the past four years, I have observed that a great difficulty has been to find men who will do their official duty; to find men with high ideals; men with broad vision; moral, conscientious men who, by their acts and deeds, will set examples for the betterment of our state. When such men are found, they are worth infinitely more than the state can afford to pay. But, after all, a man's worth is based upon the service he renders to his fellowmen, rather than upon the salary he receives.

In conclusion, let me again urge that economy and dispatch be your motto; that political prejudice be laid aside; that we have more of the spirit of good will toward our fellowmen and that your action be such that it will have the unqualified approval of your own conscience when the work is finished.

Senator Liederbach moved that the Joint Assembly do now dissolve, which motion prevailed and the Joint Assembly dissolved.

MOTIONS AND RESOLUTIONS

Mr. Johnson of Cass moved that the Chair appoint a committee of five for regulating the number and distribution of House Journals and bills; which motion prevailed and the Chair appointed Johnson of Cass, Maddock of Mountrail, Semling, Freeman and Simms.

Mr. Pattenson then asked unanimous consent to refer to the third order of business—correction of Journal.

Mr. Patterson then asked for certain corrections of the Journal of the House for the first day, which were granted and same was duly corrected by Chief Clerk.

The Speaker administered the oath of office to the following employes: Joseph Fettig, Jacob Mack, Myrtle Ross, Belle Benson, Mose Rosensweig, Clare Register, G. Gallaway.

Mr. Watt moved that the House do now adjourn until 2 o'clock January 6th, 1921.

Which motion prevailed and the House adjourned.

C. L. DAWSON,
Chief Clerk.

THIRD DAY

House of Representatives,
Bismarck, North Dakota,
January 6, 1921.

The House assembled at 2 o'clock P. M. pursuant to adjournment.

The Speaker presiding.

Prayer by Chaplain, Rev. Alfson.

Roll call.

All members present except Mr. Patterson, who was excused.

REFERENCE OF THE JOURNAL OF THE HOUSE

The Committee on Revision and Correction of the Journal made the following report:

Mr. Speaker: Your Committee on Revision and Correction of the Journal have carefully examined the Journal of the second day and found the same correct, and recommend that the same be approved.

L. A. LARSON,
Chairman.

Mr. Larson moved that the report of the committee be adopted, which motion prevailed and the report of the committee was adopted.

Mr. Allen moved that the Speaker be authorized to appoint a committee of three members on Employment to fill any vacancies which may occur among the employes, and to name any additional employes found to be necessary. The names of such persons so presented to be reported to the House and such persons to be elected by that body as employes.

Which motion prevailed and the resolution was adopted.

The Speaker appointed as such committee, Messrs. Allen, Larson of Pierce and Kelly.

Mr. Heaton moved that the Speaker appoint a committee of nine on permanent rules, which motion prevailed and the Speaker appointed the following committee: Mr. Heaton, chairman; Messrs. Watt, Hanson of Benson, McDowell, Olsen of Billings, Eckert, Bauer, Kamrath and Starke.

Mr. Watt of Cass introduced the following resolution and moved its adoption:

WHEREAS, An examination and audit have been made of the Bank of North Dakota, the Home Builders' Association and the state-owned mill at Drake, North Dakota, and of the Mill and Elevator Association, by an accredited firm of public accountants, whose services were contracted for by the State Board of Auditors, acting by authority of and in conformity with a certain law initiated by the people and approved by an overwhelming majority of the votes cast at the recent general election held in November, 1920; and,

WHEREAS, It is impossible for the members of the Legislative Assembly to become familiar with the needs of the several state-owned industries without being placed in possession of the information which the facts and figures which the report of said accountants will furnish; and,

WHEREAS, There is not now available, in assembled form, any information such as would make plain the needs of these industries and upon which to base legislation affecting them; and,

WHEREAS, It is imperative that said information be furnished to this body for this purpose immediately; and,

WHEREAS, The State Board of Auditors, under this law, is required to submit a copy of its report of such examination and audit to the Governor and to make the same public; and,

WHEREAS, The compilation of the data and facts and figures developed by such an audit and examination, is now in process of completion; and,

WHEREAS, Said compilation could not possibly be completed in the space of time elapsing between the effective date of the law and the convening of this Legislative Assembly; and,

WHEREAS, There is a wide-spread and insistent demand, on the part of a great majority of the citizens and taxpayers of the state, that the result of the audit and examination be made public and placed in the hands of the Legislative Assembly at as early date as possible so that the Legislature may have at hand, forthwith, the information required by them to determine the present condition and needs of the several public enterprises of the State; therefore,

BE IT RESOLVED, That the House of Representatives, of the Seventeenth Legislative Assembly, do hereby direct and order its Chief Clerk, to file a formal order, in the name of the House of Representatives of the State of North Dakota, with the accounting firm of Bishop, Brissman & Co. through their representative, J. A. Cull, of Fargo, North Dakota, forthwith, to deliver to the Speaker of this House, a correct and complete copy of the result of their examination and audit, as soon as their findings have been compiled, and that the said firm of accountants be urged to complete their report as speedily as possible;

Also, that the Chief Clerk be and is hereby ordered to file with His Excellency, the Governor, a formal request that the House of Representatives be furnished with a copy of the report now being compiled by the accounting firm of Bishop, Brissman & Co., without unnecessary delay;

Also, that the order on the representative of the firm of Bishop, Brissman & Co. be served by telegraph and a copy by special messenger and notice of said order also be given the main office of the accounting company at St. Paul, by telegraph and a copy thereof forwarded to said office by registered mail; that the request on the Governor be delivered by a special messenger immediately upon the adoption of this resolution.

Mr. Patterson moved that the resolution be amended as follows:

That the Chair appoint a committee of three to confer with a like committee from the Senate, and that this resolution be referred to that committee for consideration.

Mr. Johnson of Cass moved the previous question.

Roll call was demanded by Mr. Patterson.

The roll being called there were 58 ayes and 55 nays.

Those voting in the affirmative were:

Allen, Anderson of Burleigh, Bauer, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Those voting in the negative were:

Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Franson, Fredrickson, Hagelberger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

So the motion prevailed.

The question being on the adoption of the resolution introduced by Mr. Watt,

Roll call was demanded by Mr. Patterson, and the roll being called there were ayes 57, nays 56, so the resolution was adopted.

Those voting in the affirmative were:

Allen, Anderson of Burleigh, Bauer, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Those voting in the negative were:

Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Franson, Fredrickson, Hagelberger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Kopp, Lakie, Larkin, Larson of Ransom, Lazier, Levin, McLarty, McManus, Mad-

dock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Mr. Patterson: I wish to explain my vote and ask that my remarks be put in the Journal. The information I got from the desk when I asked him how this information would be furnished, his answer to me was that one copy would be furnished to the Speaker of the House. I don't know whether it is the Speaker's intention to be the mouthpiece of this assembly or not, but as I said before I want to have this information that I am entitled to. I want each and every man to have all the information that he is entitled to, to enable them to vote intelligently on each and every proposition that comes up, and I think by doing so the majority of them will vote for the measures that will give the people the best results. I can't see what the object is in asking some outside audit company to furnish a report to the Speaker of this House as to their findings in the examination of the Bank of North Dakota. I vote no.

Mr. Watt moved that the vote by which the resolution passed be reconsidered, and the motion to reconsider be laid on the table.

Roll call demanded.

The question being on the motion to reconsider, the roll was called and there were ayes 57, nays 56, so the motion prevailed.

Those voting in the affirmative were:

Allen, Anderson of Burleigh, Bauer, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Those voting in the negative were:

Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Franson, Fredrickson, Hagelberger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Kopp, Lakie, Larkin, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Mr. Patterson moved that the expense imposed upon this legislative body for furnishing a copy of this report shall not exceed ten dollars.

Which motion was duly seconded.

The Chair ruled Mr. Patterson out of order.
The House returned to the fifth order of business.

REPORT OF STANDING COMMITTEES

Mr. Speaker: Your Committee on Employment beg to make the following report:

We do recommend that Leo Schaffer be appointed House Janitor.

Earl Robinson to be appointed clerk of the Appropriations Committee in place of Carl Mikkelson.

A. W. Carlson to be appointed Proofreader.

S. O. ALLEN,
Chairman.

The question being on the adoption of the report, the roll was called and there were ayes 109, absent and not voting 4.

Those voting in the affirmative were:

Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Franson, Freeman, Fredrickson, Grangaard, Hagelberger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGouvran, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Morton, Martin of Slope, Maxwell, Mikkelson, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Rott, Sagen, Semling, Shimmin, Sherman, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Those absent and not voting were:

Maddock of Mountrail, Miller,

So the report was adopted.

The Committee on Rules make the following report:

Mr. Speaker: Your Committee respectfully reports that it has met and had under consideration the adoption of a set of rules for the government of the House during the present session; which rules as numbered consecutively from 1 to 64, hereto attached and headed "House Rules," have been agreed upon by the Committee as a proper set of rules for the government of the House during such session, and your Committee does hereby recommend the adoption of such rules. Your Committee hereby respectfully states that the foregoing rules have been formed with due reference to the rules of the Senate and that the joint committees as recommended correspond with like committees to be named by that body. The rules hereinafter recommended are in effect the rules of the Fourteenth Legislative Assembly, except as to a

change made which requires three copies of each bill or resolution for amendment of the Constitution to be filed with the clerk, one to remain in the custody of the Chief Clerk, one for the chairman of the committee to which it refers, and one for the newspaper man reporting the legislative proceedings. This change occurs in Section 23 of the Rules of 1915, which section of said rules is 23 of the proposed rules.

The only other change occurs in Section 40 of these proposed rules and is a change in Section 40 of the rules of the House for the Fourteenth Legislative Assembly. This change consists in eliminating several of the committees for which there is no longer need, by reason of changes in the manner of handling the business of institutions, etc.; and a further change is made with respect to committees in that the number of members on several of the committees is changed, with the idea of better service.

HOUSE RULES

1. The Speaker shall take the chair at the time to which ~~the~~ the House stands adjourned, and the House shall then be called to order, and the roll of members called and the name of the absentees entered upon the Journal of the House.

2. Upon the appearance of a quorum the Journal of the preceding day shall be referred to the Committee on Revision and Correction. Any mistakes therein shall be corrected by the committee and reported to the House for action.

3. Thirty-six members of the House may order a call of the House and cause absent members to be sent for, but a call must not be made while a vote is being taken. The call being moved, the Speaker shall require those desiring the call to rise, and if thirty-six or more members shall rise the call shall be ordered. The call being ordered, the sergeant-at-arms shall close the door and allow no member to leave the room. The clerk shall then call the roll and furnish the sergeant-at-arms with a list of those members absent without leave, and that officer must proceed forthwith to find and bring in such absentees. While the House is under call no business can be transacted except to receive and act upon the report of the sergeant-at-arms and no motion is in order except a motion to suspend further proceedings under the call, and said motion shall not be adopted unless a majority of all members-elect vote in favor thereof. Upon a report of the sergeant-at-arms showing that all members who were absent without leave, naming them, are present, the call shall be at an end, and the doors shall be opened, and the business pending at the time the roll was made be proceeded with.

4. The Speaker shall preserve order and decorum and decide all questions of order subject to an appeal to the House.

5. The Speaker shall vote on all questions taken by ayes and nays (except on appeals from his own decisions) and in all elections or decisions called for by any member.

6. When the House adjourns the members shall keep their seats until the Speaker announces the adjournment.

7. Every member previous to his speaking shall rise from his seat and respectfully address "Mr. Speaker," and remain standing in his place before proceeding to speak until he is recognized by the chair.

8. When two or more members rise at the same time to speak, the Speaker must designate the member who is to speak, but in other cases the member who shall rise first and address the chair may speak first.

9. No member shall speak more than twice on the same subject without leave of the House, nor more than once until every member choosing to speak on the subject pending shall have spoken, nor shall any member occupy more than ten minutes at the first time, nor more than five minutes at the second time, without unanimous consent of the House.

10. No motion shall be debated or put unless the same be seconded. It must then be stated by the Speaker before the debate and any such motion must be reduced to writing if the Speaker or any member desires it.

11. After the motion shall be stated by the Speaker, it shall be deemed to be in possession of the House, but may be withdrawn at any time before amendment or decision, but all motions, resolutions or amendments must be entered on the Journal, whether rejected or adopted.

12. When a question is under debate, no motion shall be received but to adjourn, to lay on the table, for the previous question, to postpone to a day certain, to commit or amend, to postpone indefinitely—which several motions shall have precedence in the order which they stand arranged.

13. A motion to adjourn shall always be in order, except when a member is addressing the chair or a vote is being taken; that, and the motion to lay upon the table, shall be decided without debate.

14. The previous question shall be in this form: "Shall the main question be now put?" It shall be admitted only when demanded by a majority of the members present, and its effect shall be to put an end to all debate, and bring the House to a direct vote upon the amendments reported by a committee, if any, upon the pending amendments and then upon the main question. On a motion for the previous question, and prior to the seconding of the same, a call of the House shall be in order, but after a majority shall have seconded such motion, no call shall be in order prior to decision of the main question.

15. When the previous question is decided in the negative it shall leave the main question under debate for the remainder of the sitting unless sooner disposed of in some other manner.

16. All incidental questions of order arising after motion is made for the previous question, during the pendency of such motion, or after the House shall have determined that the main question shall be now put shall be decided, whether on appeal or otherwise without debate.

17. Petitions, memorials and other papers addressed to the House shall be presented by the Speaker or by a member in his place.

18. Every member who is present, before the vote is declared from the chair, must vote for or against the question before the House, unless the House excuses him or unless he is immediately interested in the question, in which case he must not vote.

19. When the Speaker is putting the question, no member shall walk out of, or across the House, nor when a member is speaking, shall any person entertain any private discourse, or pass between the person speaking and the chair.

20. If a question in debate contains several propositions, any member may have the same divided.

21. A member called to order must immediately sit down unless permitted to explain, and the House, if appealed to, must decide the case. If there be no appeal, the decision of the chair shall stand. On appeal no member shall speak more than once without leave of the House. When a member is called to order for offensive language there shall be no debate.

22. A bill can only be introduced on the report of a committee or on a call for bills, or by a motion for leave.

23. Every bill or resolution for amendment of the Constitution shall be in typewritten form and shall be introduced in triplicate and have endorsed thereon its title and the name of the member or the committee introducing the same. One of such triplicates shall be delivered to the chairman of the committee to which it is referred, one shall remain in the custody of the Chief Clerk until otherwise directed by the House, (and the third shall be for the use of the newspaper man reporting the proceedings of the Legislature.)

24. Every bill or resolution referred to a committee, except appropriation bills, must be returned to the House with the committee's report thereon not later than the 7th day after its reference, unless upon application by the committee an extension of time is granted within which to consider it. And in case the same is not so reported on the 7th day after its reference and such time is not extended, it shall go automatically on to the Calendar of Bills for consideration by the Committee of the Whole.

25. No appropriation bill shall be introduced, except upon the unanimous request of the Committee on Introduction of Delayed Bills, after the 25th day of the session; and, no other bill or resolution for amendment of the Constitution shall be introduced, without such request of such committee, after the 35th day of the session.

26. Every bill, memorial, order and resolution, requiring the approval of the Governor, or a change in the Constitution of the State of North Dakota, shall, after second reading, be referred to its appropriate committee, and if reported without amendment, shall pass to its third reading, unless otherwise ordered, and when amended it shall go to Committee of the Whole House.

27. All bills shall be properly engrossed before their final passage.

28. No amendment shall be received on the third reading, except to fill blanks, without unanimous consent of the House, but all bills and resolutions may be committed at any time previous to their passage. If any amendment be reported on such commitment by any other than a committee of the whole, it shall be read a second time, and the question of third reading and passage put.

29. No motion or proposition on a subject different from that under consideration shall be admitted, under color of amendment; no bill or resolution shall at any time be amended by annexing thereto, or incorporating therewith, any other bill or resolution pending before the House.

30. In forming a committee of the whole House the Speaker shall appoint a chairman to preside.

31. Bills committed to the committee of the whole House shall be read, be open to amendment, and debated by sections, unless otherwise ordered, leaving the title to be last considered; all amendments shall be noted in writing and reported to the House by the chairman.

32. All questions, whether in committee, or in the House, shall be put in the order in which they are moved, except in the case of privileged questions, and in filling blanks the largest sum and the longest time shall be first put.

33. A similar mode of procedure shall be observed with bills which have originated in and passed the Senate as with bills which have originated in the House except that they shall not be printed nor engrossed or enrolled.

34. No motion for reconsideration shall be in order unless on the same day or the day following that on which the decision proposed to be reconsidered took place, nor unless one of the majority shall move a reconsideration.

35. When notice of intention to move the reconsideration of any bill or joint resolution shall be given by a member, the clerk of the House shall retain the said bill or joint resolution until after the time during which the said motion can be made unless the same can previously be disposed of.

36. Any member who votes on the majority side of a question may move a reconsideration of the same, which motion shall be decided by a majority vote.

37. The rules of the House shall be observed in committee of the whole House so far as may be applicable except that the ayes and nays shall not be called, the previous question enforced nor the time of speaking limited.

38. A motion that the committee rise shall always be in order and shall be decided without debate.

39. No bill reported from standing or select committees or from the committee of the whole shall come up for a third reading until the first day after such report unless the House by a two-thirds vote otherwise orders.

Section 40. Standing committees shall be appointed on the following subjects:

- On Agriculture to consist of nineteen members.
- On Appropriations to consist of nineteen members.
- On Appointment to consist of a member from each senatorial district.
- On Banking to consist of eleven members.
- On Counties to consist of nine members.
- On Corporations other than municipal to consist of nine members.
- On Mines and Mining to consist of nine members.
- On Delayed Bills to consist of five members.
- On Drainage and Irrigation to consist of Fifteen members.
- On Education to consist of seventeen members.
- On Election and Election Privileges to consist of fifteen members.
- On Engrossment and Enrollment to consist of nine members.
- On Federal Relations to consist of nine members.
- On Game and Fish to consist of nine members.
- On Highways and Bridges to consist of seventeen members.
- On Insurance to consist of eleven members.
- On Rules to consist of nine members.
- On Judiciary to consist of nineteen members.
- On Live Stock to consist of nine members.
- On Cities and Municipal corporations to consist of nine members.
- On Military Affairs to consist of nine members.
- On Mileage and Per Diem to consist of three members.
- On Public Health to consist of nine members.
- On Public Debt to consist of eleven members.
- On Public Printing to consist of nine members.
- On Revision and Correction of the House Journal, to consist of seven members.
- On Railroads to consist of seventeen members.
- On School and Public Lands to consist of nine members.
- On State Affairs to consist of nineteen members.
- On Temperance to consist of fifteen members.
- On Tax and Tax Laws to consist of seventeen members.
- On Warehouse and Grain Grading to consist of fifteen members.
- On Ways and Means to consist of fifteen members.

JOINT COMMITTEES

Also Joint committees on rules on the following subjects:

- Charitable Institutions to consist of seven members.
- Educational Institutions to consist of seven members.
- Penal Institutions to consist of seven members.
- Insurance to consist of seven members.
- Labor to consist of seven members.
- Public Buildings to consist of seven members.
- Joint Rules to consist of seven members.
- State Library to consist of seven members.

41. The chairman of the committee on introduction of delayed bills shall be selected by the members of the committee. On all other committees the first-named member shall be the chairman, and, in his absence or being excused by the House,

the next member named, and so on as often as the case shall happen, shall act as chairman.

42. The committee on the introduction of delayed bills shall receive from the chief clerk all bills offered for introduction after the time for introduction as heretofore limited, and shall, on the same or the next day after receiving such bills, report to the House its conclusion whether the introduction thereof should be allowed, and if such report is unan- imously in favor of the introduction thereof the bill shall be thereupon deemed duly introduced.

43. The committee on engrossment shall examine all bills after they are engrossed and report the same to the House correctly engrossed before their third reading; said commit- tee may report at any time.

44. The committee on enrollment shall examine all House bills and memorials which have passed the two Houses, and when reported correctly enrolled, they shall be presented to the presiding officers of the House and Senate for their sig- natures, and when so signed, presented to the Governor for his approval; said committee may report at any time.

45. Select committees to whom reference shall have been made, must, in all cases, report a state of facts and their opinion to the House.

46. In all cases where a bill, order or resolution, or mo- tion shall be entered upon the Journal of the House, the name of the member moving the same shall be entered on the Journal.

47. No person shall be admitted within the bar of the House except the executive, members of the Senate, state of- ficers, judges of the supreme court and district courts, mem- bers of Congress, ex-members of the Legislative Assembly, delegates to the state constitutional convention, all federal officers of the state and reporters for newspapers, except by card of the Speaker. Any person lobbying on the floor of the House shall forfeit the privilege granted by this rule.

48. After calling the House to order the order of business for the day shall be as follows:

1. Prayer by the chaplain.
2. Calling the roll.
3. Reference to the Journal.
4. Presentations of petitions and communications.
5. Reports of standing committees.
6. Reports of select committees.
7. Motions and resolutions.
8. Unfinished business.
9. Introduction of bills and memorials.
10. First and second readings of House bills and memorials.
11. Third reading of the same.
12. Consideration of messages from the Senate.
13. First and second readings of Senate bills and memorials.
14. Third reading of the same.
15. Consideration of general orders.

49. Whenever the report of any committee of conference contains several modifications or amendments, any member

may have the same divided, and the question of concurrence taken separately upon each modification or amendment.

50. When the House has arrived at the "general orders of the day," it shall go into committee of the whole upon such orders or a particular order designated by a vote of the House, and no other business shall be in order until the whole are considered or passed, or the committee rise; and unless a particular bill is ordered up the committee of the whole shall consider, act upon, or pass the general order, according to the order of reference.

51. The Speaker may leave the chair, and appoint a member to preside, but not for a longer time than one day, except by leave of the House.

52. The rules of parliamentary practice adopted by the House of Representatives of the United States shall govern the House in all cases to which they are applicable, and in which they are not inconsistent with the standing rules of the House, and the joint rules and orders of the Senate and House of Representatives.

53. No rule of the House shall be suspended, altered or amended without the concurrence of two-thirds of the members of the whole House.

54. The hour of the daily meeting of the House shall be 2 o'clock in the afternoon, until the House directs otherwise.

55. The ayes and nays shall not be ordered unless demanded by one-sixth of the members present except on the final passage of bills, concurrent resolutions to amend the Constitution, and memorials, in which case ayes and nays shall be had without demand.

56. In case of all the members of any committee, required or entitled to report on any subject referred to them cannot agree upon any report the majority and minority may each make a special report, and any member dissenting in whole or in part, from the reasonings and conclusions of both majority and minority may also present to the House a statement of his reasonings and conclusions; and all reports, if decorous in language, and respectful to the House, shall be entered at length on the Journal.

57. No smoking shall be allowed in the House while in session.

58. No member or any other person shall remain by the clerk's desk when the ayes and nays are being called.

59. In case of any disturbance or disorderly conduct in the lobby or gallery, the Speaker or chairman of the committee of the whole shall have power to order the same to be cleared.

60. No member or officer of the House, unless he, from illness or other cause shall be unable to attend, shall absent himself from a session of the House during an entire day without first having obtained leave of absence, and no one shall be entitled to draw pay while absent more than one day without leave.

61. Neither the chief clerk nor his assistant shall permit any records or papers belonging to the House to be taken

out of their custody otherwise than in the regular course of business. The chief clerk shall report all missing bills, resolutions and papers to the Speaker; shall have general supervision of all clerical duties appertaining to the business of the House, shall perform under the direction of the Speaker, all duties pertaining to the office, and shall also keep a book showing the situation and progress of all the bills, memorials and joint resolutions.

62. At least one day's notice shall be given of the introduction of any motion or resolution calling for or involving the expenditure of any money.

63. The chairmen of the different standing committees shall send to the chief clerk's desk, to be read previous to adjournment, notice of the time and place of meeting of such committee.

64. All bills and resolutions for amendment of the Constitution shall be printed unless otherwise ordered.

Your Committee recommends that joint rules of the House and Senate be adopted on the recommendation of the House Committee on Joint Rules of the House, co-operating with like committee of the Senate, such rules to be hereafter proposed.

L. E. HEATON,
Chairman.

C. B. OLSEN,
WILLIAM KAMRATH,
H. McDOWELL,
WM. BAUER,
C. H. STARKE,
THEO. HANSEN,
FRED ECKERT,
WM. WATT,
Your Committee.

Mr. Patterson moved that the report be adopted.
Which motion prevailed, and the report was adopted.

The following employes were duly sworn in by the Speaker:
C. H. Olsen, Leo Schafer, E. W. Robinson, Earl Lebo, Jonas Hall, Geraldine Williamson.

Mr. Sproul moved that the House do now adjourn, which motion prevailed and the House adjourned.

C. L. DAWSON,
Chief Clerk.

FOURTH DAY

House of Representatives,
Bismarck, North Dakota,
January 7, 1921.

The House assembled at 2 o'clock pursuant to adjournment, the Speaker presiding.

Prayer by Chaplain.

Roll call.

All members present except Messrs. Opland and Preszler who were excused.

The Speaker administered the oath of office to the following employees: E. D. Skinner, A. W. Carlson, Clara Anderson and R. G. Catron.

REVISION AND CORRECTION OF THE JOURNAL

The Committee on Revision and Correction of the Journal have carefully examined the Journal of the third day and recommend that the same be corrected as follows: At the heading of the Journal the words "Third Day" should be inserted. On page 13 of said Journal the name "Hull" should read "Hall." On page 5 of Journal strike out lines 7-8-9-10 and 11, and lines 2-3-4-5-6 should be stricken out and inserted on page 1 after the motion made by Mr. Allen.

Other corrections offered by members which were duly made.

And when so corrected recommend that the same be approved.

L. A. LARSON,
Chairman.

Mr. Larson moved that the report of the Committee be adopted, which motion prevailed and the report was adopted.

PETITIONS AND COMMUNICATIONS

Mr. Olsgard presented the following communication:

The Holmboe Photograph Studio of Bismarck, N. D., undertakes and agrees to make one large group picture to include each member of the House and one large group picture to include each member of the Senate and undertakes to hang these two pictures in their respective chambers, said pictures to hang as permanent fixtures and become the property of the State of North Dakota.

For the above consideration and for the further consideration that the photographs be of first class workmanship, each

member of the House and Senate agrees to pay to the Holmboe Studio the sum of \$1.00 and hereby appoint the Holmboe Photograph Studio as the sole and exclusive photographers of the Seventeenth Legislative Assembly.

And moved its adoption.

Mr. Whitmer moved that the communication be laid on the table, which motion prevailed and the communication was laid on the table:

REPORTS OF STANDING COMMITTEES

Your Committee on Employment begs to report as follows:

We do recommend that R. G. Catron be appointed as Enrolling and Enrolling Clerk in place of George Richmond, resigned.

S. O. ALLEN,
Chairman.

Mr. Allen moved the report be adopted, which motion prevailed and the report was adopted.

The roll being called on the election of R. G. Catron as Enrolling Clerk, there were ayes 112 nays none, absent and not voting 1.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist Bjorke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart Cole Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Frandson, Freeman, Frederickson, Grangaard, Hagelberger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin Larson of Pierce Larson of Ransom, Lazier, Levin, McDowell, McGauvran McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelsen, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Quade, Reichert, Renauld, Root, Sagen Semling, Sherman, Shimmie, Shipley, Sims, Slominski, Sproul Starke, Stran, Ulland, Vogel, Watt, Weld, of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Preszler.

So the motion was declared carried.

MESSAGE FROM THE SENATE

Bismarck, N. D., January 7, 1921.

Mr. Speaker: I have the honor to inform you that the Senate has adopted the report of the committee relating to the number of Senate and House Journals to be mailed.

REPORT OF SELECT COMMITTEE

Mr. Speaker: Your committee appointed to determine the number of bills and journals to be printed daily and the distribution of the same, having met with a like committee from

the Senate, after conference, make the following joint report:

BE IT RESOLVED, That there be printed one thousand copies of the temporary journals of each House, and five hundred copies of the permanent journals of each House, daily, and also five hundred copies of each bill.

That a copy of the Journal of either the House or the Senate, or a copy of any Bill may be procured by any person to be mailed to him upon request made to the Bill Clerk of the House in which such bill originated.

That the mailing list for the distribution of said temporary journals shall be made up as follows:

That each member of the House or Senate shall be entitled to place the names of three persons on the mailing list to whom the said Journals of both Houses shall be mailed daily.

That in addition thereto, there be placed upon such mailing list, all state educational institutions, all public libraries, all classified high schools, and all district and county judges.

That any newspaper published in the state, any farmers' club, any women's club, or commercial club, may be placed on the mailing list at the request of any of their officers made to the Bill Clerk of either House.

That all bills and journals authorized by this resolution to be printed, shall be delivered by the printer direct to the Secretary of the Publication and Printing Commission, who shall receipt therefor to the printer.

E. A. BOWMAN,
W. R. BOND,
JOHN L. MIKLETHUN,
Committee of the Senate.

ROY JOHNSON,
WALTER MADDOCK,
JOHN FREEMAN,
HAROLD V. SEMLING,
FRED E. SIMS,
Committee of the House.

Mr. Johnson of Cass moved the report be adopted, which motion prevailed, and the report was adopted.

The following telegram was received by the Chief Clerk of the House and was duly read from the desk:

St. Paul, Minn., Jan. 7, 1921.

Hon. C. L. Dawson,
Bismarck, No. Dak.

Orders of the House received and will be complied with.
Bishop-Brissman Co.

308p.

Mr. Miller offered the following resolution:

RESOLUTION

WHEREAS, The House of Representatives of the Seventeenth Legislative Assembly did on the 6th day of January, A. D. 1921, adopt the following Resolution:

"Therefore Be It Resolved, That the House of Representatives of the Seventeenth Legislative Assembly do hereby direct and order its Chief Clerk, to file a formal order in the name of the House of Representatives of the State of North Dakota with the accounting firm of Bishop, Brissman & Co. through their representative, J. A. Cull, of Fargo, North Dakota forthwith to deliver to the Speaker of this House a correct and complete copy of the result of their examination and audit as soon as their findings have been compiled and that said firm of accountants be urged to complete their report as speedily as possible

"Also that the Chief Clerk be and is hereby ordered to file with His Excellency the Governor a formal request that the House of Representatives be furnished with a copy of the report now being compiled by the accounting firm of Bishop, Brissman & Co. without unnecessary delay.

"Also, that the order on the representative of the firm of Bishop, Brissman & Co. be served by telegraph and a copy by special messenger and a notice of said order also be given the main office of the accounting company at St. Paul by telegraph and a copy thereof be forwarded to said office by registered mail. That the request on the Governor be delivered by a special messenger immediately upon the adoption of this resolution;" and,

WHEREAS, Due to the fact than an audit report is technical in its terms and is difficult to understand, and that the methods of the different accounting firms are different, and that it will be impossible for this House to learn from the auditing report of Bishop, Brissman & Co. anything definite and particular unless the same is explained by those who made the audit and did the accounting work upon which the report is based; and

WHEREAS, It is the desire of the House of Representatives to learn all that they may concerning the state industries of North Dakota and to be assured of the correctness and accuracy of the report which has been requested; now, therefore,

BE IT RESOLVED, That the House of Representatives of the Seventeenth Legislative Assembly do hereby direct and order its Chief Clerk to file a formal order in the name of the House of Representatives of the State of North Dakota with the auditing firm of Bishop, Brissman & Company through their representative, J. A. Cull, of Fargo, North Dakota, that they shall at the time when they deliver to the Speaker of the House a copy of the result of their examination and audit of the state industries produce before the House of Representatives of the Seventeenth Legislative Assembly, sitting as a committee of the whole, all of the persons who were employed in making the examinations upon which said report is based, together with all of the persons who made up and assisted in making up said report.

Said persons to appear before this House to be examined by the members of the House and by the chairman of the Board of Auditors of the State of North Dakota as referred to in Section 369 of the Compiled Laws of North Dakota for the year 1913 as amended, as to the accuracy and correctness

of their report and the methods used and adopted in securing the information upon which it is based.

Also, that the order on the representative of the firm of Bishop, Brissman & Co. be served by telegraph and a copy by special messenger and a notice of said order also be given the main office of the accounting company at St. Paul by telegraph and a copy thereof be forwarded to said office by registered mail.

Mr. Miller moved that the resolution be adopted, which motion was duly seconded.

Mr. Kelly moved that the resolution be referred to the Committee on State Affairs, which motion was duly seconded.

The Speaker called Mr. Shipley to the chair.

Mr. Vogel made the following remarks and requested that they be printed in the Journal: The statement has been made before this House that this report we are expecting will be in the nature of a complaint. Now there have been in this House today two rival factions. On the one hand there is the suspicion that the state industries are not as they should be. There is also a suspicion that this audit is being made for political purposes. There is throughout this state today a suspicion, among 50 per cent anyway, that this auditing company is not an efficient company—their past record shows so, and I have ample proof to question the ability of that company. Now it is just as fair to ask that this audit company come before us with their report as they are coming before you and asking you to give approval to their work and pay them. I want these people here as there are some questions I want to ask them when they get here.

The Speaker resumed the chair.

The Speaker ruled Mr. Kelly's motion out of order.

The question being on the adoption of the resolution, the roll was called and there were ayes 54, nays 57, absent and not voting 2.

Those voting in the affirmative were:

Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Frandson, Fredrickson, Hagelberger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Those voting in the negative were:

Allen, Anderson of Burleigh, Bauer, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, John-

son of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Quade, Root, Sagen, Semling, Shimmin, Shipley, Sломinski, Sproul, Starke, Ulland, Wait, Wood Mr. Speaker.

Absent and not voting: Messrs. Bjorgo and Preszler.

So the adoption of the resolution was lost.

INTRODUCTION, FIRST AND SECOND READING OF
HOUSE BILLS

Messrs. Miller and Renauld introduced House Bill No. 1:

A Bill for an Act to Amend and Re-enact Section 1 of Chapter 206 of the Session Laws of 1919, as Amended by Chapter 55 of the Special Session Laws of 1919, Relating to the Levying of a Tax of Three-Fourths of One Mill Upon Each Dollar of Assessed Valuation of all Taxable Property Within the State for Each Year for the Purpose of Creating a Fund to be Known as the "Returned Soldiers' Fund," and Increasing Such Levy to One Mill.

Was read the first and second time and referred to the Committee on State Affairs.

Mr. Maddock introduced House Bill No. 2:

A Bill for an Act Appropriating Twelve Thousand (12,000) Dollars to Cover a Deficit and for the Immediate Use of the Office of the Attorney General.

Was read the first and second time and referred to the Committee on Appropriations.

Mr. Hanson moved that the House do now adjourn, which motion prevailed and the House adjourned.

C. L. DAWSON,
Chief Clerk.

FIFTH DAY

House of Representatives,
Bismarck, North Dakota,
January 8, 1921.

The House assembled at 2 o'clock P. M. pursuant to adjournment, the Speaker presiding.

Prayer by Chaplain. \

Roll call.

All members present, except Mr. Preszler, who was excused.

REVISION AND CORRECTION OF THE JOURNAL

The Committee on Revision and Correction of the Journal made the following report:

Mr. Speaker: Your Committee on revision and correction of the Journal have carefully examined the Journal of the fourth day and find the same correct and recommend that the same be approved.

L. A. LARSON,
Chairman.

Mr. Larson moved that the report of the committee be adopted, which motion prevailed and the report was adopted.

Mr. Anderson of Burleigh moved that the chair appoint a committee of three to make arrangements for committee rooms.

Which motion prevailed and the Speaker appointed Messrs. Anderson of Burleigh, Freeman and Johnson of Steele.

INTRODUCTION, FIRST AND SECOND READING OF
HOUSE BILLS

Mr. Olafson introduced House Bill No. 3:

A Bill for an Act restricting the form and liability upon obligations in writing given in payment of any speculative security.

Was read the first and second time and referred to the Committee on Judiciary.

Mr. Starke introduced House Bill No. 4:

A Bill for an Act making it a felony for a male person over the age of sixteen years of age to take indecent liberties with a child under the age of fourteen years, and providing a penalty therefor.

Was read the first and second time and referred to the Committee on Judiciary.

Messrs. Miller and Halcrow introduced House Bill No. 5:

A Bill for an Act to prohibit intoxicating liquors and beverages with exceptions for nonbeverage and sacramental purposes and provide for its enforcement and the repeal of laws in conflict therewith.

Was read the first and second time and referred to the Joint Committee on Temperance and Judiciary.

Mr. Jardine introduced the following concurrent resolution in favor of additional federal aid appropriations by Congress for highway improvement and requesting North Dakota members in Congress to support a bill for the same, particularly the McArthur bill, so-called.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

WHEREAS, The continued and accelerated improvement of highways in North Dakota is desirable and essential to the development of the state's resources and to the prosperity of the people; and,

WHEREAS, The merit and many benefits of the federal aid road act are recognized; and,

WHEREAS, The last annual allotment of federal aid under the present act is for the year ending June 30, 1921; and,

WHEREAS, The requests by the counties of the state for the improvement of highways with federal aid exceeds the total federal aid available to the state; and,

WHEREAS, The state highway departments of the United States are unanimously supporting the McArthur bill now before Congress, which measure provides for further federal aid to the states in highway improvement; therefore,

BE IT RESOLVED by the House of Representatives of the State of North Dakota, the Senate concurring:

That the 17th Legislative Assembly does express its approval of the continuance of federal aid to aid the states in the improvement of highways and respectfully recommends, to each North Dakota senator and representative in Congress (in office and -elect), that he support the said McArthur bill; and

BE IT FURTHER RESOLVED, That a copy of this resolution be sent to the members of Congress above mentioned.

Which was read and referred to the Committee on Highways.

Mr. Whitmer moved that the House do now revert back to the seventh order of business, which motion prevailed.

Mr. Whitmer moved that the vote by which the Olsgard resolution was tabled be reconsidered. Which motion prevailed.

Mr. Patterson moved the adoption of the resolution, which motion prevailed and the resolution was adopted.

Mr. Maddock moved that the House take a recess for 30 minutes, which motion prevailed and the House took a recess.

AFTER RECESS

The House reassembled pursuant to recess taken.

Mr. Mikkelson moved that the House do adjourn, which motion prevailed and the House adjourned.

C. L. DAWSON,
Chief Clerk.

SEVENTH DAY

House of Representatives,
Bismarck, North Dakota,
January 10, 1921.

The House assembled at two o'clock P. M., pursuant to adjournment.

Prayer by the Chaplain.

Roll call. All members present except Messrs. Brady, Bratsberg, Kopp, Maxwell and Vogel, who were excused.

REVISION AND CORRECTION OF THE JOURNAL

The committee on Revision and Correction of the Journal made the following report:

Mr. Speaker: Your Committee on Revision and Correction of the Journal have carefully examined the Journal of the fifth day and recommend that the same be corrected as follows: On page one line 13 from the bottom, insert the words "of Burleigh" after the name "Mr. Anderson."

And when so corrected recommend that the same be approved.

L. A. LARSON,
Chairman.

Mr. Larson moved that the report of the committee be adopted, which motion prevailed and the report was adopted.

Mr. Grangaard moved that a committee of three be appointed to confer with a committee of like number to be selected by the Senate to draft appropriate resolutions to express the sentiments of the Legislative Assembly on the death of Hon. Edward Engerud, formerly one of the justices of the North Dakota Supreme Court, which motion prevailed.

Mr. Maddock of Benson moved that the rules be suspended and that House Bill No. 2 be considered properly engrossed and that said bill be placed on third reading and final passage.

Mr. Speaker called Mr. Anderson of Burleigh to the Chair.

Mr. Speaker resumed the chair.

Vote being taken on the motion of Mr. Maddock, the motion was lost.

MESSAGE FROM THE SENATE

Bismarck, N. D., January 10, 1921.

Mr. Speaker: I have the honor to transmit the following concurrent resolution:

CONCURRENT RESOLUTION

In favor of additional federal aid appropriations by Congress for highway improvement and requesting North Dakota Members in Congress to support a bill for the same, particularly the McArthur bill so-called.

WHEREAS, the continued and accelerated improvement of highways in North Dakota is desirable and essential to the development of the state's resources and to the prosperity of the people; and

WHEREAS, the merit and many benefits of the federal aid road act are recognized; and

WHEREAS, the last annual allotment of federal aid under the present act is for the year ending June 30, 1921; and

WHEREAS, the requests by the counties of the state for the the improvement of highways with federal aid exceeds the total federal aid available to the state; and

WHEREAS, the state highway departments of the United States are unanimously supporting the McArthur bill now before Congress, which measure provides for further federal aid to the states in highway improvement; therefore

BE IT RESOLVED by the Senate of the State of North Dakota, the House of Representatives concurring:

That the Seventeenth Legislative Assembly does express its approval of the continuance of federal aid to aid the states in the improvement of highways and respectfully recommends, to each North Dakota Senator and Representative in Congress (in office and -elect), that he support the said McArthur Bill, and

BE IT FURTHER RESOLVED, that a copy of this resolution be sent to the members of Congress above mentioned.

Which the Senate adopted and your favorable consideration is respectfully requested.

Very respectfully,

W. J. PRATER,
Secretary.

Mr. Patterson moved that the House concur in the resolution, which motion was duly seconded.

Mr. Kelly moved as a substitute motion that the resolution be referred to committee, which motion was duly seconded, and on vote being taken the motion prevailed.

The Speaker announced the following Chairmen of standing committees of the House:

On Agriculture—Anderson of Burleigh.
Appropriations—Watt of Cass.
Apportionment—Olsgard of Richland.
Banking—Grangaard of Barnes.

Counties—Patterson of Renville.
 Corporations other than Municipal—Allen of Stutsman.
 Mines and Mining—Olsen of Billings.
 Delayed Bills—Plath of Cass.
 Drainage and Irrigation—Ness of Richland.
 Education—Kitchen of Golden Valley.
 Election and Election Privileges—Shipley of Stark.
 Engrossment and Enrollment—Preszler of Stutsman.
 Federal Relations—Johnson of Pembina.
 Game and Fish—Bauer of Sioux.
 Highways and Bridges—McGauvran of Cavalier.
 Insurance—Johnson of Cass.
 Rules—Heaton of Burleigh.
 Judiciary—Starke of Stark.
 Live Stock—Mouck of Ward.
 Cities and Municipal Corporations—Freeman of Grand
 Forks.
 Military Affairs—Carlson of Ward.
 Mileage and Per Diem—Olsgard of Richland.
 Public Health—Sagen of Ramsey.
 Public Debt—Maddock of Benson.
 Revision and Correction of the Journal—Johnson of Ward.
 Railroads—Root of Dickey.
 Public and School Lands—Hanson of Grand Forks.
 State Affairs—Olson of Ramsey.
 Temperance—Maddock of Mountrail.
 Tax and Tax Laws—Jardine of Cass.
 Warehouse and Grain Grading—Larson of Pierce.
 Ways and Means—Kelly of Logan.

INTRODUCTION, FIRST AND SECOND READING OF
 HOUSE BILLS

Mr. Bauer introduced House Bill No. 6:

A Bill for an Act to Amend and Re-enact Section 7949 of North Dakota, 1913, Relating to Continuances of Cases.

Was read the first and second time and referred to the committee on Judiciary.

Mr. Bauer introduced House Bill No. 7:

A Bill for an Act Providing for the Appointment of County Brand Inspectors; Defining the Duties of Railways in the Shipment of Certain Stock; Penalty.

Was read the first and second time and referred to the committee on State Affairs.

The Speaker appointed the following committee to draft proper resolutions relative to the death of Hon. Edward Engerud: Messrs. Grangaard, Jardine and Hall.

Mr. Allen moved that the House do now adjourn, which motion prevailed and the House adjourned.

C. L. DAWSON,
 Chief Clerk.

EIGHTH DAY

House of Representatives,
Bismarck, North Dakota,
January 11, 1921.

The House assembled, pursuant to adjournment.

Prayer by Chaplain.

Roll Call. All members present except Messrs. Brattsburg, Hardeing, Larkin, Opland, who were excused.

The Speaker announced the following Committees:

AGRICULTURE: Anderson of Burleigh, Chairman; McDowell, Weld of Kidder, Erickson of Walsh, Babcock, Slominski, Brady, Johnson of Traill, Martin of Slope, Quade, Doyle, Mouck, Frandson, Kopp, Morton, Nathan, Opland, Kjos, Botz.

APPROPRIATIONS: Watt, Chairman; Freeman, Maddock of Benson, Johnson of Pembina, Whitmer, Root, Larson of Ransom, McGauvran, Frederickson, Mikkelson, Kellogg, Bollinger, Lakie, Kelly, Maxwell, Lackey, Olsgard, Olsen of Billings, Peters.

STATE AFFAIRS: Olson of Ramsey, Chairman; Johnson of Cass, Maddock of Mountrail, Olafson, Burkhardt, Ulland, Strain, Sproul, Eckert, Durkee, Bryans, Cole, Kamrath, Flom, Hanson of Benson, Allen, Heaton, Burns, Nagel.

JUDICIARY: Starke, Chairman; Grangaard, Larkin, Halcrow, McManus, Ellingson, McLarty, Plath, Brady, Ophaug, Johnson of Steele, Sagen, Olson of Barnes, Semling, Bilquist, Larson of Pierce, Morton, Bauer, Strain.

TEMPERANCE: Maddock of Mountrail, Chairman; Halcrow, Hanson of Grand Forks, Miller, Ellingson, Reichert, Mikkelson, Anderson of Griggs, Johnson of Ward, Olson of Barnes, Kjos, Doyle, Root, Opland, Johnson of Traill.

HIGHWAYS AND BRIDGES: McGauvran, Chairman; Plath, Eckert, Olafson, Hagelbarger, Erickson of Walsh, Johnson of Sargent, Bjerke, Wood, Renauld, Shimmin, Hartl, Kjos, Hall, Olsen of Billings, Oberg, Jardine.

INSURANCE: Johnson of Cass, Chairman; Peters, Lazier, Johnson of Pembina, Arduser, Jardine, Magnuson, Preszler, Kopp, Hall, McDowell.

TAX AND TAX LAWS: Jardine, Chairman; Lackey, Kellogg, Ness, Patterson, Elmer, Olafson, Bratsberg, McDowell,

Larkin, Bollinger, Hempel, Shipley, Olsgard, Larson of Pierce, Sherman, Bauer.

BANKING: Grangaard, Chairman; Olsen of Billings, Vogel, Ellingson, Miller, Botz, Weld of Wells, Preszler, Kamrath, Plath, Lackey.

WAREHOUSE AND GRAIN GRADING: Larson of Pierce, Chairman; Cole, Patterson, Slominski, Levin, Durkee, Frederickson, Freeman, Yeater, Sagen, Cart, Allen, Heaton, Frandson, Kopp.

EDUCATION: Kitchen, Chairman; Sproul, Johnson of Steele, Halcrow, Burkhardt, Freeman, Hanson of Benson, Bjorgo, Miller, Cole, Lazier, Sagen, Hempel, Shimmin, Erickson of Divide, Semling, Ophaug.

REVISION AND CORRECTION OF THE JOURNAL

The committee on revision and correction of the journal made the following report:

MR. SPEAKER:

Your committee on revision and correction of the journal have carefully examined the Journal of the 6th day and recommend that the same be corrected as follows:

Line 17, page 3, "Game and Fish—Bauer of Adams" should be changed to "Game and Fish—Bauer of Sioux."

And when so corrected recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

Mr. Johnson of Ward moved that the report be adopted, which motion prevailed and the report was adopted.

We the committee appointed to prepare suitable resolutions relating to the recent death of Judge Engerud, beg leave to report as follows:

That the following Memorial be printed in the journal of the House and the Senate, and a certified copy thereof duly authenticated sent to his family.

That the flag on the Capitol, and other state buildings be displayed at half mast to-morrow afternoon.

That the legislative assembly recess tomorrow from 2:30 P. M. until 3:00 P. M.

Respectfully submitted,
M. O. GRANGAARD
KRISTIAN HALL
J. A. JARDINE

Mr. Grangaard moved that the report be adopted, which motion prevailed and the report was adopted.

MEMORIAL

The North Dakota Legislative Assembly unites with the people of North Dakota in general in deploring the untimely death of Hon. Edward Engerud, a former Justice of the Supreme Court of this state. We view his departure from our midst with profound sorrow, and extend to his devoted widow and children our deepest sympathy. In his death the state has lost a noble man, an upright citizen and a great jurist. He died as he lived, engaged in unselfish service, and departed from earthly scenes as quietly as he was wont to go about in the performance of his daily duties.

We place on permanent record this memorial of our admiration for the successful lawyer, our esteem for the judge, and our love for the man. We

“Loved him because he was human—as human a man
as you’ll find;
Real to the core of his being with a soul that was
blessed and kind;
Friend of the needy in trouble; cheer of the struggler
in strife;
Sowing the seeds that bring blossoms all down the way
of his life;
Gentle of speech and in manner; modest and simple
and true;
Leaving this world of ours better just for his having
passed through.”

Mr. Anderson of Burleigh, Chairman of the committee on committee rooms, reported progress.

Mr. Bauer moved that the House do now adjourn, which motion prevailed and the House adjourned.

C. L. DAWSON,
Chief Clerk.

NINTH DAY

House of Representatives,
Bismarck, North Dakota,
January 12, 1921.

The House assembled at 2 o'clock P. M., pursuant to adjournment.

Prayer by Chaplain.

Roll Call. All members present except Messrs. Bratsberg and Larkin, who were excused.

PETITIONS AND COMMUNICATION

Buffalo, Cass Co., North Dakota.

To the members of the Legislature from Cass County:

We, the undersigned taxpayers of Buffalo School District, petition you to introduce and use your best efforts to have passed at the next session of the legislature a bill to more evenly distribute the taxation for maintaining high schools in villages or rural districts. As it is now, a few are burdened with heavy taxation, and others receive the same benefit with practically no tax. In districts where high schools are maintained, it costs \$1.00 per acre per year, or more, for tax, while in adjoining school districts the tax on the land is about 40c per acre per year. The high school must educate the pupils of the adjoining districts.

We ask that either the state levy a tax and maintain a fund to defray all expenses of the rural and village high schools and have the state decide where such high schools should be located, or that the state should be redistricted and the high school given enough territory to lessen the tax burden for them.

ED KRINGLER AND 67 OTHERS.

To Chas. M. Whitmer, Representative from Oliver County, N. D.

We, the undersigned residents and tax payers of Oliver County, N. D., petition you to get a law passed authorizing the payment of an adequate compensation to all election boards for the work done at the general election, Nov. 2nd, 1920, and the payment of an adequate compensation for all work to be done by future election boards.

H. E. Henke AND 61 OTHERS.

The Speaker announced the appointment of the following additional committees as provided for under the rules:

COUNTIES: Patterson, Chairman; McGauvran, Erickson, Martin of Bottineau, Kitchen, Cart, Olsgard, Hartl, Larson of Ransom.

CORPORATIONS OTHER THAN MUNICIPAL: Allen, Chairman; Sproul, Harding, Anderson of Burleigh, Reichert, Johnson of Ward, Opland, Grangaard, Bjorgo.

CITIES AND MUNICIPAL CORPORATIONS: Freeman, Chairman, Semling, Sherman, Flom, Burns, Maddock of Mountrail, Johnson of Traill, Hanson of Benson, Jardine.

DELAYED BILLS: Plath, Chairman; Shipley, Larson of Pierce, Olsgard, Johnson of Traill.

DRAINAGE AND IRRIGATION: Ness, Chairman; Ulland, Bjerke, Lakie, Shimmin, Patterson, McGauvran, Simms, Freeman, Maddock of Benson, Olafson, Slominski, Jardine, Johnson of Sargent, Babcock.

ELECTION AND ELECTION PRIVILEGES: Shipley, Chairman; Heaton, Weld of Wells, Kjos, Doyle, Bauer, Renauld, Ophaug, Frandson, Bollinger, Hagelbarger, Ulland, Brady, Erickson of Walsh, Johnson of Pembina.

ENGROSSMENT AND ENROLLMENT: Preszler, Chairman; Sherman, Boyd, Simms, Sagen, Kellogg, Mouck, Bryans, Kitchen.

FEDERAL RELATIONS: Johnson of Pembina, Chairman; Maddock of Mountrail, Kopp, Hempel, Wood, Johnson of Cass, Weld of Kidder, Johnson of Traill, Maxwell.

GAME AND FISH: Bauer, Chairman; Durkee, Whitmer, Root, Botz, Lazier, Olson of Ramsey, Yeater, Slominski.

LIVE STOCK: Mouck, Chairman; Shimmin, McLarty, McManus, Olafson, Whitmer, Kjos, Root, McDowell.

MINES AND MINING: Olsen of Billings, Chairman; Burkhardt, Heaton, Lakie, Bollinger, Oberg, Lackey, Morton, Kopp.

MILITARY AFFAIRS: Carlson, Chairman; Starke, Maddock of Mountrail, Semling, Yeater, Boyd, Bjorgo, Cart, Preszler.

PUBLIC HEALTH: Sagen, Chairman; Sproul, Bryans, Carlson, Martin of Bottineau, Ophaug, Lazier, Botz, Babcock.

PUBLIC DEBT: Maddock of Benson, Chairman; Kitchen, Johnson of Steele, Quade, Durkee, McManus, Mikkelson, Weld of Kidder, Watt, Martin of Bottineau, Patterson.

PUBLIC PRINTING: Lackey, Chairman; Boyd, Strain, Quade, Johnson of Steele, Burns, Babcock, Cole, Flom.

RULES: Heaton, Chairman; Watt, Hanson of Benson, McDowell, Olsen of Billings, Eckert, Bauer, Kamrath, Starke.

REVISION AND CORRECTION OF THE JOURNAL: Johnson of Ward, Chairman; Preszler, Weld of Kidder, Bjorgo, McLarty, Semling, Larkin.

RAILROADS: Root, Chairman; Plath, Maddock of Mountrail, Shipley, Reichert, Nagel, Bilquist, Lackey, Harding, Olsen of Billings, Levin, Johnson of Cass, Larson of Ransom, Wood, Vogel, Peters, Burns.

SCHOOL AND PUBLIC LANDS: Hanson of Grand Forks, Chairman; Ulland, Opland, Nathan, Frederickson, Carlson, Oberg, Quade, Larson of Ransom.

WAYS AND MEANS: Kelly, Chairman; Wood, Maddock of Benson, Johnson of Sargent, Levin, Sproul, Martin of Slope, Mouck, Renauld, Boyd, Bjerke, Ulland, Oberg, Olson of Barnes, Starke.

APPORTIONMENT: Olsgard, Chairman; First District, Halcrow; Second District, Burkhardt; Third District, Erickson of Walsh; Fourth District, Slominski; Fifth District, Hanson; Sixth District, Freeman; Seventh District, Bjorgo; Eighth District, Ellingson; Ninth District, Jardine; Tenth District, Johnson of Cass; Eleventh District, Watt; Twelfth District, Ness; Thirteenth District, Johnson of Sargent; Fourteenth District, Larson of Ransom; Fifteenth District, Grangaard; Sixteenth District, Johnson of Steele; Seventeenth District, Ophaug; Eighteenth District, McGauvran, Nineteenth District, Renauld; Twentieth District, Maddock of Benson; Twenty-first District, Olson of Ramsey; Twenty-second District, Botz; Twenty-third District, Allen; Twenty-fourth District, Brady; Twenty-fifth District, Root; Twenty-sixth District, Harding; Twenty-seventh District, Heaton; Twenty-eighth District, Simms; Twenty-ninth District, Johnson of Ward; Thirtieth District, Strain; Thirty-first District, Shipley; Thirty-second District, Reichert; Thirty-third District, Hartl; Thirty-fourth District, Lazier; Thirty-fifth District, Hempel; Thirty-sixth District, Kelly; Thirty-eighth District, Olson of Barnes; Thirty-ninth District, Kitchen; Fortieth District, Erickson of Divide; Forty-first District, Eckert; Forty-second District, Larson of Pierce; Forty-third District, Patterson; Forty-fourth District, Frandson; Forty-fifth District, Bryans; Forty-sixth District Oberg; Forty-seventh District, Lakie; Forty-eighth District, Morton; Forty-ninth District, Bauer.

JOINT COMMITTEES

JOINT RULES: Eckert, Chairman; Starke, Hanson of Benson, McDowell, Kamrath, Heaton, Watt.

REVISION AND CORRECTION OF THE JOURNAL

The committee on revision and correction of the journal made the following report:-

Mr. Speaker: Your committee on revision and correction of the journal have carefully examined the Journal of the 8th day and recommend that the same be corrected as follows: On the roll call Mr. Anderson of Burleigh should be marked present.

And when so corrected recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Anderson, Chairman of the Committee on Committee Room reported further progress.

The House at this time in conformity with the resolution passed relative to the death of Hon. Edward Engerud, stood at recess.

AFTER RECESS

The House assembled after recess, the Speaker presiding.

INTRODUCTION, FIRST AND SECOND READING OF HOUSE BILLS

Mr. Lakie introduced:

House Bill No. 8: A Bill for an Act Entitled, an Act to Amend Chapter 7739 of the Compiled Laws of North Dakota for the Year 1913, and Relating to Cases in which only Absolute Exemptions are allowed.

Was read the first and second time and referred to the committee on State Affairs.

Mr. Lakie introduced:

House Bill No. 9: A Bill entitled, An Act to Protect Trade Mark of Workmen's Unions and the Wearing of Union Buttons.

Was read the first and second time and referred to the committee on Judiciary.

Mr. Lakie introduced:

House Bill No. 10: A Bill entitled, An Act Creating a Mechanics' and Laborers' Lien.

Was read the first and second time and referred to the committee on Judiciary.

Mr. Lakie introduced:

House Bill No. 11: A Bill entitled, An Act to Amend Chapter 7567 of the Compiled Laws of North Dakota for the Year 1913, and Relating to Garnishments.

Was read the first and second time and referred to the committee on Judiciary.

Mr. Lakie introduced:

House Bill No. 12: A Bill for an Act to create a State Board of Electricians and prescribing the duties thereof, providing for the Classification, Examination and Licensing of Electricians and Electrical Workers, prescribing fees for such Examination and License, and providing for inspection of electrical work through the Commissioners of Insurance under the Direction of the State Board.

Was read the first and second time and referred to the committee on State Affairs.

Mr. Lakie introduced:

House Bill No. 13: A Bill for an Act entitled, An Act to Regulate the Hours of Work on Public Work.

Was read the first and second time and referred to the committee on State Affairs.

Mr. Lakie introduced:

House Bill No. 14: A Bill entitled, An Act Relating to Interfering with Rights of Employees.

Was read the first and second time and referred to the committee on State Affairs.

Mr. Lakie introduced:

House Bill No. 15: A Bill for an Act entitled, An Act providing for the Examination, Certification and Registration of Master and Journeyman Plumbers, prescribing powers and duties of the State Board of Health in reference thereto, and providing penalties for a violation of the provision hereof.

Was read the first and second time and referred to the committee on State Affairs.

Mr. Lakie introduced:

House Bill No. 16: A Bill for An Act Relative to Scaffoldings and Providing Safety Appliances in Construction Work.

Was read the first and second time and referred to the committee on State Affairs.

Mr. Semling introduced:

House Bill No. 17: A Bill for an Act to Make Unlawful the Unauthorized Use of the Name, Insignia of, or the Impersonation of the Membership in the American Legion, and Providing a Penalty for the Violation Thereof.

Was read the first and second time and referred to the committee on Military Affairs.

The courtesies of the floor were extended to L. C. Dawson, M. R. Richmond, Wm. Place, J. J. Coyle, Mr. Wilde, J. B. Tinger, and Miss Elsie Burr.

Mr. Hanson of Grand Forks moves that the House do now adjourn, which motion prevailed, and the House adjourned.

C. L. DAWSON,
Chief Clerk.

TENTH DAY

House of Representatives,
Bismarck, North Dakota,
January 13, 1921.

The House assembled at 2 o'clock P. M., pursuant to adjournment.

Prayer by Chaplain.

Roll Call. All members present except Messrs. Bratsberg and Larkin, who were excused.

PETITIONS AND COMMUNICATIONS

To M. O. Grangaard, Member of House of Representatives:

We, the Members of the Woman's Study Club of Wimbledon, believing that our educational institutions are facing a crisis, owing to the financial situation, urge, therefore, that you, as a legislator, use your utmost influence to secure for North Dakota a mill tax.

MRS. A. B. HEMP AND 12 OTHERS.

Hon. Joseph McGauvran,
Bismarck, N. Dak.

Dear Sir:

We, the County Commissioners of Cavalier County, believing that the present law on the Sheriff's mileage and livery is very unjust; we respectfully petition you to see if some bill cannot be passed which will give the Sheriff a set price for mileage which will be enough to pay the necessary expenses without having the livery attached.

We do not believe that the Sheriff should get both livery and mileage. Kindly look into this matter and see if you can get some bill through that will simplify the Sheriff's expenses.

Yours very truly,

SAM IVERSON,
Chairman.
OLE AXVIG,
NEIL NICOLSON,
ROBT. D. HUNTER,
LOUIS ROSE
County Commissioners.

REVISION AND CORRECTION OF THE JOURNAL

The committee on revision and correction of the journal made the following report:

Mr. Speaker: Your committee on revision and correction of the journal have carefully examined the Journal of the Ninth day and recommend that the same be corrected as follows: On page one, line ten from the bottom of page should be stricken out and the words "Ed Kringler and 67 others" should be inserted.

The name "Davison" in the seventh from the bottom on page 5 should be stricken out and the name "Dawson" inserted.

And when so corrected recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

Mr. Johnson moved that the report of the committee be adopted, which motion prevailed and the report was adopted.

REPORT OF SELECT COMMITTEES

Mr. Speaker: Your committee on Joint Rules recommend the following 1919 Joint Rules:

JOINT RULES

1. Each House shall transmit to the other all papers on which any bill or resolution shall be founded.
2. When a bill or resolution which shall have passed in one House is rejected in the other, notice thereof shall be given to the House in which the same may have passed.
3. Messages from one House to the other shall be communicated by the Secretary of the Senate and Clerk of the House of Representatives, unless the House transmitting the message shall especially direct otherwise.
4. It shall be in the power of either House to amend any amendment made by the other to any bill or resolution.
5. In every case of a difference between the two Houses upon any subject of legislation, if either House shall request a conference and appoint a committee for that purpose, and the other House shall also appoint a committee, such committee shall meet at such hour and place as shall be agreed on by the Chairman; and state to each other, verbally, or in writing, as either may choose, the reasons of their respective Houses, and confer freely thereon; and they shall be authorized to report to their respective Houses such modifications as they think advisable.
6. It shall be in order for either House to recede from any subject matter of difference existing between the two Houses at any time previous to a conference, whether the papers on which difference has arisen are before the House receding formally or informally, and a majority shall govern, except in cases where two-thirds are required by the Constitution, and the question having been put and lost, shall not be again put

the same day, and the consideration thereof in other respects shall be regulated by the rules of the respective Houses.

7. After each House has adhered to its disagreement and the bill which is the subject of difference shall be deemed lost, it shall not be again revived during the same session in either House, unless by consent of three-fourths of the members present of the House reviving it.

8. The same bill shall not create, renew or continue more than one incorporation, nor contain any provision in relation to the altering of more than one act of incorporation, or shall the same bill appropriate public money or property for more than one purpose. Any bill appropriating moneys for the payment of the officers of the government shall be confined to that purpose exclusively.

9. No duplicate of any bill, which may have been introduced and printed by one House shall, upon introduction into the other House, be printed by said other House, except by a two-thirds vote of all the members present.

10. Whenever a time shall have been previously fixed for an adjournment of the Legislature before the constitutional limitation thereof, no bill that shall have passed one House shall be sent for concurrence to the other on either of the last four days of the session, and in case no such time for adjournment is fixed, other than the constitutional limitation, no bill that shall have passed one House shall be sent to the other for concurrence after the 50th day of the session.

11. The Committee on Enrolled Bills in each of the two Houses shall act jointly in the examination of all bills and resolutions before their presentation to the Governor, either as a body or by such respective sub-committees as such committees may appoint for that purpose.

12. Whenever both Houses, by the constitutional vote, direct that any act or resolution shall take effect immediately or at any time before July 1, following the session of the Legislature, a proviso shall be added at the enrollment of the same in words to this effect: "This act shall take effect immediately (or in days)."

13. Every resolution by which any money or other property of the state shall be donated or appropriated, or by which any expense to the state shall be incurred, or which shall have an operation or effect outside of the two Houses of the Legislature, except such appropriation and expenses as shall be for the exclusive use, necessity or convenience of the Legislature, shall be either a joint or concurrent resolution, and shall take the same course as a bill, and shall be enrolled and presented to the Governor for his signature before the same shall take effect.

14. Either House shall return any bill or resolution called for by resolution of the other House, if the bill or resolution is yet in possession of the House called upon, and no action thereon has been had. In case action has been had, then it shall require a two-thirds vote of the House asked to return a bill or resolution called for.

Respectfully submitted,
FRED ECKERT,
Chairman of Committee.

Mr. Eckert moved that the report of the committee be adopted, which motion prevailed and the report was adopted.

MOTIONS AND RESOLUTIONS

Mr. Kitchen introduced the following resolution:

WHEREAS, the Senate has under consideration, or has passed a resolution, to which it asks the concurrence of this House, such resolution requesting our assistance in carrying out the so-called Industrial Program to the end that it may be fairly, honestly and thoroughly tried out and the wisdom of such program and the success or failure thereof demonstrated; and

WHEREAS, the fair trial and development of said Industrial Program is now temporarily suspended for one reason, and for one reason only, namely, the breaking down of our state financial system; and

WHEREAS, this failure of such financial system has injured the credit of the state and the collective and individual credit of all of its citizens, and of business of every character; and

WHEREAS, an unwarranted drop in the prices of our staple products has made it impossible for our farmers to liquidate their 1920 debts, even when the entire crop is sold, and the unpaid portion of our obligations are now being carried by the banks of the state, which banks have loaned to the very limit of their loaning capacity and in many instances beyond the same, and have borrowed to the limit of their credit and resources, and are therefore not in a position, as conditions are at present, to furnish our farmers and business men, with the financial aid needed at this time to meet obligations incurred in carrying on farming operations and other business, and to finance agriculture and business in the state during the ensuing months; the amount of credit and aid to be required by the people of the State of North Dakota for such purposes, being conservatively estimated at not less than \$35,000,000; and

WHEREAS, the strained financial condition of the farmers, banks and business men of the state makes it apparent to every thinking person that financial assistance for the trying out of any Industrial Program, no matter how attractive it may be, or be made to appear, and the carrying on of our normal farming and business operations, must be sought and can only be obtained from those persons outside of the State of North Dakota who are in a position to furnish to our industries and people the credit and money so required; and

WHEREAS, in order to avert the threatened bankruptcy to many citizens, industries and banks of the state, it is necessary that this outside money and credit be procured; and

WHEREAS, we cannot expect to get the savings of others for use in our own business without first satisfying, beyond the question of a doubt, those persons who have means with which North Dakota's needs can be financed, that the money they loan us will be repaid in full at the time agreed on and with reasonable interest; and

WHEREAS, our hope of alleviating present conditions rests in our ability to so conduct ourselves and our affairs as to regain as speedily as possible the confidence of others which we have lost, and thus improve our credit, and in a bountiful crop in 1921; and

WHEREAS, every citizen knows that it is more important that the impending crisis be averted and we as farmers and business men be afforded every opportunity to restore the individual credit of the farmers and business men of the state, and of the state itself, than to carry out at this time any further social or economic program, no matter how great its possibilities for good may seem to be; and

WHEREAS, the impending crisis in this state cannot be averted without the closest and most unselfish co-operation upon the part of all citizens and especially of those public officials and others who are entrusted with public affairs, in which the credit of the state and its people are involved; and

WHEREAS, as the result of the conference called by the State Bank Examiner for the purpose of attempting to find a way out of our financial difficulties, a proposition has been made by a Committee of bankers and business men, whereby there would be brought into our state and made immediately available \$6,250,000. and in all probability within a short time \$7,000,000. more, if such sum should be needed to fairly try out the Mill and Elevator projects now under way, the Home Builders Association, and restore to every public treasury the cash which each should have available as checking accounts and sinking funds with which to keep our schools in operation and our local governments functioning, and make available for the Bank of North Dakota funds enough to make it a serviceable rural credits bank and a banking institution for the state as well as for state institutions and industries; all this without any other requirement of the Industrial Commission and state officials than that they shall limit the operations of our so-called Farmers Industrial Program, for the present, to the several projects which it is thus proposed to finance and support, and will safeguard the depositing of funds of counties, townships, school districts, Boards of Education, villages and cities, and insure for such fund a rate of interest upon deposits; and

WHEREAS, Governor Frazier and his associates on the Industrial Commission have refused to even consider this proposition made by these citizens of North Dakota interested only in the welfare of our state, who, in order to alleviate the grave and acute financial condition now confronting us, have ignored any personal opinions they may have as to the economic questions involved in North Dakota's Industrial Program:

THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE STATE OF NORTH DAKOTA, that in reply to the anticipated request of the Senate for our concurrence in a resolution providing for a joint committee of the House and Senate, to pass upon all Industrial Program legislation to be considered, and which committee would tie the hands of this House so that no measures pertaining to our Industrial Program affairs could be proposed;

we hereby declare that in our opinion the first step necessary to the bringing about of a fair trial of the Industrial Program now under way and of alleviating our present serious financial condition, is for the Governor and his Associates upon the Industrial Commission, to either propose some method by which the Industrial Program and the other needs of the state and its citizens can be financed, or to at least point out to the Legislative Assembly and the public, some real reason why the proposition as above made was summarily rejected and waved aside with the flippant and baseless charge that such proposition was made at the dictation of Wall Street or some other mythical power alleged to be opposed to the interests of the people of North Dakota.

Respectfully submitted to his Honor, the Governor, and to the Senate.

Mr. Kitchen moves the adoption of the Resolution.

Mr. Maddock of Mountrail moved, as an amendment, that action on the resolution be deferred until the next Legislative day.

Roll Call demanded:

HOUSE ROLL CALL

The question being on the amendment, the roll was called and there were ayes 52, nays 59, absent and not voting 2.

AYES: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Brady, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

NAYS: Allen, Anderson of Burleigh, Bauer, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kit hen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Absent and not voting: Messrs. Bratsberg and Larkin, who were excused.

Amendment was lost.

HOUSE ROLL CALL

The question being on the adoption of the Resolution, the roll was called and there were ayes 58, nays 53, absent and not voting 2.

AYES: Allen, Anderson of Burleigh, Bauer, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelsen, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

NAYS: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Brady, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Messrs. Bratsberg and Larkin, who were excused.

Resolution was adopted.

Mr. Maddock of Mountrail: I wish to explain my vote and have it recorded in the journal. I vote no for the reason and because the resolution is untrue. It is also unjust to the Industrial Commission and the people of this state who are trying to work out this program as best they can without the dictation from Wall Street or other financial interests inside or outside of this state.

Mr. Hempel: I would like to explain my vote and give my reasons and ask that they be printed in the journal. I vote no because I don't fully understand what the resolution contains. I vote no because I believe the proposition made to the administration by eastern corporations through the banker's committee attempts to dictate what our state administration and people of North Dakota shall do, and what they shall not do. I believe the people of North Dakota want to reserve what rights they still possess, therefore I vote no on adopting this resolution, which would be slapping our Governor and the other members of the Industrial Commission in the face. If in voting on this resolution we must slap someone in the face, I prefer to slap Wall Street, because I believe they have it coming.

Mr. Patterson: I wish to explain my vote and ask that my remarks be taken down and become a part of the journal. Mr. Speaker, I vote no on the adoption of this resolution. In the first place it is absolutely unconstitutional. This resolution permits this small body of men to place upon record an expression that we are willing to forfeit and sacrifice the constitutional right of the American people of this great state of North Dakota. I vote no.

Mr. Speaker votes "aye" for the reason that the same is merely a request to the Industrial Commission to suggest

some method of meeting our present financial difficulties, or to explain why the offer made as recited in the resolution was summarily turned down.

Mr. Watt introduced the following Joint Resolution, and moved its adoption:

WHEREAS, the agricultural producers of this State, and of the Nation generally, have been needlessly and unjustifiably deprived of fair returns from their labor and investment during the past season because of the unwarranted slump in grain prices, largely attributable to unfair marketing conditions and particularly due, as is generally supposed, and as we verily believe, to the vicious practice of speculating in grain and other food products; and

WHEREAS, immediate and drastic action is necessary in order to relieve this situation and encourage the farmers of the nation to increase the productiveness of the soil to its highest state; and

WHEREAS, the evil of grain gambling prevails over so large a territory that it is impossible to suppress it by State measures:

THEREFORE, BE IT RESOLVED, that the Legislative Assembly of the State of North Dakota hereby demands of the Congress and strongly urges that it enact such stringent and effective measures as shall entirely suppress short selling of grain and food products of all kinds to the end that the price of such products may be regulated and controlled by the supply and demand of such products, without artificial interference from any source:

BE IT FURTHER RESOLVED, That the Chief Clerk of the House and the Secretary of the Senate be instructed to forward copies of this resolution to our Senators and Representatives in Congress and that copies also be sent to the Federal Board of Farm Organizations and the American Federation of Farm Bureaus at Washington, D. C.

Messrs. Kelly and Patterson seconded the motion:

HOUSE ROLL CALL

The question being on the adoption of the Resolution, the roll was called and there were ayes 110, nays 1, absent and not voting 2.

AYES: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck,

Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

NAYS: Harding.

Absent and not voting: Messrs. Bratsberg and Larkin, who were excused.

Resolution was adopted.

Mr. Shipley moved that the House do have 500 copies of the rules printed, which motion prevailed.

INTRODUCTION, FIRST AND SECOND READING OF HOUSE BILLS

Mr. Vogel introduced:

House Bill No. 18: A Bill for an Act to Amend and Re-enact Section 2 of Chapter 162 of the Laws of North Dakota for the Year 1919, Defining Certain Words and Phrases in said Chapter.

Was read the first and second time and referred to the committee on Insurance.

Mr. Vogel introduced:

House Bill No. 19: A Bill for an Act to Amend and Re-enact Section 4 of Chapter 162 of the Session Laws of the State of North Dakota for the Year 1919, as Amended by Chapter 73 of the Laws Passed at the Special Session of the Sixteenth Legislative Assembly in December, 1919, Relating to the Creation of the Workmen's Compensation Bureau of North Dakota, the Appointment and Removal of the Commissioners Thereof, the Salary of such Commissioners and the Powers and Duties of such Bureau.

Was read the first and second time and referred to the committee on Insurance.

Mr. Vogel introduced:

House Bill No. 20: A Bill for an Act to Amend and Re-enact Section 8 of Chapter 162 of the Laws of North Dakota for the Year 1919, Relating to the Enforcement of Payment of Premiums to the Workmen's Compensation Fund.

Was read the first and second time and referred to the committee on Insurance.

Mr. Vogel introduced:

House Bill No. 21: A Bill for An Act to Amend and Re-enact Section 5 of Chapter 162 of the Laws of North Dakota for 1919, Relating to Information Furnished by Employers to the Workmen's Compensation Bureau of North Dakota and Penalty for Failure to Furnish Information Required.

Was read the first and second time and referred to the committee on Insurance.

Mr. Vogel introduced:

House Bill No. 22: A Bill for an Act to Amend and Re-enact Section 3 of Chapter 162 of the Laws of North Dakota for the Year 1919, Relating to the Payment of Compensation to Injured Employees, or their dependents, and the Payment of Burial Expenses in the Event of Death Resulting from Injuries.

Was read the first and second time and referred to the committee on Insurance.

Messrs. Semling, Bjorko, Boyd, Carlson, Preszler, Starke, and Olsen of Billings introduced:

House Bill No. 23: A Bill for an Act Designating the Legal Holidays in the State of North Dakota and to Amend and Re-enact Section 7297 of the Compiled Laws of North Dakota, 1913, as Amended by Chapter 143, Session Laws of 1913.

Was read the first and second time and referred to the committee on State Affairs.

Mr. Anderson, of Burleigh, introduced:

House Bill No. 24: A Bill for an Act to amend and Re-enact Chapter 220 of the Session Laws of North Dakota for the Year 1919, Relating to the Classification of Property for Assessment and Taxation.

Was read the first and second time and referred to the committee on Tax and Tax Laws.

Mr. Anderson, of Burleigh, introduced:

House Bill No. 25: A Bill for an Act to Amend and Re-enact Section 2078 of the Compiled Laws of North Dakota for the Year 1913, and Chapter 223 of the Session Laws of North Dakota for the Year 1919, Relating to the Exemption of Property from Taxation.

Was read the first and second time and referred to the committee on Tax and Tax Laws.

Mr. Heaton introduced:

House Bill No. 26: A Bill for an Act to Amend and Re-enact Sections 1, 2, and 3, of Chapter 206, of the Session Laws of 1919, as Amended by Chapter 55 of the Special Session Laws of 1919, Relating to the Levying of a Tax for the Purpose of Creating a Fund to be Known as the "Returned Soldiers' Fund," and Increasing Such Levy to One Mill, and Providing for the Payment of Interest upon Unpaid Vouchers, and Removing the Limitation upon the Use of the Compensation Given to Returned Soldiers.

Was read the first and second time and referred to the committee on State Affairs.

FIRST AND SECOND READING OF SENATE BILLS

Senate Bill No. 1:

A Bill for an Act to Amend and Re-enact Section 800 of the Compiled Laws of the State of North Dakota for the Year 1913 as Amended by Chapter 70, Session Laws 1919, Relating to the Revocation or Suspension of an Attorney's Right to Practice.

Was read the first and second time and referred to the committee on Judiciary.

Maddock of Benson presented the following Resolution:

At a Mass Convention held by the Nonpartisan County Organization of Benson County the following resolution was passed and the secretary was directed to forward a copy to the members of the Legislative Assembly representing Benson County, to-wit:

RESOLVED, "That the Members of the Legislative Assembly of Benson County be and they are hereby requested to use their best endeavor in having introduced and passed a law prohibiting the storage of grain in local elevators by persons having grain for sale. Provided elevators operated by the Society of Equity in this state, shall be exempt from the provisions of this law."

The reasons given for the desiring of the passage of this law is that the local elevators, when grain is stored therein, immediately ship the same out, and it is used by terminal elevators and speculators to aid in the control of the market; whereas, if the terminal markets did not have the actual wheat with which to manipulate the market, they would be unable to dictate the prices for which grain must be sold.

The reason for exempting the Society of Equity from the provision of such a law is as we understand it, the grain delivered to the local Society of Equity, is shipped direct to the terminal elevators of the Society of Equity where it is held and not thrown on the market.

Dated this 11th day of January, 1921.

COMMITTEE OF RESOLUTIONS.

Signed: "

CARL NORDHAUGEN,
WALTER G. McDONALD,
ROY LONG.

MESSAGE FROM THE SENATE

Bismarck, N. D., Jan. 12, 1921.

Mr. Speaker: I have the honor to transmit herewith the following bills:

Senate Bill No. 1:

A Bill for an Act to Amend and Re-Enact Section 800 of the Compiled Laws of the State of North Dakota for the Year 1913 as Amended by Chapter 70, Session Laws 1919, Relating to the Revocation or Suspension of an Attorney's Right to Practice.

Which the Senate has passed and your favorable consideration is respectfully requested.

Very respectfully,

W. J. PRATER,
Secretary.

Bismarck, N. D., Jan. 12, 1921.

Mr. Speaker: I have the honor to transmit herewith the following bill:

Senate Bill No. 6.

A Bill for an Act Appropriating Ten Thousand Dollars (\$10,000) to Cover a Deficit and for Immediate Use of the Office of Attorney General.

Which the Senate has passed without the emergency clause and your favorable consideration is respectfully requested.

Very respectfully,

W. J. PRATER,
Secretary.

The Speaker announced the following additional joint committees:

Joint Committee on Charitable Institutions: Boyd, Chairman; Martin of Bottineau, McDowell, Opland, Nagel.

Joint Committee on Educational Institutions: Johnson of Steele, Chairman; Olafson, Martin of Slope, Bollinger, Vogel, Johnson of Ward, Sagen.

Joint Committee on Insurance: Peters, Chairman; Bilquist, Wood, Arduser, Allen, Elmer, Flom.

Joint Committee on Penal Institutions: Semling, Chairman; Hall, Nathan, Bratsberg, Sagen, Maxwell, Halcrow.

Joint Committee on Public Buildings: Kopp, Chairman; Sims, Anderson of Burleigh, Anderson of Griggs, Olafson.

Joint Committee on State Library: Bjorgo, Chairman; Fredrickson, Root, Harding, Larson of Pierce.

Joint Committee on Labor: Erickson of Walsh, Chairman; Hanson of Benson, Boyd; Kellogg, Burns, Lakie, Plath.

The House returned to the 6th order of business.

Mr. Anderson of Burleigh, chairman of the committee on committee rooms, reported further progress.

Mr. Freeman moved that the report of the committee be accepted as a partial report, which motion prevailed and the report was adopted.

The courtesies of the floor were extended to Messrs. Jos. Dilley, Chas. Streich, Neil McDougal, A. F. Fir, Rev. C. B. Ingebretson.

Mr. Sproul moved that the House do now adjourn, which motion prevailed, and the House adjourned.

C. L. DAWSON,
Chief Clerk.

ELEVENTH DAY.

House of Representatives,
Bismarck, North Dakota,
January 14, 1921.

The House assembled at 2 o'clock P. M., pursuant to adjournment, the Speaker presiding.

Prayer by Chaplain.

Roll call, all members present.

A communication was read from the Napoleon Light and Power Co., to Representative Kelly.

Mr. Kelly moved that the communication be printed in the Journal.

Mr. Patterson moved as a substitute motion that the communication be referred to the Committee on State Affairs, which motion prevailed and the communication was so referred.

REVISION AND CORRECTION OF THE JOURNAL

The Committee on Revision and Correction of the Journal made the following report

Mr. Speaker: Your Committee on Revision and Correction of the Journal have carefully examined the Journal of the tenth day and recommend that the same be corrected as follows: On page 12 lines 2, 3, 4, 5 and 6 should be stricken out and in lieu thereof insert the following: "A Bill for an Act appropriating ten Thousand Dollars (\$10,000 to cover a deficit and for immediate use of the office of Attorney General." After the name "Kitchen" in line 10, page 10, insert the names "Carlson, Prezler, Starke and Olsen of Billings." Mr. Morton should be recorded as voting "aye" instead of "nay" on page 6.

And when so corrected recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted.

INTRODUCTION, FIRST AND SECOND READING OF
HOUSE BILLS

Mr. Kitchen introduced:

House Bill No. 27: For an Act to Amend Section 1333 of the Compiled Laws of North Dakota for 1913, relating to Branches to be Taught in Public Schools.

Was read the first and second time and referred to the committee on Education.

Mr. Kitchen introduced:

House Bill No. 28: A Bill for an Act to Amend and Re-enact Section 1136 of the General School Laws entitled Deputies. How Appointed. Salary.

Was read the first and second time and referred to the committee on Education.

Mr. Kitchen introduced:

House Bill No. 29: A Bill For an Act to Amend and Re-enact Section 1137 of the General School Laws Entitled Salary and Expenses.

Was read the first and second time and referred to the committee on Education.

Messrs. Larson of Pierce and Sagen introduced:

House Bill No. 30: A Bill for an Act Providing that Every Elevator Company may File a Statement with the Register of Deeds of the County in Which it Does Business, Pay a Fee Therefor and Providing that the Holders of Mortgages or Liens on Grain Shall Not have a Lien or Mortgage Upon said Crop Unless Register or Personal Service has been Made Upon said Elevator Company.

Was read the first and second time and referred to the committee on State Affairs.

Messrs. Burkhart and Starke introduced:

House Bill No. 31: A Bill for an Act Creating a Children's Code Commission; fixing the Membership Thereof; Defining its Powers and Duties; and Making an Appropriation Therefor.

Was read the first and second time and referred to the committee on Public Health.

FIRST AND SECOND READING OF SENATE BILLS

Senate Bill No. 6:

A Bill for an Act Appropriating Twelve Thousand (\$12,000) Dollars to Cover a Deficit and for the Immediate Use of the Attorney General.

Was read the first and second time and referred to the committee on Appropriations.

Mr. Watt moved that the House adjourn until Tuesday, January 18th, at 2 o'clock P. M.

The question being on the motion to adjourn, the roll was called and there were ayes 52, nays 60, absent and not voting 1.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Bauer Bjorgo, Bollinger, Boyd, Brady, Burns, Carlson, Cole, Durkee, Ellingson, Freeman, Halcrow, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Nagel, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Ulland, Watt, Wood, Mr. Speaker.

Nays: Arduser, Babcock, Bilquist, Bjerke, Botz, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson, of Divide, Erickson of Walsh, Flom, Fredrickson, Frandson, Grangaard, Halbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin, of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Ness, Nathan, Oberg, Olson of Barnes, Opland, Patterson, Quade, Reichert, Renauld, Sherman, Sims Starke, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Hanson of Grand Forks.

So the motion was lost.

Mr. Harding in voting on the resolution introduced by Mr. Watt, January 13th, explained his vote as follows: I desire to explain my vote. We are rather hasty in passing this resolution. I would much prefer to see this resolution lay over one day until we had an opportunity to read it in our Journal. I did not get the contents of that resolution so I cannot vote intelligently upon it, and at this time owing to that fact I shall vote no.

The courtesies of the floor were extended to E. J. Marks, B. A. Dickinson, J. A. Haig, Clara French, A. J. Olson, G. E. Whelan, Capt. Thomas Hesketh.

Mr. Olsgard moved that the House do now adjourn, which motion prevailed, and the House adjourned.

C. L. DAWSON,
Chief Clerk.

TWELFTH DAY

House of Representatives,
Bismarck, North Dakota,
January 15, 1921.

The House assembled at 2 o'clock P. M., pursuant to adjournment, the Speaker presiding.

Prayer by the Chaplain.

Roll Call. All members present except Messrs. Brady, McManus, and Preszler, who were excused.

REVISION AND CORRECTION OF THE JOURNAL

The committee on revision and correction of the journal made the following report:

Mr. Speaker: Your committee on revision and correction of the journal have carefully examined the Journal of the Eleventh day and find the same correct.

And recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed, and the report was adopted.

Mr. Kitchen moved that the House extend an invitation to Hon. N. C. Young or Judge A. M. Christianson to deliver an address on the relief of children in Central Europe before the House on Monday afternoon, January 17th, which motion prevailed.

REPORT OF SELECT COMMITTEES

Mr. Anderson, Chairman of the committee on Committee Rooms, reported further progress in securing more committee rooms.

Moved that the report be adopted, which motion prevailed.

INTRODUCTION, FIRST AND SECOND READING OF
HOUSE BILLS

Mr. Shimmin introduced:

House Bill No. 32: A Bill for an Act to Amend and Re-enact Subdivision 4 of Section 3387, and Sections 3498 and

7967, and to Repeal Sections 7685, 7686 and 7699 of the Compiled Laws of 1913, Relating to the Duties and Fees of the Clerk of the District Court.

Was read the first and second time and referred to the committee on Judiciary.

Mr. Johnson of Pembina introduced:

House Bill No. 33: A Bill for an Act to Appropriate \$12,000 out of any Money in the State Treasury not Otherwise Appropriated, or so Much Thereof as May be Necessary for the Purpose of Paying All Expenses Connected With the Auditing of the Various State Industries as Required by Section 369, of the Compiled Laws of 1913, as Amended November 2nd, 1920, by a Vote of People, and Providing How Such Appropriation Shall be Paid.

Was read the first and second time and referred to the committee on Appropriations.

MESSAGES FROM THE SENATE

Bismarck, N. D., Jan. 14, 1921.

Mr. Speaker: I have the honor to transmit the following concurrent resolution:

Senate Bill No. 19, introduced by Mr. Mees, a Concurrent Resolution:

BE IT RESOLVED, By the Senate of the State of North Dakota, the House of Representatives concurring:

WHEREAS, Crops in the vicinity of and on the Standing Rock Reservation, located in the states of North and South Dakota, have been practical failures during the past three years; and

WHEREAS, Under and pursuant to the proclamation of the President of the United States, under date of March 18, 1915, approximately twenty-five hundred settlers made entries upon the lands of said Standing Rock Reservation and have settled and made homes thereupon; and

WHEREAS, On account of aforesaid crop failures and losses sustained in stock raising practically all of said entrymen are in default in their payments to the government of the United States on account of said entries; and

WHEREAS, No provision is made for the extension of time for the payment of said installments upon said entries in meritorious cases under the provisions of the Act of Congress of February 14, 1913, as is disclosed by the Department of the Interior circular No. 680; and

WHEREAS, Under and by virtue of a ruling of the Department of the Interior as disclosed by said Department of the Interior Circular No. 680, Registers and Receivers of the federal land offices located at Bismarck, North Dakota, and Lemmon, South Dakota, have been instructed as follows:

"You are directed, therefore, in all cases where payments are now due and unpaid, and where payments hereafter be-

come due and are not paid, to serve notice on the entrymen, of the defaults, and that in the event of their failure to make the payments in the time allowed by you for that purpose, you will report their entries to this office for cancellation.

"You will allow a period of 60 days from receipt of notice for the payment of sums now due and unpaid; but in all cases where payments hereafter become due and are not paid, you will require the payments to be made within a period of 30 days from receipt of notice."

NOW, THEREFORE, BE IT RESOLVED, By the Legislative Assembly of the State of North Dakota assembled in regular session that by virtue of the foregoing facts and circumstances great hardships and misfortunes will be and are being endured and suffered by such entrymen to the great detriment of the states of North and South Dakota, and the citizens thereof;

Therefore we respectfully urge the National Congress in session assembled to immediately consider and relieve this most deplorable condition by proper legislation;

BE IT RESOLVED FURTHER, That the Secretary of State of the State of North Dakota be requested to forward copies of this Concurrent Resolution immediately upon its passage and approval to the President of the Senate of the United States and the Speaker of the National House of Representatives at Washington, D. C., and to the members of the Senate and the House of Representatives of the National Congress from the States of North and South Dakota.

Which the Senate adopted and your favorable consideration is respectfully requested.

Very respectfully,

W. J. PRATER,
Secretary.

Referred to the Committee on Federal Relations.

Bismarck, N. D., Jan. 14, 1921.

Mr. Speaker: I have the honor to transmit the following concurrent resolution:

BE IT RESOLVED BY THE SENATE OF THE STATE OF NORTH DAKOTA, the House of Representatives Concurring:

WHEREAS, The people of the State of North Dakota have repeatedly approved the Industrial Program of the State; and

WHEREAS, The laws creating the Industrial Program have been held constitutional and sustained by the District and Supreme Courts of this state, and by the District and Supreme Courts of the United States; and

WHEREAS, It is highly desirable that all political factions and the people of the whole state should co-operate in order that the Industrial Program may be fairly, honestly and thoroughly tried, and its wisdom demonstrated:

THEREFORE, BE IT RESOLVED, by the Legislative Assembly of the State of North Dakota, assembled in its regular biennial session in the interest of harmony and public wel-

fare that a committee of ten, consisting of five members of the Senate, affiliated with the Nonpartisan League, and five members of the House of Representatives, affiliated with the Independent Voters Association, be selected by the President of the Senate and the Speaker of the House respectively, for the purpose of suggesting and reporting to each branch of the Legislative Assembly such legislation as they may recommend for passage to accomplish the purposes above stated.

Which the Senate adopted and your favorable consideration is respectfully requested.

Very respectfully,
W. J. PRATER,
Secretary.

Mr. Johnson of Cass moved that the resolution be referred to the Committee on State Affairs, which motion prevailed, and the resolution was so referred.

The House returned to the seventh order of business.

MOTIONS AND RESOLUTIONS

Mr. Allen introduced the following Resolution that the persons heretofore named be elected as House Employees, be designated by the titles hereinafter set forth and be paid the wage herein provided, the pay so designated being the same as that allowed by the House in the 16th Legislative Assembly, except as to the Desk Stenographer:

Speaker, L. L. Twitchell	\$2.00 per day
Chief Clerk, C. L. Dawson,	\$6.00 per day
E. M. Crary, First Ass't. Chief Clerk,	\$5.00 per day
Forrest Skinner, Sec. Ass't. Chief Clerk, ...	\$5.00 per day
R. G. Catron, Enrolling and Engrossing Clerk,	\$5.00 per day
J. P. Tucker, Clerk and Ass't. Enrolling and Engrossing Clerk	\$5.00 per day
Joanas Hall, Door Keeper and Ass't. Sargent- at-arms,	\$5.00 per day
H. L. Holdren, Bill Clerk,	\$5.00 per day
Jacob Mack, Bill Room Clerk and Custodian,	\$5.00 per day
M. Rosenweig, Clerk and Mailing Clerk, ...	\$5.00 per day
E. D. Skinner, Messenger and Postmaster ...	\$5.00 per day
E. G. Wanner, Clerk of Appropriation Com- mittee	\$5.00 per day
Earl Robinson, Clerk of State Affairs Com- mittee,	\$5.00 per day
A. E. Sheets, Jr., Clerk of Judiciary Com- mittee.....	\$5.00 per day
J. Froelich, Door Keeper and Ass't. Sargent- at-Arms,	\$5.00 per day
Jos. Fetting, Clerk and Bill Messenger,	\$5.00 per day
L. Pannebaker, Stenographer in charge, ...	\$5.00 per day
Amanda Nelson, Stenographer,	\$5.00 per day
Bell Bensen, Stenographer,	\$5.00 per day
Blythe Hall, Stenographer,	\$5.00 per day
Myrtle Ross, Stenographer,	\$5.00 per day
Clara Anderson, Stenographer,	\$5.00 per day
Geraldine Williamson, Stenographer.	\$5.00 per day
Douglas Galloway, Page and Messenger ...	\$4.00 per day

Clare Register, Page and Messenger,	\$4.00 per day
Earl Lebo, Page and Messenger,	\$4.00 per day
R. E. Herbert, Page and Messenger,	\$4.00 per day
C. H. Olson, Desk Stenographer,	\$8.00 per day
Leo Schafer, Janitor,	\$5.00 per day
A. W. Carlson, Proof Reader,	\$5.00 per day
N. T. Hedalen, Sargent-at-Arms,	\$5.00 per day

Mr. Allen moves the adoption of the Resolution, that the rules be suspended and the Resolution be placed upon its passage and adopted by roll call.

HOUSE ROLL CALL

The question being on the adoption of the Resolution, the roll was called and there were ayes 104, nays 3, absent and not voting 6.

AYES: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Bratsberg, Bryans, Burkhardt, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, Maddock of Benson, Magnuson, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

NAYS: Elmer, Hempel, Strain.

Absent and not voting: Brady, McManus, Maddock of Mountrail, Martin of Bottineau, Nagel, Preszler.

So the Resolution was adopted.

Mr. Hempel explained his vote as follows and asked that it be printed in the Journal: As we already voted on the increase of Chief Stenographer from \$6.00 to \$8.00 and at that time I voted no and conditions have not changed since that time, and from what I can learn \$6.00 is as much as any Chief Stenographer has ever received, therefore, I vote no again.

Moved that the House recess for 15 minutes, which motion prevailed, and the House recessed for 15 minutes.

AFTER RECESS

The House assembled after recess, the Speaker presiding. House returned to fifth order of business.

REPORTS OF STANDING COMMITTEES

The committee on Federal Relations made the following report:

Mr. Speaker: Your committee on Federal Relations to whom was referred Senate Bill No. 19: A Concurrent Resolution relating to payments due the Federal Government by reason of Homestead Entries made upon the Standing Rock Indian Reservation.

Have had the same under consideration and recommend that the same be amended as follows: After the name Mees in the title of the Resolution, there be inserted the words "and Wm. Bauer."

Senate Bill No. 19, introduced by Mr. Mees and Mr. Bauer, a Concurrent Resolution.

BE IT RESOLVED BY THE SENATE OF THE STATE OF NORTH DAKOTA; THE HOUSE OF REPRESENTATIVES CONCURRING:

WHEREAS, Crops in the vicinity of and on the Standing Rock Reservation, located in the states of North and South Dakota, have been practical failures during the past three years; and

WHEREAS, Under and pursuant to the proclamation of the President of the United States, under date of March 18, 1915, approximately twenty-five hundred settlers made entries upon the lands of said Standing Rock Reservation and have settled and made homes thereupon; and

WHEREAS, On account of aforesaid crop failures and losses sustained in stock raising practically all of said entrymen are in default in their payments to the government of the United States on account of said entries; and

WHEREAS, No provision is made for the extension of time for the payment of said installments upon said entries in meritorious cases under the provisions of the Act of Congress of February 14, 1913, as is disclosed by the Department of the Interior circular No. 680; and

WHEREAS, Under and by virtue of a ruling of the Department of the Interior as disclosed by said Department of the Interior Circular No. 680, Registers and Receivers of the federal land offices located at Bismarck, North Dakota, and Lemmon, South Dakota, have been instructed as follows:

"You are directed, therefore, in all cases where payments are now due and unpaid, and where payments hereafter become due and are not paid, to serve notice on the entrymen, of the defaults, and that in the event of their failure to make the payments in the time allowed by you for that purpose, you will report their entries to this office, for cancellation.

"You will allow a period of 60 days from receipt of notice for the payment of sums now due and unpaid; but in all cases where payments hereafter become due and are not paid, you will require the payments to be made within a period of 30 days from receipt of notice."

NOW, THEREFORE, BE IT RESOLVED, By the Legislative Assembly of the State of North Dakota assembled in regular session that by virtue of the foregoing facts and circumstances great hardships and misfortunes will be and are being endured and suffered by such entrymen to the great detriment of the states of North and South Dakota, and the citizens thereof;

Therefore we respectfully urge the National Congress in session assembled to immediately consider and relieve this most deplorable condition by proper legislation;

BE IT RESOLVED FURTHER, That the Secretary of State of the State of North Dakota be requested to forward copies of this Concurrent Resolution immediately upon its passage and approval to the President of the Senate of the United States and the Speaker of the National House of Representatives at Washington, D. C., and to the members of the Senate and the House of Representatives of the National Congress from the States of North and South Dakota.

And when so amended recommend the same do pass.

PAUL JOHNSON,
Chairman.

Mr. Kitchen moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Johnson of Cass moved that the rules be suspended and that the Resolution be considered, properly enrolled and engrossed, and that it be placed on its third reading and final passage, which motion prevailed, and said Resolution was placed on its third reading and final passage.

THIRD READING OF SENATE BILLS

HOUSE ROLL CALL

Senate Bill No. 19, a Concurrent Resolution.

Was read the third time.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 105, nays 0, absent and not voting 8.

AYES: Allen, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olson of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski,

Sproul, Starke, Strai , Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

NAYS: None.

Absent and not voting: Anderson of Burleigh, Boyd, Brady, Kamrath, McManus, Maddock of Mountrail, Nagel, Preszler.

So the bill passed and the title was agreed to.

The courtesies of the floor were extended to the following persons: F. W. Keitzman, Lakota; W. F. Cushing, Beach; Otto Simonson, Agate; Geo. Laird, Webster.

Mr. Root moved that the House do now adjourn, which motion prevailed, and the House adjourned.

C. L. DAWSON,
Chief Clerk.

FOURTEENTH DAY

House of Representatives,
Bismarck, North Dakota,
January 17, 1921.

The House assembled at 2 o'clock P. M., pursuant to adjournment.

Prayer by Chaplain.

Roll Call. All members present except Messrs. Brady, Lackey, Preszler, Wood, Yeater, who were excused.

REVISION AND CORRECTION OF THE JOURNAL

The committee on revision and correction of the journal made the following report:

Mr. Speaker: Your committee on revision and correction of the journal have carefully examined the Journal of the Twelfth day and found the same correct.

Recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

Mr. Sagen moved that the report be adopted, which motion prevailed, and the report was adopted.

MESSAGE FROM THE SENATE

Bismarck, N. D., Jan. 15, 1921.

Mr. Speaker: I have the honor to inform you that the Senate has amended the Concurrent Resolution memorializing Congress to prohibit the short selling of grain, as follows:

In Paragraph Four: THEREFORE, BE IT RESOLVED, That the Legislative Assembly of the State of North Dakota hereby petition Congress and strongly urges that it enact such stringent and effective measures as shall entirely suppress short selling of grain and food products of all kinds.

Very respectfully,

W. J. PRATER,
Secretary.

PETITIONS AND COMMUNICATIONS

Representative Nels Ophaug presented the following communication:

WHEREAS, The past few years in North Dakota have been filled with bitter political strife; and,

WHEREAS, The cause of this has been the running of the state industries by political machinery; and,

WHEREAS, We realize that some of the laws on our statute books relating to our state industries needs to be amended in order to make them a success, in as much as at present constituted they are dependent upon success at the polls; and,

WHEREAS, We realize that in order to give them a fair and impartial trial it is our opinion absolutely necessary to remove them as far as possible from politics; and,

WHEREAS, The present legislature is about evenly divided and both sides pledged to a fair and impartial trial of the State Industrial Program; and,

WHEREAS, There exists now a great desire on the part of the people to stop their bitterness and fighting; and,

WHEREAS, There has come to our attention the views and considerations of Arthur Le Seuer; and,

WHEREAS, We endorse these views:

BE IT HEREBY RESOLVED, That you, as our chosen representatives, use your best efforts and influence to harmonize the different factions in Bismarck and take the industries out of politics.

N. O. HAGEN, PEKIN, N. D., AND 13 OTHERS.

REPORTS OF STANDING COMMITTEES

The committee on State Affairs made the following report:

Mr. Speaker: Your committee on State Affairs to whom was referred House Bill No. 23: A Bill for an Act Designating the Legal Holidays in the State of North Dakota and to Amend and Re-enact Section 7297 of the Compiled Laws of North Dakota, 1913, as Amended by Chapter 143, Session Laws of 1913.

Have had the same under consideration and recommend that the same be amended as follows: That the title be amended by striking out the figures 1913 after the words "Session Laws of" and insert in lieu thereof the figures "1919."

And when so amended recommend the same do pass.

MARTIN OLSEN,
Chairman.

MOTIONS AND RESOLUTIONS

Mr. Harding moved that the Speaker appoint a committee of three to meet with a like committee of the Senate to consider the advisability of taking an adjournment to permit the members of the Legislature attending the Grain Growers Convention at Fargo, which motion was duly seconded.

Mr. Johnson of Cass moved to amend the motion that the committee make its report to the House tomorrow, which motion was duly seconded.

The question being on the amendment proposed by Mr. Johnson, vote being taken, the amendment prevailed.

The question now being on motion of Mr. Harding as amended, vote being taken, the motion prevailed, and the Speaker appointed as such committee Messrs. Ellingson, Harding and Olsen of Billings.

INTRODUCTION, FIRST AND SECOND READING OF
HOUSE BILLS

Mr. Shimmin introduced:

House Bill No. 34: A Bill for an Act to Fix the Salaries of Certain County Officers, to Provide for the Payment Thereof, for the Employment and Payment of Deputies and Clerk Hire in Such Offices, the Collection and Deposit of Fees, and the Repeal of Certain Laws.

Was read the first and second time and referred to the committee on State Affairs.

Mr. Peters introduced:

House Bill No. 35: A Bill for an Act to Amend and Re-enact Section 33 of Chapter 161 of the Laws of North Dakota for the Year 1915 as Amended by Chapter 122 of the Laws of North Dakota for the Year 1917 as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Relating to Game Birds and Season for Killing.

Was read the first and second time and referred to the committee on Game and Fish.

Mr. Kitchen introduced:

House Bill No. 36: A Bill for an Act to Provide for the Standardization of the One-Room Rural Schools, the Graded Schools and the High Schools of the State.

Was read the first and second time and referred to the committee on Education.

Mr. Slominski introduced:

House Bill No. 37: A Bill for an Act to Amend and Re-enact Section 466 of the Compiled Laws of North Dakota for the Year 1913, Relating to Preliminary Qualifications of Applicants for Licenses to Practice Medicine in the State of North Dakota.

Was read the first and second time and referred to the committee on Public Health.

Mr. Larson, of Pierce, and Mr. C. A. Sagen introduced:

House Bill No. 38: A Bill for an Act Authorizing the Board of Railroad Commissioners to Establish Rules and Regulations for the Distribution of Cars, and to Appoint Inspectors to Investigate and Report Car Situations to Said Board; Defining Their Duties and Providing for Their Compensation.

Was read the first and second time and referred to the committee on Railroads.

On motion, the House returned to the seventh order of business.

Mr. Watt moved that the Speaker appoint a committee of three to confer with a like committee of the Senate to decide the number of copies to be printed of the Budget Report, which motion prevailed, and the Speaker appointed as such committee Messrs. Watt, Maddock of Benson and Shimmin.

The courtesies of the floor were extended to A. J. McGinnis, Jack Williams, and Wm. Kriback.

Mr. Bauer moved that the House do now adjourn, which motion prevailed, and the House adjourned.

C. L. DAWSON,
Chief Clerk.

GENERAL ORDERS

House Bill No. 23: A Bill for an Act Designating the Legal Holidays in the State of North Dakota and to Amend and Re-enact Section 7297 of the Compiled Laws of North Dakota, 1913, as amended by Chapter 143, Session Laws of 1919.

FIFTEENTH DAY

House of Representatives,
Bismarck, North Dakota,
January 18, 1921.

The House convened pursuant to adjournment.

Prayer by Chaplain.

Roll Call: All members present except Larkin, Maddock of Mountrail, who were excused.

REVISION AND CORRECTION OF THE JOURNAL.

The committee on Revision and Correction of the Journal made the following report:

Mr. Speaker: our committee on Revision and Correction of the Journal have carefully examined the Journal of the fourteenth day and found the same correct.

And recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted.

REPORT OF STANDING COMMITTEES

REPORT OF HOUSE COMMITTEE ON APPROPRIATIONS:

The committee on Appropriations made the following report:

Mr. Speaker: Your committee on Appropriations to whom was referred:

House Bill No. 33: A Bill for an Act to appropriate \$12,000 out of any Money in the State Treasury not Otherwise Appropriated, or so Much Thereof as May be Necessary for the Purpose of Paying All Expenses Connected With the Auditing of the Various State Industries as Required by Section 369, of the Compiled Laws of 1913, as Amended November 2nd, 1920, by a Vote of People, and Providing How Such Appropriation Shall be Paid.

Have had the same under consideration and recommend that the same be amended as follows:

On the printed bill, in line 2 of the title strike out the eighth word. Strike out the seventh and eighth line. In line 6 after the word "people" insert "which said audit was made by Bishop Brissman & Company." In line 7 strike out the word "dispersed," and substitute in lieu thereof the word "disbursed."

And when so amended recommend the same do pass.

WM. WATT,
Chairman.

Mr. Watt moved that the bill be re-referred to the committee for further consideration, which motion was duly seconded.

MINORITY REPORT

REPORT OF HOUSE COMMITTEE ON APPROPRIATIONS.

The committee on Appropriations made the following report:

Mr. Speaker: Your committee on appropriations to whom was referred:

House Bill No. 33: A Bill for an Act to Appropriate \$12,000 out of any Money in the State Treasury not Otherwise Appropriated, or so Much Thereof as May be Necessary for the Purpose of Paying All Expenses Connected With the Auditing of the Various State Industries as Required by Section 369, of the Compiled Laws of 1913, as Amended November 2nd, 1920, by a Vote of People, and Providing How Such Appropriation Shall be Paid.

Have had the same under consideration and recommend that the same be indefinitely postponed.

JOHN R. MADDOCK,
E. B. KELLOGG,
A. L. MAXWELL,
MARTIN LARSON,
L. O. FREDRICKSON,
GEORGE LAKIE,
FRED E. SIMS.

Mr. Maddock moved the adoption of the minority report, which was declared out of order.

Roll call demanded.

The question being on the motion to rerefer the report, the roll was called and there were ayes 57, nays 51, absent and not voting 5.

Ayes: Allen, Anderson of Burleigh, Bauer, Bjorgo, Bollinger, Botz, Boyd, Burns, Carlson, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Quade, Root, Sagen, Seming.

Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larson of Ransom, Lazier, Levin, McLarty, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Cole, Larkin, McManus, Maddock of Mountrail, Preszler.

So the motion prevailed.

MESSAGES FROM THE SENATE

Bismarck, N. D., Jan. 17, 1921.

Mr. Speaker: I have the honor to inform you that the President has appointed as a committee to confer with a like committee of the House in regard to the assembly taking a recess, Messrs. Bowman, Porter and McNair.

Very respectfully,
W. J. PRATER,
Secretary.

Bismarck, N. D., January 17, 1921.

Also; Mr. Speaker: I have the honor to inform you that the President has appointed as a committee to confer with a like committee of the House in regard to the number of copies of the Report of Budget Board, Messrs. Church, Levang and Kendall.

Very respectfully,
W. J. PRATER,
Secretary.

Bismarck, N. D., January 17, 1921.

Also; Mr. Speaker: I have the honor to inform you that the senate has concurred in the House amendment to Senate concurrent resolution relating to memorializing Congress to give relief to Standing Rock homestead entrymen.

Very respectfully,
W. J. PRATER,
Secretary.

The joint committee on Temperance and Judiciary make the following report:

Mr. Speaker: Your joint committee on Temperance and Judiciary to whom was referred House Bill No. 5: "A Bill for an Act to Prohibit Intoxicating Liquors and Beverages with Exceptions for Nonbeverage and Sacramental Purposes and Provide for Its Enforcement and the Repeal of Laws in Conflict Therewith;" have had the same under consideration and recommend that the same be amended as follows: Title. For an Act to Prohibit Intoxicating Liquors and Beverages and

Property intended for the Manufacture of Same; Prohibiting the Transportation of Liquor and Providing for the Forfeiture of Property Used for the Transportation of Same; To Provide for Its Enforcement and the Repeal of Laws in Conflict Therewith.

SECTION 1. That the word "or" in line 7 of Section 1, be stricken out and the word "of" be inserted in lieu thereof.

SECTION 2. That the "comma" between the word "export and furnish" in line 3 of Section 2, be stricken out and in lieu thereof, insert the word "or;" that the words "or possess" in line 3 of Section 2, be stricken out; that following the word liquor at the end of line 3 in Section 2, the following be inserted, "or possess the same except as permitted by federal statute"; that the word "and" in line 4 of Section 2, be stricken out and that the letter "a" in the word "all" in line 4 of Section 2, be capitalized.

SECTION 3. That the title in lines 1 and 2 of Section 3, be stricken out and in lieu thereof the following title be inserted: "Prohibit Unlawful Advertisements Etc." That a "comma" be inserted between the words "recipe and advertised" in line 4 of Section 3.

SECTION 4. That the "comma" between the words "receive and from" in line 3 Section 4 be stricken out and in lieu thereof inserted the words "for him".

SECTION 8. That section 8 be amended to read as follows:

CONTENTS OF AFFIDAVIT. SEARCH WARRANTS. It shall be unlawful to have or possess any intoxicating liquor or property designed for the manufacture of liquor intended for use in violating this act or which has been so used, and no property rights shall exist in any such liquor or property. A search warrant may issue out of any court of competent jurisdiction heretofore authorized to issue search warrants whenever any person shall appear before such court and make affidavit that he has discovered that such liquor or property is, or has recently been manufactured, stored, possessed or sold in violation of this act in any place or upon any premises and particularly describing the place to be searched. Such court shall issue a search warrant against said premises, and directed to the proper officer, commanding him to search the premises described in the above affidavit, and to seize all intoxicating liquors, and all property designed, or intended for use in the manufacture of such liquor, and all vessels, bottle, or containers which have been used in connection therewith, and take the same into his custody, make proper return upon such search warrant with invoice of such liquor and property seized, to abide the further order of the court. If it is found that such liquor or property was so unlawfully held or possessed, or had been so unlawfully used, the liquor, and all property designed for the unlawful manufacture of liquor, shall be destroyed. The property seized on any such warrant shall not be taken from the officer seizing the same on any writ of replevin or other like process.

SECTION 9. That Section 9 be amended to read as follows:

SEIZING TRANSPORTED LIQUOR. When any sheriff, deputy sheriff, constable, marshal, police or peace officer of this state shall discover any person in the act of transporting in violation of the law, intoxicating liquor in any wagon, buggy, automobile, water or air craft, or other vehicle, or conveyance, it shall be his duty to seize any and all intoxicating liquors found therein being transported contrary to law. Whenever intoxicating liquors transported or possessed illegally shall be seized by an officer he shall take possession of the vehicle and team or automobile, boat, air or water craft, or any other conveyance, and shall arrest any person in charge thereof. Such officer shall at once proceed against the person arrested under the provisions of this act in any court having competent jurisdiction; but the said vehicle or conveyance shall be returned to the owner upon execution by him of a good and valid bond, with sufficient sureties, in the sum double the value of the property, which said bond shall be approved by said officer and shall be conditioned to return said property to the custody of said officer on the day of trial to abide the judgment of the court. The court upon conviction of the person so arrested shall order the liquor destroyed, and the property used in the transportation of the same to be forfeited, and shall require the States Attorney of the County in which such property was seized to cause summons to be issued against all persons having any right, title or interest in the property seized, which summons shall particularly describe the property and state that the same is held for forfeiture and sale under the provisions of this act, and that in default of answer or claim filed within thirty days after the service of such summons, the Court will enter its order forfeiting such property to the State of North Dakota. Such summons shall be served in the manner provided for the service of summons in a civil action. If no answer shall be filed or claim made within the time allowed, the Court shall enter its order forfeiting such property to the State of North Dakota, and for the sale of the same in the manner provided for the sale of personal property on execution. If answer is filed or claim made the court shall require each claimant to furnish a good and sufficient bond conditioned for the prosecution of said action and for the payment of costs should he fail to support his claim. The Court shall thereupon proceed to hear and determine the claim according to law. If at such hearing any claimant shall prove to the satisfaction of the Court that he is the owner of such property or has a valid lien thereon and that he had no knowledge of the use of such automobile, wagon, buggy, water or air craft, or other vehicle or conveyance for such unlawful purpose, the same shall be surrendered to him, if the owner; if a lien holder, the lien shall be foreclosed, the property sold and the proceeds applied in payment of the costs of such sale, then in satisfaction of the lien or liens and the balance deposited as hereinafter provided. If the claimant or claimants shall fail to sustain their claim, judgment shall be entered against them for costs, and the court shall enter its order for the forfeiture and sale of the prop-

erty as hereinbefore provided in case of default. After deducting the costs and expenses of such proceeding the balance of all money received under the provisions of this Act shall be paid to the Treasurer of the County wherein the seizure was made for the benefit of the State School fund.

SECTION 11. That the words "it shall be the duty of" in line 3 of section 11 be stricken out; that the word "or" between the words "magistrate and county" in line 4 of Section 11, be stricken and in lieu thereof insert a "comma"; that between the words "county and judge" in line 4 of section 11, there be inserted the words "or district"; that the word "to" at the beginning of line 5 of section 11 be stricken out and in lieu thereof insert the word "may"; that after the word "taken" in line 9 of Section 11, there be inserted the punctuation mark "period"; that the words "and one" at the end of line 9 and the words "copy shall forthwith be forwarded to the sheriff of said county" line 10 both in Section 11, be stricken out; that the words "a misdemeanor and upon conviction thereof" in line 14 of Section 11, be stricken out and in lieu thereof insert the following: "contempt of Court and"; that the punctuation mark "period" at the end of line 17 Section 11, be stricken out and in lieu thereof insert the punctuation mark "semi-colon"; that immediately following the semi-colon at the end of line 17, Section 11, the following be inserted, "provided that when compelled to testify and disclose incriminating testimony against himself in any case he shall not be prosecuted in such case."

SECTION 13. That between the words "sections and ten" in line 13 of Section 13, the following be inserted "five, six,": that the word "exceeding" in line 21 of Section 13, be stricken out and in lieu thereof the following inserted "more than".

And when so amended recommend that House Bill No. 5 do pass.

C. H. STARKE,
Chairman of the Judiciary.
JOHN HALCROW,
Vice Chairman.
WALTER MADDOCK
Chairman of Temperance.

The committee on State Affairs made the following report:

Mr. Speaker: Your committee on State Affairs to whom was referred Senate Concurrent Resolution to appoint a joint committee of ten on Industrial Program Legislation, have had the same under consideration and recommend that the same be indefinitely postponed.

MARTIN OLSEN,
Chairman.

Mr. Olsen of Ramsey moved that the report be adopted, which motion was duly seconded.

The committee on State Affairs made the following report.

Mr. Speaker: A minority of your committee on State Affairs to whom was referred Senate Concurrent Resolution to

appoint a joint committee of ten on Industrial Program Legislation, have had the same under consideration and recommend that the same do pass.

J. H. BURKHART,
 FRED ECKERT,
 WILLIAM KAMRATH,
 THEO. HANSON,
 J. J. STRAIN,
 E. E. BRYANS,

Mr. Burkhart moved as a substitute motion that the minority report be adopted, which motion was declared out of order.

Roll call demanded.

The question being on the motion to adopt the majority report, the roll was called and there were ayes 58, nays 51, absent and not voting 4.

Ayes: Allen, Anderson of Burleigh, Bauer, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Elmer, Erickson of Divide, Eckert, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larson of Ransom, Lazier, Levin, McLarty, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Larkin, McManus, Maddock of Mountrail, Preszler.

So the report was adopted.

The committee on State Affairs made the following report:

Mr. Speaker: Your committee on State Affairs to whom was referred:

House Bill No. 15: A Bill for an Act entitled, An Act providing for the Examination, Certification and Registration of Master and Journeyman Plumbers, prescribing powers and duties of the State Board of Health in reference thereto, and providing penalties for a violation of the provision hereof.

Have had the same under consideration and recommend that the same be indefinitely postponed.

MARTIN OLSEN,
 Chairman.

Mr. Kelly moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on State Affairs made the following report.

Mr. Speaker: Your committee on State Affairs to whom was referred:

House Bill No. 13: A Bill for an Act entitled, An Act to Regulate the Hours of Work on Public Work.

Have had the same under consideration and recommend that the same be indefinitely postponed.

MARTIN OLSEN,
Chairman.

Mr. Olsen, of Ramsey, moved that the report be adopted.

Roll call demanded.

The question being on the adoption of the report, the roll was called and there were ayes 50, nays 60, absent and not voting 3.

Ayes: Allen, Bauer, Bollinger, Botz, Burns, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Fredrickson, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Ola'son, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Shimmin, Slominski, Sproul, Ulland, Watt, Mr. Speaker.

Nays: Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Boyd, Brady, Bratsberg, Bryans, Burkhart, Carlson, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Frandson, Grangaard, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Lazier, Levin, McLarty, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sagen, Semling, Sherman, Shipley, Sims, Starke, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater.

Absent and not voting: McManus, Maddock of Mountrail, Strain.

So the motion was lost.

Mr. Anderson of Burleigh moved that the bill be rereferred to the committee for further consideration, which motion was duly seconded.

Mr. Patterson moved as an amendment that the bill do pass in its present form, which motion was duly seconded.

The question being on the motion as amended, vote being taken the motion was lost.

The question now being on the motion to rerefer the bill for further consideration, the motion prevailed.

Mr. Speaker: Your committee on State Affairs to whom was referred:

House Bill No. 12: A Bill for an Act to create a State Board of Electricians and prescribing the duties thereof, providing for the Classification, Examination and Licensing of Electricians and Electrical Workers, prescribing fees for such Examination and License, and providing for inspection of electrical work through the Commissioners of Insurance under the Direction of the State Board.

Have had the same under consideration and recommend that the same be indefinitely postponed

MARTIN OLSEN,
Chairman.

Mr. Olsen, of Ramsey, moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on State Affairs made the following report:

Mr. Speaker: Your committee on State Affairs to whom was referred:

House Bill No. 7:

A Bill for an Act Providing for the Appointment of County Brand Inspectors; Defining the Duties of Railways in the Shipment of Certain Stock; Penalty.

Have had the same under consideration and recommend that the same be amended as follows:

Sec. 3, line 2, strike out the word "upon" and insert in lieu thereof the words "as soon as"; Sec. 3 line 2, after the word "inspectors" insert the word "have", strike out the word "qualifying" and insert in lieu thereof the word "qualified". Sec. 4 line 1, strike out the word "request" and insert in lieu thereof the word "notice". After Section 9 page 3 add "Section 10. All Acts and parts of Acts in conflict herewith are hereby repealed."

And when so amended recommend the same do pass.

MARTIN OLSEN,
Chairman.

MESSAGE FROM THE SENATE

Bismarck, N. D., Jan. 18, 1921.

Mr. Speaker: I have the honor to transmit herewith the following bills:

Senate Bill No. 15: A Bill for an Act to Amend and Re-enact Section 1340, Compiled Laws of North Dakota for 1913, Relating to Proposals for Building School Houses.

Which the Senate has passed and your favorable consideration is respectfully requested.

Very respectfully,

W. J. PRATER,
Secretary.

REPORT OF SELECT COMMITTEES

Mr. Speaker: Your committee of Mileage and Per Diem beg leave to submit the following report:

NELS OLSGARD,
Chairman.

Dist.	Name.	J. M. & St. P.	N. P.	C. N.	300	Team	Total
1.	John K. Olafson.....		194	158	.....	3½	711
	John Halcrow		398	.....	.....	.....	798
	Paul Johnson		193	152	.....	12½	715
2.	J. H. Burkhart.....		.....	46	162	9	706
3.	Gilbert Erickson		195	105	35	8	688
	Aaron Levin		195	143	.....	.....	678
4.	Frank D. Slominski.....		195	111	.....	10	632
5.	P. G. Hanson.....		194	60	.....	.....	626
6.	John Freeman.....		194	78	.....	3½	553
7.	Lawrence K. Ejorgo.....		194	65	.....	.....	518
8.	E. O. Ellingson		195	40	.....	7	484
	Carl E. Johnson		195	62	.....	6	528
	C. A. Ulland.....		195	54	.....	.....	498
9.	Robert J. Boyd		195	.....	.....	.....	390
	J. A. Jardine		195	.....	.....	.....	390
	L. L. Twitchell		195	.....	.....	.....	390
10.	Roy Johnson		175	.....	.....	5	360
	John G. Plath		220	.....	.....	3	448
11.	R. M. Sproul		178	.....	.....	1	358
	William Watt		223	.....	.....	7	460
12.	H. B. Durkee	46	195	.....	.....	4	490
	C. Ness		195	46	.....	.....	498
13.	L. E. Cole	46	.....	.....	172	3	442
	J. B. Johnson		195	49	.....	2	492
14.	F. F. Babcock		175	.....	.....	1	358
	Martin Larson		207	.....	.....	8	430
15.	M. O. Grangaard		137	.....	15	.....	304
16.	Ole L. Anderson		177	.....	.....	4	362
	S. W. Johnson.....		195	49	.....	2	492
	Wm. Bjerke		195	63	.....	10	546
17.	L. O. Fredrickson.....		195	102	.....	8	610
	Nels Ophaug		195	96	.....	10	602
18.	A. N. Flom		193	170	.....	13	752
	H. McDowell		194	184	.....	12	780
	Joseph McGauvran		194	170	.....	6	740
19.	Joseph Renauld		194	211	.....	4	818
	James McManus		194	216	.....	.....	820
20.	John Maddock		194	.....	.....	5	398
	Theodore Hanson		211	.....	.....	10	442
21.	Martin Olsen		194	143	.....	.....	674
	C. A. Sagen		194	169	.....	.....	726
	Adolph Mikkelsen.....		195	142	.....	24	722
22.	A. J. McLarty		194	142	.....	29	730
	H. J. Botz		195	174	.....	9	756
23.	S. O. Allen		102	.....	.....	8	220
	Adam Preszler		73	.....	.....	.....	146
	D. C. Wood		102	.....	.....	.....	204
	A. I. Quade		123	.....	.....	4	254
24.	J. F. Brady		123	.....	.....	40	326

Dist.	Name.	J. M. & St. P.	N. P.	G. N.	300.	Team.	Total
	J. C. Arduser		103			35	276
25.	T. R. Shimmin	12		15	130	11½	337
	J. D. Root				150	10	320
26.	Rollan V. Weld		171			15	372
	Fay Harding		66				132
	John C. Sherman		45			7	104
	Roy A. Yeater					50	100
27.	Harold V. Semling						
	Victor L. Anderson		6		28	4	76
	L. E. Heaton		19			6	50
28.	William Martin		195	274		2½	943
	Fred E. Simms		195	219		7½	843
	Nels Magnuson		195	252		7	908
	J. C. Miller		195	252		12	918
29.	Andrew Johnson					107	214
	A. B. Carlson		137			183	640
	J. H. Burns		137			183	656
	B. B. Mouck		137			183	659
30.	Jacob Bollinger		77			8	179
	J. J. Strain		5			25	60
	J. F. Elmer		76			5	162
31.	D. E. Shipley		116				232
	C. H. Starke		116				232
	Pius Kopp		91			2½	187
32.	B. C. Larkin		161	12		7	360
	C. W. Reichert		146				292
33.	William R. Hartl		170			12	364
	Roy B. Weld		161			12	370
34.	Frank Lazier		194	219		6½	840
35.	J. W. Hempel		200				400
36.	M. W. Kelly					58	113
	Adam Nagel Jr.					94	188
	Henry Nathan					94	206
37.	J. J. Kjos		137			62	414
	Nels Olsgard		195			25	440
38.	C. J. Olson		136			10	292
39.	O. C. Martin	30	135			12	354
	Joseph A. Kitchen		171			1	344
	Carl B. Olsen		155			5	320
40.	C. E. Erickson		136		295	5	872
	E. B. Kellogg		136		325	5	932
	Elmer Cart		136		232	12	760
41.	Geo. V. Bilquist		137	120	182	2	882
	P. F. Doyle				200	25	450
	Fred Eckert		137	121	183	15	912
	Kristian Hall		137	106	183	8	868
	George Lakie		137	121	183		882
42.	L. A. Larson		194	224		2	840
	D. L. Peters		194	218		5	834

Dist.	Name.	C. M. & St. P.	N. P.	G. N.	Soo.	Team.	Total.
43.	G. Patterson		136		217	6	720
44.	Walter Maddock				128	10	276
	Soren Frandson		137	60	183	17	794
45.	E. A. Bryans				164	3½	335
46.	A. L. Maxwell		186			10	480
	Oscar Oberg				45	5	100
	Frank A. Vogel				132		132
47.	William Kamrath		106			6	224
	Claude Lackey		106			5	222
48.	J. B. Hagelberger		80			6	172
	Geo. W. Morton		115			35	300
	Chas. M. Whitmer					28	53
49.	William Bauer	186	260			7	906
	H. O. Bratsberg	136	260			6	804
	O. H. Opland		135			3	273

Mr. Watt moved that the reading of the report be dispensed with and that the same be adopted and printed in the Journal, which motion prevailed.

MOTIONS AND RESOLUTIONS

Mr. Shipley offered the following resolution:

WHEREAS, the action taken by the majority of the State Board of Audit and by the majority of the Senate Committee appointed to confer with the State Board of Audit, respecting the report of the audit of the State Bank and other state industries, in telegraphing Bishop, Brissman & Co. ordering and directing such Company to deliver to the State Board of Audit all available copies of their audit of the State Bank and other state industries, is an effort to intercept and suppress the copy of such audit heretofore by resolution adopted by this House, demanded to be delivered by Bishop, Brissman & Co. to this body; and

WHEREAS, said telegram was sent without the knowledge of Secretary of State, Thomas Hall, a member of said State Board of Audit and without the consent of Senator Frank Ployhar, a member of such committee, and after it had been agreed at a meeting of said State Board of Audit and such Senate Committee, that one of the three available copies of such report be delivered to the State Board of Audit, one to the Senate and one to the House:

THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE STATE OF NORTH DAKOTA, that this House deploras and condemns the action of this majority of the State Board of Audit and such Senate Committee, in sending such telegram and in so seeking to keep and withhold from the House and from the people of the State of North Dakota the information to which they are en-

titled regarding the State Bank and the several state industries, and which a great majority of the people of this state have by their vote demanded.

BE IT FURTHER RESOLVED, that the House in no manner recedes from this demand upon Bishop, Brissman & Co. for a copy of such audit at the first possible moment, and that a copy of this resolution be by the Speaker telegraphed to Bishop, Brissman & Co.

Mr. Shipley moves the adoption of the resolution.
Roll call demanded.

The question being on the adoption of the resolution, the roll was called and there were ayes 59, nays 52, absent and not voting 2.

Ayes: Allen, Anderson of Burleigh, Bauer, Bjorgo, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson, of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Brady, Bratsberg, Bryans, Burkhart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Lazier, Levin, McLarty, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Messrs. McManus, Maddock of Mountrail.

So the resolution was adopted.

Mr. Burkhart rose to explain his vote as follows and asked that it be recorded in the Journal:

I am of the same opinion that Mr. Vogel has expressed that we have had enough resolutions in this House condemning officials of this state, the elected officials of this state. And for another reason, I am not ready to vote on this proposition until I have some information on this subject. I am not going to in any way to hinder an audit of this concern coming to this House and I was strictly against the report of this audit concern being called for in the irregular way that the first resolution demanded.

I believe, gentlemen of this House, and Mr. Speaker, that this opens the way for the greatest dissention, and these resolutions have caused all the dissention in the House. I felt

at the time that this was going to open the way for dissention, and where are we going to land if we keep on this dilly-dallying, and I would much rather wait for this reason another day to be informed, and for that reason I vote "no."

Mr. Hempel explained his vote as follows and asked that it be printed in the Journal:

I believe as a law-making body we want to act only in a lawful way in all matters here. The initiative law states explicitly that the report shall be made to the Board of Auditors and by them reported to the Governor, and by him to the Legislature. We have not even given our state officials a possible chance to do their duty. Until such a time that we give them that chance I vote "no."

MOTIONS AND RESOLUTIONS

The Speaker read the following telegram from Bishop, Brissman & Co.:

St. Paul, Minn., Jan. 17, 1921.

Hon. The House of Representatives of the State of North Dakota.

Seventeenth Legislative Assembly, Bismarck, N. D.

We have received the following communication under date January 15th:

"Senate Committee in conference with Board of Auditors ask that three copies of audit report be submitted to the undersigned and that party who was in charge of audit work accompany the report in person, prepared to explain in detail. Would suggest he bring working papers from which report was compiled. Please advise when we may expect report. Quick action requested D. C. Poindexter, State Auditor."

We have today replied thereto as follows:

Acknowledge receipt of your wire, January 15th, requesting us to submit all three copies of report to you. We assume this is in reply to our request of January 10th that State Board of Audit authorize the delivery of one copy each to Senate and House to conform to their respective orders received. We do not feel justified in ignoring such explicit orders from the Senate and House, and again respectfully request your authority to deliver copies as previously ordered as heretofore agreed. Will be glad to have representative explain report after submission, and discussion before submission would be improper.

BISHOP-BRISSMAN & CO.

And in connection with the above telegram read to the House that part of a former telegram dated January 10, 1921, wherein Bishop, Brissman & Co. stated: "There will be but three complete typed copies of report available for delivery."

Mr. Grangaard at this time serves notice of his intention to introduce during the next legislative day, a resolution for the appointment of a special House Committee to consider the report of the audit of state industries prepared by Bishop, Brissman & Co. as soon as the same shall be available to the House, such committee to consider and analyze such report and all matters therein contained, to procure such additional information and data regarding all such matters, and regarding any and all business and affairs of such industries, as is deemed necessary; and to that end to employ such assistance and expert aid as by it considered advisable and necessary; making report of the result of such examinations of such audit and of such investigations from time to time to the body of this House.

INTRODUCTION, FIRST AND SECOND READING OF
HOUSE BILLS.

Mr. Burkbart introduced:

House Bill No. 40: A Bill for an Act to Amend and Re-enact the Hotel Inspection Laws of North Dakota, the Same Being Article 57 of the Political Code of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 170, Session Laws of 1915 and Chapter 133, Session Laws of 1917.

Was read the first and second time and referred to the committee on Public Health.

Mr. Shimmin introduced:

House Bill No. 41: A Bill for an Act, Providing for the Preservation and Control of the Artesian Waters of the State.

Was read the first and second time and referred to the committee on Drainage and Irrigation.

The courtesies of the House was extended to Will H. Wright and S. J. A. Boyd.

Mr. Kitchen moved that the House do now adjourn, which motion prevailed and the House adjourned.

C. L. DAWSON,
Chief Clerk.

GENERAL ORDERS:

House Bill No. 5:

A Bill for an Act to prohibit intoxicating liquors and beverages with exceptions for nonbeverage and sacramental purposes and provide for its enforcement and the repeal of laws in conflict therewith.

House Bill No. 7:

A Bill for an Act Providing for the Appointment of County Brand Inspectors; Defining the Duties of Railways in the Shipment of Certain Stock; Penalty.

SIXTEENTH DAY.

House of Representatives,
Bismarck, North Dakota,
January 19, 1921.

The House convened pursuant to adjournment.

Prayer by Chaplain.

Roll call. All members present except Messrs. Reichert and Vogel, who were excused.

REVISION AND CORRECTION OF THE JOURNAL

The committee on Revision and Correction of the Journal made the following report:

Mr. Speaker: Your committee on Revision and Correction of the Journal have carefully examined the Journal of the fifteenth day and recommend that the same be corrected as follows: In line 9, page 1, strike out the name "Johnson of Sargent."

And recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted.

PETITIONS AND COMMUNICATIONS

January 19, 1921.

To the Honorable Speaker and Members, House of Representatives, Seventeenth Assembly.

Gentlemen: I wish to take very decided exceptions to the resolution adopted by your body on Tuesday, January eighteenth, which resolution implies that the Board of Auditors, of which I am a member and secretary, are in some manner attempting to suppress the report of Bishop-Brissman Co. on the financial status of the state industries. In answer to this charge, which is without foundation in fact, I will cite the proceedings of the Board since January third at which time I became a member, also the file of correspondence and telegrams which have passed between Bishop-Brissman Co. and myself as secretary.

The first meeting of the new board was held in my office at 3 P. M., January fifth, 1921, Mr. Hall, Mr. Lemke and myself being present. Mr. Lemke was elected Chairman and I was elected Secretary. As Secretary, I was instructed to notify Bishop-Brissman Co. that the new board had met, organized and was ready for business. My letter of notification follows:

Bismarck, N. D., Jan. 5, 1921.

Bishop-Brissman Co.,
St. Paul, Minn.

This is to notify you that the State Board of Auditors under whose authority you have been working upon the books, records and accounts of the state industries is now constituted of Wm. Lemke, D. C. Poindexter and Thomas Hall and that D. C. Poindexter has been elected secretary of such Board and that resolutions were adopted that the secretary shall keep and hold all books, records, documents, reports and property belonging to said board.

If you have any property of the auditing board created under Sec. 369 compiled laws of North Dakota, 1913, as amended, or if you have any reports to make to said Board, kindly deliver such property or make such report to the undersigned.

(Signed) D. C. POINDEXTER, State Auditor.

(Seal)

Secretary, Board of Auditors.

To this letter, Bishop-Brissman Co. replied by wire as follows:

St. Paul, Minn., Jan. 10, 1921.

D. C. Poindexter,
State Auditor, Bismarck, N. D.

Your letter received and will meet with our compliance. We have been served with order from Senate and House to deliver copies of our reports to each. Will your Board kindly authorize delivery of one copy of this report to respective bodies as ordered by them.

BISHOP-BRISSMAN CO.

No further action was taken on this matter until Friday, January fourteenth when a meeting of the Board of Auditors was held, all members being present. We were waited upon by a committee from the Senate, consisting of Senators Church, Ployhar and Liederbach and after a somewhat lengthy discussion as to the advisability of having ALL men who worked on the audit accompany the reports, it was decided that as a matter of economy that only the man who was in charge of the work should appear and the rest could be called later if found necessary. It was also decided that I should notify Bishop-Brissman Co. to this effect and that their man should report to my office with three copies, then a joint conference of the Board of Auditors, Senate and House committees would be called and a definite decision as to the submission of reports would be made. My telegram to Bishop-Brissman Co. follows:

Bismarck, N. D., Jan. 15, 1921.

Bishop-Brissman Co.
St. Paul, Minn.

Senate committee in conference with Board of Auditors ask that three copies of report be submitted to undersigned and that party who was in charge of audit work accompany the reports in person prepared to explain any details. Would suggest that he bring working papers from which report was compiled. Please advise when we may expect report. Quick action requested.

D. C. POINDEXTER, State Auditor.

To this they replied as follows:

St. Paul, Minn., Jan. 17, 1921.

D. C. Poindexter,
State Auditor, Bismarck, N. D.

Acknowledge receipt of your wire January fifteenth requesting us to submit all three copies of reports to you. We assume this is in reply to our request of January tenth that State Board of Audit authorize the delivery of one copy each to Senate and House to conform to their respective orders received. We do not feel justified in ignoring such explicit orders from the Senate and House and again respectfully request your authority to deliver copies as previously ordered. As heretofore agreed will be glad to have representative explain report after submission. Any discussion before submission would be improper.

Respectfully,

BISHOP-BRISSMAN CO.

This telegram was received by me at 9:50 a. m. January 18th, At ten A. M. same date I wired them as follows:

Bismarck, N. D., Jan. 18, 1921.

Bishop-Brissman Co.,
St. Paul, Minn.

My wire fifteenth evidently confusing. Want man who was in charge of work to accompany reports in person and report to this office. Then House and Senate committees will be notified of its arrival. Party in charge will then receive instructions as to its disposal. Please advise when we may expect report. Is this clear?

D. C. POINDEXTER, State Auditor.

To this telegram I have received no reply.

The whole question seems to rest on the ambiguous phraseology of my telegram of the fifteenth and upon their assumption that this telegram was an answer to theirs of January tenth. I want to say, Gentlemen, that your charges so far as they may apply to the other members of the Board are entirely unjustified. I frankly admit that the wording of my telegram is open to misconstruction and apparently was so misconstrued, but I alone am responsible for that and I wish to point out that I corrected this matter at the earliest possible moment. My telegram of correction was

sent some four hours before the meeting of your assembly and before I had any knowledge that the matter would be referred to you. I have had no conference, nor have I had any conversation with any other member of the Board upon this subject since the meeting of the Board on January fourteenth. For this reason, your resolution condemning the majority of the Board is entirely in error and very misleading to say the least. If any blame attaches to any one it is to me personally and not to the other members of the Board, nor to the members of the Senate committee who were in conference with us at our last meeting.

I have at all times been in favor of the widest publicity being given the report and have so expressed myself on numerous occasions. This, I believe, is the sentiment of the other two members of the Board. I can truthfully say that nothing in the proceedings of the Board, nor in any opinions expressed by its members of which I have knowledge, could possibly be construed as an attempt to suppress this audit report or any part of it, the faulty wording of my telegram excepted.

The Board of Auditors are entirely within their rights when they demand that they receive a copy of the report at the same time that the House and Senate receive it. In fact they would be entirely within the law if they refused the request of the house and senate inasmuch as the law specifically provides for the procedure of submission. The statutes also provide that no measure approved by a referendum of the people can be amended or repealed except by a two thirds majority of both houses. The Senate and House journals do not show that such action has been adopted. However, as before stated, such action has NEVER been contemplated by the present Board of Auditors.

Respectfully submitted,

D. C. POINDEXTER,
State Auditor.

To the Honorable Legislative Assembly of North Dakota:

We, the undersigned residents of Elkhorn Township, Divide County, North Dakota, do hereby petition the Honorable Legislative Assembly of North Dakota, to introduce and pass upon a law to furnish seed and feed to the drought-stricken farmers.

Total amount needed for the above parties in order to put in 1921 crops, \$3,072.00.

(Signed) EVEN ROGSTAD, and 17 Others.

REPORTS OF STANDING COMMITTEES

The committee on Education made the following report:

Mr. Speaker: Your committee on Education to whom was referred:

House Bill No. 29: A Bill For an Act to Amend and Re-enact Section 1137 of the General School Laws Entitled Salary and Expenses.

Have had the same under consideration and recommend that the same be amended as follows:

Strike out lines 1, 2, 3 and 4 down to the word "no." In line 5 amend words "eighteen Hundred Dollars" to read "Fifteen Hundred Dollars."

And when so amended recommend the same do pass.

MR. KITCHEN,
Chairman.

The committee on Education made the following report:

Mr. Speaker: Your committee on Education to whom was referred:

House Bill No. 27: A Bill for an Act to Amend Section 1383 of the Compiled Laws of North Dakota for 1913, Relating to Branches to be Taught in Public Schools.

Have had the same under consideration and recommend that the same do pass.

MR. KITCHEN,
Chairman.

Mr. Kitchen moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on Military Affairs made the following report:

Mr. Speaker: Your committee on Military Affairs to whom was referred:

House Bill No. 17: A Bill for an Act to Make Unlawful the Unauthorized Use of the Name, Insignia of, or the Impersonation of the Membership in the American Legion, and Providing a Penalty for the Violation Thereof.

Have had the same under consideration and recommend that the same do pass.

A. B. CARLSON,
Chairman.

Mr. Carlson moved that the report be adopted, which motion prevailed and the report was adopted.

REPORT OF SPECIAL COMMITTEE ON NUMBER OF COPIES OF BUDGET COMMITTEE'S REPORT TO BE PRINTED.

Mr. Speaker: Your committee on number of copies of Budget Report to be printed have had the same under consideration and recommend that eight hundred copies of such report be printed.

WM. WATT,
Chairman.

Mr. Watt moved that the report be adopted, which motion prevailed and the report was adopted.

REPORT OF SELECT COMMITTEES

The committee on Mileage and Per Diem make the following corrections in their Mileage Report of January 18th:

In the matter of total mileage for the following members:

The total for John K. Olafson should be 711 miles.

The total for P. G. Hanson should be 626 miles.

The total for John Freeman should be 553 miles.

The total for H. B. Durkee should be 502 miles.

The total for C. Ness should be 498 miles.

The total for Wm. Bjerke should be 546 miles.

The total for Adolph Mikkelson should be 722 miles.

The total for Roy B. Weld should be 370 miles.

The total for Nels Olsgard should be 440 miles.

The total for A. L. Maxwell should be 480 miles.

The total for A. L. Maxwell should be 480 miles.

The total for J. H. Burkhart should be 706 miles.

The total for G. Patterson should be 720 miles.

The total for F. A. Vogel should be 132 miles.

And when so corrected, recommend that the same be adopted.

NELS OLSGARD,
Chairman.

REPORTS OF JOINT COMMITTEES

Report of majority of the Joint Committee appointed to consider the matter of adjournment:

The Joint Committee of the Senate and House appointed to consider the matter of taking an adjournment of more than three days, respectfully reports that they have ascertained that there are many members of each faction in both the Senate and House who are desirous of such adjournment at this time, that many of these members came to Bismarck with the idea that an adjournment of several days would be taken early in the session, and that they have pressing business matters requiring their attention which they had anticipated being able to care for during such contemplated adjournment.

That the Budget report is now in the hands of the printer and from best information obtainable will not be available for the use of the Legislative Assembly until the first of next week; that the audit of the State Bank and other State industries will not be available for the use of the Assembly until the first of next week; and that in view of this condition and the fact that there is very little legislation now before the Senate or House for consideration; we deem it advisable, if an adjournment of any length of time sufficient to enable any material number of members to attend to pressing business at home, is to be taken during the session, that such adjournment be taken at this time; and we recommend that an adjournment be taken from Wednesday, January 19th to Tuesday, January 25th.

Respectfully submitted,

E. A. BOWMAN,
W. H. PORTER,
H. H. McNAIR,
E. O. ELLINGSON,
C B. OLSEN.

Mr. Olsen of Billings moved that the report be adopted. which motion was lost.

Mr. Miller moved that the report of the committee be laid on the table, which motion was lost.

Mr. Patterson moved that the house defer action of the report at this time.

Mr. Kitchen moved as an amendment that the report of the committee be made a special order of business at the close of the business of the thirteenth order of business.

Mr. Patterson accepted the amendment to his motion.

The question being on the motion as amended, the motion prevailed.

INTRODUCTION, FIRST AND SECOND READING OF HOUSE BILLS.

Mr. Maxwell introduced:

House Bill No. 42: A Bill for an Act to Amend and Re-enact Section 3969 of the Compiled Laws of North Dakota for the Year 1913, as amended Section 79, of the session laws of North Dakota for the Year 1919. Relating to Excluding Farm Loans From the Limits of City, Town and Villages.

Was read the first and second time and referred to the committee on Municipal Corporations.

Mr. Jardine introduced:

House Bill No. 43: A Bill to Create an Act Entitled an Act Providing for the Creation and Establishment of a State Board of Engineering Examiners, Granting Certain Powers to and Prescribing the Duties of Said Board; Providing for the Examination and Registration of Land Surveyors and Professional Engineers. Regulating the Practice of Engineering in the State of North Dakota, Providing Penalties for the Violation of This Act and Repealing all Acts or Parts of Acts in Conflict hereewith.

Was read the first and second time and referred to the committee on State Affairs.

Mr. Johnson of Sargent introduced:

House Bill No. 44: A Bill for an Act to Amend and Re-enact Sections 2462, 2463, 2466, 2487, 2489, 2490 Compiled Laws 1913, Relating to Drains.

Was read the first and second time and referred to the committee on Drainage and Irrigation.

Mr. Johnson of Steele introduced:

House Bill No. 45: A Bill for an Act to Amend and Re-enact Section 3967 of the Compiled Laws of North Dakota for the Year 1913, Relating to Errors and Deficiencies in City, Town or Village Plats.

Was read the first and second time and referred to the committee on Municipal Corporations.

Mr. Johnson of Cass moved that the House do now recess for 15 minutes, which motion prevailed.

AFTER RECESS

The House assembled pursuant to recess taken, the Speaker presiding.

On motion the House returned to the Seventh order of business.

MOTIONS AND RESOLUTIONS

Mr. Johnson of Cass moved that the vote by which the report of the joint committee on adjournment was rejected be reconsidered, which motion prevailed.

Mr. Johnson of Cass moved that the report of the joint committee be adopted which motion prevailed and the report was adopted.

CONCURRENT RESOLUTION

Mr. Maddock of Mountrail and Mr. Olsen of Billings offer the following:

BE IT RESOLVED, by the House of Representatives, the Senate concurring, that when both bodies adjourn upon Wednesday, January 19th, 1921, they stand adjourned until Tuesday, January 25th, A. D. 1921.

Mr. Maddock of Mountrail moved that the resolution be adopted.

Roll call demanded.

The question being on the adoption of the resolution, the roll was called and there were ayes 69, nays 40, absent and not voting 4.

Ayes: Anderson of Griggs, Babcock, Bauer, Bjorgo, Bolinger, Boyd, Brady, Burns, Carlson, Cole, Durkee, Eckert, Ellingson, Erickson, Erickson of Walsh, Flom, Freeman, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hartt, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kellogg, Kelly, Kitchen, Kjos, Kopp, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, Maddock of Mountrail, Martin of Bottineau, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opdland, Peters, Plath, Preszler, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Strain, Ulland, Watt Wood, Mr. Speaker.

Nays: Allen, Anderson of Burleigh, Arduser, Bilquist, Ejerke, Botz, Bryans Burkhart, Cart, Doyle, Elmer, Erickson of Divide, Fredrickson, Frandson, Hanson of Grand Forks, Hall, Harding, Hempel, Kamrath, Lackey, Lakie, Larkin, Lazier, McLarty, Maddock of Benson, Magnuson, Martin of Slope, Maxwell, Miller, Morton, Oberg, Patterson, Quade, Renauld, Sherman, Sims, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Bratsberg, McManus, Reichert and Vogel.

So the resolution was adopted.

RESOLUTION

Mr. Grangard introduced the following resolution:

WHEREAS, the House is advised that the audit of the State Bank and state industries prepared by Bishop, Brissman & Co., under the provisions of the initiated law, passed at the November, 1920 General Election, will shortly be available to the House; and

WHEREAS, such report of such audit will necessarily be voluminous and comprised of hundreds of pages of printed matter and figures, needing and requiring examination and verification; and

WHEREAS, many matters disclosed by such audit will undoubtedly require other and further information and data with respect thereto, to a clearer understanding and appreciation of the exact condition of such state industries by the members of this House and the people of the state; and

WHEREAS, it will be entirely impractical for the House as a body to make such further investigations as shall be necessary and to procure such information and data as shall be desirable and required:

THEREFORE, BE IT RESOLVED, that the Speaker of the House appoint a special House Committee to consider such audit and to procure such further information and data, such committee to consist of nine members of this body; the said committee to be authorized and empowered to procure such legal assistance, such accounting experts and such other expert and other aid and assistance as they shall deem necessary and advisable to the verification and checking of such audit and to the procuring of any and all further information respecting the condition of our state Bank and other state industries; that such committee shall have the power to summon witnesses and require their testimony under oath, if the committee so decide, take testimony of, and require the giving of any information that will aid them in their work, by any official or employee of any department, institution, or industry of the state and from any official or citizen of the state, and shall have the power to require any and all books and records of any department, institution, industry or official of the state, or of any citizen of North Dakota, or of any corporation doing business within the state, to be produced before it for examination with respect to any matters concerning the State Bank and our other state industries.

Such committee to be further authorized to have printed such number of copies of such audit, if any, as they deem necessary for the use of members of the Legislative Assembly.

Mr. Grangaard moved the adoption of the resolution.

Mr. Patterson offered as an amendment that the Speaker appoint a committee to confer with a like committee from the Senate.

The Speaker called Mr. Watt to the chair.

Roll call demanded.

The question being on the adoption of the amendment the roll was called and there were ayes 50, nays 59, absent and not voting 4.

Ayes: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson, of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Lazier, Levin, McLarty, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Opland, Patterson, Renauld, Sherman, Sims, Strain, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Nays: Allen, Anderson of Burleigh, Bauer, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Absent and not voting: McManus, Maddock of Mountrail, Reichert and Vogel.

So the Amendment was lost.

Mr. Burkhart explained his vote as follows and asked that it be recorded in the Journal:

I am not opposed to this resolution any more than I have been to any of the others. I was opposed to the first resolution because I felt that it was not the right thing. I think most of the resolutions that have been introduced in this House have not been introduced in the right way and taken the proper procedure, and especially this audit proposition, and in this particular resolution it seems to me that the proper procedure would have been to have let this report come and then when it is here have the Speaker ask what was the pleasure of the House in regard to this report. Then there would have been plenty of people to suggest that a committee be appointed. I believe that would have been the procedure and been the proper procedure of this House, and for that reason I vote aye for the amendment to this resolution.

Mr. Harding moved as an amendment to the resolution that we have five appointed of the majority and four of the minority.

Roll call demanded.

The question being on the adoption of the amendment, the roll was called and there were ayes 50, nays 56, absent and not voting 4, passed 3.

Ayes: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Brady, Bratsberg, Bryans, Burkhart, Carl, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Lazier, Levin, McLarty, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Renauld, Sherman, Sims, Strain, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Nays: Anderson of Burleigh, Bauer, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Hagelbarger, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood.

Absent and not voting: McManus, Olafson, Reichert and Vogel.

Messrs. Maddock of Mountrail, Sagen and Mr. Speaker, passed.

So the amendment was lost.

Mr. Burkhart explained his vote and asked to have it recorded in the Journal. I do not wish to dictate to the Speaker in any way, but the question was raised here a few months ago by the gentleman from Golden Valley with reference to the winding up of our last session, I wish to call his attention to the Journal of a day, I forget the day, the investigation of the Library Commission came up and the motion was made that this committee should be composed of five members, three of the majority and two from the minority, and that motion carried unanimously in the house, and I think we are just as much entitled to the same recognition of this legislature as they were in the last one and for that reason I vote "aye."

Mr. Kitchen: I would like my remarks entered in the Journal. Now we are back to the resolution. Twice this resolution has been subject to amendment. The first amendment which was offered and would have killed the very nature of this resolution, was freely debated and the debate was concluded. I believe every member of this house who cared to, expressed his opinion on the amendment. The question was then put and the amendment lost.

It showed decisively the wish of this House regarding the original resolution. Then we commenced filibustering—an other amendment to the resolution was proposed. That resolution was lost. I have an idea more amendments to this resolution will be offered. The result will be exactly the same. Now, Mr. Speaker, the gentleman said something about what was done in a previous session in this very room, something in regard to the appointing of a committee on some Library Commission. This committee called for in this House is upon the largest institution in this state—the State Bank of North Dakota. I know there is absolutely no comparison with the committee mentioned in this report of another session and the committee on this State Bank work—absolutely no comparison. Now, as I said, you have had ample opportunity to express yourselves on this first amendment and did so. I personally do not propose to stay here all night voting down these amendments, and I am going to do something I hope I will not have to do again on the floor of this House and that is to move the previous question, which motion prevailed.

The question being on the adoption of the resolution, the roll was called and there were ayes 58, nays 50, absent and not voting 5.

Ayes: Allen, Anderson of Burleigh, Bauer, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Nees, Nagel, Nathan, Olafson, Olsgaard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Frederickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ramson, Lazier, Levin, McLarty, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Opland, Patterson, Renauld, Sherman, Sims, Strain, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Bjorgo, Kopp, McManus, Reichert, Vogel.

So the resolution was adopted.

The Speaker appointed as such committee: Mr. Grangaard, chairman; Freeman, Hanson of Benson, Johnson of Ward, Nagel, Johnson of Steele, Shipley, Doyle, Ulland.

MESSAGE FROM THE SENATE

Bismarck, N. D., Jan. 19, 1921.

Mr. Speaker: I have the honor to inform you that the

Senate has concurred in the House concurrent resolution relating to adjournment to Tuesday, January 25.

Very respectfully,

W. J. PRATER,
Secretary.

Bismarck, N. D., Jan. 19, 1921.

Also, Mr. Speaker: I have the honor to transmit herewith the following bills:

Senate Bill No. 8: A Bill for an Act to Repeal and Re-enact Section 1714 of the Compiled Laws of the State of North Dakota for the Year 1913, as Amended by Chapter 143, of the Session Laws of 1917.

Senate Bill No. 12: A Bill for An Act to Amend and Re-enact the Concentrated Feeding Stuff Law of North Dakota the same Being Article 43, Sec. 2911-2921 of the Political Code of the Compiled Laws of North Dakota for 1913.

Which the Senate has passed and your favorable consideration is respectfully requested.

Very respectfully,

W. J. PRATER,
Secretary.

FIRST AND SECOND READING OF SENATE BILLS

Senate Bill No. 15: A Bill for an Act to Amend and Re-enact Section 1340, Compiled Laws of North Dakota for 1913, Relating to Proposals for Building School Houses.

Was read the first and second time and referred to the committee on Ways and Means.

Senate Bill No. 12: A bill for An Act to Amend and Re-enact the Concentrated Feeding Stuff Law of North Dakota the same Being Article 43, Sec. 2911-2921 of the Political Code of the Compiled Laws of North Dakota for 1913.

Was read the first and second time and referred to the committee on Agriculture.

Senate Bill No. 8: A Bill for an Act to Repeal and Re-enact Section 1714 of the Compiled Laws of the State of North Dakota for the Year 1913, as Amended by Chapter 143, of the Session Laws of 1917.

Was read the first and second time and referred to the committee on State Affairs.

The House on motion returned to the 12th order of business.

Mr. Watt moved that the amendment of the Senate to the concurrent resolution on grain gambling be concurred in which motion prevailed.

The courtesies of the floor were extended to William Hall, Wm. Van Lerik, James Bothnill, W. C. Taylor, G. A. Hubble, Geo. Anderson.

Mr. Freeman moved that the House do now adjourn, which motion prevailed and the House adjourned.

C. L. DAWSON,
Chief Clerk.

GENERAL ORDERS:

House Bill No. 23: A Bill for an Act Designating the Legal Holidays in the State of North Dakota and to Amend and Re-enact Section 7297 of the Compiled Laws of North Dakota, 1913, as Amended by Chapter 143, Session Laws of 1919.

House Bill No. 5:

A Bill for an Act to prohibit intoxicating liquors and beverages with exceptions for nonbeverage and sacramental purposes and provide for its enforcement and the repeal of laws in conflict therewith.

House Bill No. 7:

A Bill for an Act Providing for the Appointment of County Brand Inspectors; Defining the Duties of Railways in the Shipment of Certain Stock; Penalty.

House Bill No. 29: A Bill For an Act to Amend and Re-enact Section 1137 of the General School Laws Entitled Salary and Expenses.

TWENTY-SECOND DAY

House of Representatives,
Bismarck, North Dakota,
January 25, 1921.

The House convened at 2 o'clock P. M., pursuant to adjournment. The Speaker presiding.

Prayer by the Chaplain, Rev. Strutz.

Roll Call. All members present, except Messrs, Brady, Burkhart, Heaton, Maddock of Mountrail, Preszler, Opland, who were excused.

REVISION AND CORRECTION OF THE JOURNAL

The committee on revision and correction of the journal made the following report:

Mr. Speaker: Your committee on revision and correction of the journal have carefully examined the Journal of the Sixteenth day and found the same correct.

And recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted.

PETITIONS AND COMMUNICATIONS

RESOLUTIONS ADOPTED BY THE TOWN BOARD OF
MONANGO, N. D.

WHEREAS, the town of Monango (in common with several other towns) has for many years depended on the artesian wells for its supply of water; and,

WHEREAS, the artesian flow has decreased at an alarming rate for the past 15 years through unscientific drilling and casing and through wanton waste of flow which should have been regulated from the beginning; and,

WHEREAS, we find that our town wells, in common with thousands of others, have declined in flow until they are about gone and are no longer sufficient for our needs. Our supply is reduced until we are in grave danger of fire until other source and supply are bought and paid for at new and additional expense—unless the artesian waste is stopped and the supply partly restored.

BE IT THEREFORE RESOLVED: That the Town Council of Monango does hereby request and urge that its assemblymen from Dickey County in the 1921 session endeavor by every possible means to secure the passage of a long needed act to regulate the drilling and flow of wells, similar to that existing in all other states having a flow.

BE IT FURTHER RESOLVED: That we order sent to the Governor, to the Attorney General and our Senator Kelsch and Representatives Root and Shimmin copies of these resolutions.

Signed:

G. W. FAUST,
Chairman of board.
F. K. LUTHER,
Secretary.
H. R. GUNDERMAN, M. D.
Member.

Ellendale, N. Dak., Jan. 11, 1921.

Rep. J. D. Root,
Bismarck, N. Dak.

Dear Mr. Root:

The members of the Conservation Club of Ellendale Township have made a study of the source of supply, the present rapid falling off, and the proposed laws for the control of artesian wells. We decided to go on record as being in favor of the law proposed by state flood commissioner Herbert A. Hard to regulate the flow of artesian wells throughout the state and to bond well-drillers so as to secure better wells, a law which has already been passed in South Dakota.

This law if passed would restore in some measure some of the wells which have already fallen off, and prolong indefinitely the flow of many which are at present rapidly weakening. As matters now stand, we in Dickey County who have paid large sums of money for wells over one thousand feet deep are in imminent danger of forever losing these wells because the people in Sargent, Richland and other eastern counties who get artesian wells at the depth of only three hundred feet are letting their wells run full force and flooding their land with the water that could be saved to flow out of our wells.

So we are asking our representatives to do all in their power to assist with the passage of this law. If you are not fully informed in this matter please see Comm. Hard who will tell you the truth about it, and do not listen to those who for their own selfish gain are trying to kill the bill.

Whatever you may be able to influence other members of the legislature to vote for this bill will be greatly appreciated by

THE CONSERVATION CLUB OF ELLENDALE TOWNSHIP

MRS. ROBERT HALL,
President.

MRS. E. J. McSHANE,
Secretary.

MRS. W. H. FLEMING,
Chairman of Artesian Well Committee.

Mr. Olson of Ramsey presented the following communication:

To the Members of the North Dakota Senate:

We as citizens of Devils Lake, N. D. request that the Health Bill introduced by Senator O. C. Gross establishing an Educational Health Commission consisting of: The states superintendent of Public Instruction, President of the State Tuberculosis Association, President of the State Medical Association, Chairman of the Child Welfare Department of the Womens' Federation, President of the State Nurses' Association, and the Secretary of the State Board of Health to have supervision over the Health Education in our public schools and public school nurses, do pass.

MRS. ED. ELLIOTT,
President County Club, Devils Lake, N. Dak.
AND 14 OTHERS.

Mr. Cart presented the following communication:
To the 17th Legislative Assembly:

WHEREAS, the constitution of the State of North Dakota makes no provision requiring qualifications for the Office of Superintendent of Public Instruction, and the Office of Attorney General, other than they be twenty-five years of age, and two years a resident of the State:

We respectfully ask that the Legislature enact an amendment to the constitution, requiring the Attorney General to have the same qualifications as a District Judge, and the Legislature to state the qualifications of the Superintendent of Public Instruction.

MRS. C. M. MULLIN AND 21 OTHERS,
of Kenmare, N. Dak.

Mr. Whitmer presented the following communication:
To the Senators and Representatives of the Forty-eighth

Legislative District:

We, the undersigned office holders of Oliver County, North Dakota, believing that the salaries paid to us at the present time are not what we are justly and rightly entitled to and not equally proportioned, and believing that you as our representatives are sufficiently posted in regard to the amount of work each official has to do to enable you to determine what we should rightly have, we ask that you use your influence and give your vote to a bill providing a sufficient and more equitable adjustment in regard to salaries.

B. B. CONYNE,
County Auditor.
AND 9 OTHERS.

To the Honorable Members of the Legislative Assembly of the State of North Dakota:

We, the undersigned, residents and voters of the State of North Dakota, respectfully petition your honorable body to repeal that certain Section No. 27 of House Bill No. 107, of the 1919 Session Laws amending and re-enacting Section No. 27 of Chapter 161 of the 1915 Session Laws of the State of

North Dakota, prohibiting the use of hunting dogs, and as grounds for such repeal, submit the following reasons:

1. That such section in no manner tends to preserve the game of the state.
2. That approximately one-third of the birds killed each year are wounded and left to die unfound because the hunter has no dog with which to locate them and therefore such act directly tends to increase the loss of such game instead of preserving the same.
3. That great numbers of people of this state are owners of bird dogs and have been and are being deprived of the use of them.

We submit further that, if, in the opinion of your honorable body, it would be advisable to license the users of hunting dogs, to enact a law requiring any and all users of hunting dogs to obtain a license and to pay therefor a fee of \$2.00 or some other nominal sum.

HARVEY F. MILLER
AND 96 OTHERS.

The Speaker announced that the audit report from Bishop, Brissman & Co. of the state industries had been received, and the report was referred to the House Audit Committee.

The Speaker read the following communication:

St. Paul, Minn., Jan. 24, 1921.

Hon. L. L. Twitchell, Speaker, and Members of the House of Representatives, Seventeenth Legislative Assembly, State of North Dakota, Bismarck, N. D.:

Sirs:

In transmitting our Reports on Examinations, a brief review of the work as a whole might be pertinent.

Our instructions received from the State Board of Audit upon date of commencement of the Examinations on December 3, 1920, were:

1. To make as complete an investigation as possible and present fairly and impartially the affairs and transactions of the Bank of North Dakota and the other State Industries mentioned, from the information and data obtainable.
2. The field work of all Examinations must be completed by December 31, 1920, and our Reports completed as soon thereafter as possible and submitted to the State Board of Audit and the Legislature in Session.
3. We were to employ two supervising Accountants and not less than ten Assistant Accountants continuously on the field work until said December 31, and as many Staff Assistants thereafter as necessary for completion of the Reports.
4. Our compensation was to be at the rate of \$25.00 per day for the Supervising Accountants and \$17.50 per day for the Assistant Accountants employed, plus necessary expenses of traveling, subsistence and clerical work in preparation of

the Reports, etc. Settlements of both per diem and expense to be made upon weekly itemized statements submitted therefor.

During the progress of our Examinations we were instructed, because of the limitations of time imposed, to omit the audits of the Creamery located at Werner, and the Workmen's Compensation Bureau at Bismarck.

We take pleasure in submitting herewith our Reports as follows:

1. The Bank of North Dakota, Bismarck, N. D.
2. The Mill and Elevator at Drake, N. D. (Partial Examination.)
3. The Home Building Association, Bismarck, N. D. (Partial Examination.)
4. The Workmen's Compensation Bureau, Bismarck, N. D. (Preliminary Examination.)
5. The Creamery at Werner, N. D. (No Examination.)

During the progress of our Examinations, the work has received extended publicity in the public press; in some cases our motives have been impugned and our professional ability and reputation assailed; with no justification or knowledge both of work and possible findings of our Report unfortunately have been considerably misrepresented, criticized and prejudiced.

We wish to advise that we assume no responsibility for any discussion of our service or Reports from any source. Neither the members of our firm or any of our representatives have given any advance information to any State Official, citizen or newspaper representative, at any time or anywhere, relative to the possible contents of our Reports.

Through the limitations of time imposed our studies of these enterprises are not as complete and comprehensive as we would wish.

We confined the computations and statements to those facts subject of verification by us in the time allowed and from the records available. The examinations were conducted and Reports prepared purely in our professional capacity and entirely free from any personal, political or local considerations.

The Reports therefore we are assured will receive your extended and constructive study and consideration. If desired and at your convenience, we would be pleased to have one of our representatives meet with you for purposes of explanation and discussion of the contents of any of the Reports as submitted, upon arrangements being made for usual remuneration.

Respectfully,
BISHOP, BRISSMAN & CO.

Mr. Patterson moved that the communication be printed in the journal, which motion prevailed.

The Speaker announced that on account of ill health Mr. Doyle asked to be excused from acting as a member of the House Audit Committee, his resignation was accepted, and the Speaker appointed in his place as a member of the Audit Committee, Mr. Weld of Wells.

REPORT OF STANDING COMMITTEE
MAJORITY REPORT

The committee on Appropriations made the following report:

Mr. Speaker: Your committee on Appropriations to whom was referred House Bill No. 33. A Bill for an Act Appropriating \$12,000. for payment of Audit made by Bishop, Brissman & Company.

Have had the same under consideration and recommend that the same be amended as follows: In the printed bill in line 2 of the Title strike out the eighth word. Strike out the seventh and eighth lines. In line 6 after the word people, insert "which said audit was made by Bishop, Brissman & Company." In the sixth line strike out the 12th and 13th words. Strike out the seventh and eighth lines and substitute in lieu thereof, the following: "said expenses to be paid on presentation of proper vouchers."

And when so amended recommend the same do pass.
WM. WATT,
Chairman.

Mr. Watt moved that the report be adopted.

MINORITY REPORT

The committee on Appropriations made the following report:

Mr. Speaker: Your committee on Appropriations to whom was referred House Bill No. 33. A Bill for an Act Appropriating \$12,000. for payment of Audit made by Bishop, Brissman & Company.

Have had the same under consideration and recommend that the same be indefinitely postponed.

WM. WATT,
Chairman.

Mr. Maddock of Benson moved that the minority report be substituted for the majority report, which motion was lost.

Mr. Johnson of Sargent asked the unanimous consent of the House to withdraw House Bill No. 44 from the committee, which request was granted.

INTRODUCTION, FIRST AND SECOND READING OF
HOUSE BILLS

Messrs. Martin and Bjorgo introduced:

House Bill No. 46: A Bill for an Act Prohibiting the Insertion of any Waiver or Release of Damages in Promissory Notes or Chattel Mortgages.

Was read the first and second time and referred to the committee on Judiciary.

Messrs. Lazier and Durkee introduced:

House Bill No. 47: A Bill for an Act to Amend and Re-enact Section 10298 of the Compiled Laws of North Dakota for the Year 1913 as Amended by Chapter 162 of the Session Laws of 1915 and Chapter 134 of the Session Laws of 1919, Regular Session, Relating to the Killing of Deer.

Was read the first and second time and referred to the committee on Game and Fish.

Mr. Bauer introduced:

House Bill No. 48: A Bill for an Act to Amend and Re-enact Section 9997 of the Compiled Laws of North Dakota for the Year 1913, Relating to Butchers' Reports of Branded Animals Killed.

Was read the first and second time and referred to the committee on Agriculture.

THIRD READING OF HOUSE BILLS

HOUSE ROLL CALL

House Bill No. 17: A Bill for an Act to Make Unlawful the Unauthorized Use of the Name, Insignia of, or the Impersonation of the Membership in the American Legion, and Providing a Penalty for the Violation Thereof.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 103, nays 0, absent and not voting 10.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Bratsberg, Bryans, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Patterson, Peters, Plath, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski Sproul Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: None.

Absent and not voting: Brady, Burkhart, Hagelbarger, Heaton, Kamrath, Kellogg, Maddock of Mountrail, Magnuson, Opland, Prezler.

So the bill passed and the title was agreed to.

HOUSE ROLL CALL

House Bill No. 27: For an Act to Amend Section 1383 of the Compiled Laws of North Dakota for 1913, relating to Branches to be Taught in Public Schools.

Was read the third time.

Mr. Hempel moved that House Bill No. 27 be rereferred to the committee for further consideration, which motion was lost.

The question being on the final passage of the bill, the roll was called and there were ayes 69, nays 39, absent and not voting 4, 1 passed.

Ayes: Anderson of Burleigh, Anderson of Griggs, Arduser, Bauer, Bilquist, Bjorgo, Bollinger, Boyd, Burns, Carlson, Durkee, Ellingson, Erickson of Divide, Erickson of Walsh, Flom, Fredrickson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hartl, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kelly, Kitchen, Kjos, Lackey, Larkin, Larson of Pierce, Larson of Ransom, Lazier, McDowell, McLarty, McManus, Maddock of Benson, Martin of Slope, Mikkelson, Miller, Mouck, Ness, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Opland, Peters, Plath, Preszler, Reichert, Root, Sagen, Semling, Sherman, Shimmin, Sims, Slominski, Sproul, Ulland, Weld of Wells, Whitmer, Yeater, Mr. Speaker.

Nays: Allen, Babcock, Bjerke, Botz, Bratsberg, Bryans, Cart, Cole, Doyle, Eckert, Elmer, Freeman, Frandson, Hall, Harding, Kellogg, Kopp, Lakie, Levin, McGauvran, Magnuson, Martin of Bottineau, Maxwell, Morton, Nagel, Nathan, Oberg, Olafson, Ophaug, Patterson, Quade, Renauld, Shipley, Starke, Strain, Vogel, Watt, Weld of Kidder, Wood.

Absent and not voting: Brady, Burkhart, Heaton, Maddock of Mountrail.

Mr. Hempel passed.

So the bill passed and the title was agreed to.

Mr. Hagelbarger rose to explain his vote and asked that it be printed in the journal. "I vote yes on this bill because I believe it provides profitable recreation, and therefore I vote yes."

On motion of Mr. Sagen the House returned to the fourth order of business.

Mr. Sagen asked the unanimous consent of the House to withdraw House Bill No. 30 from the committee, which request was granted.

Mr. Freeman moved the House do now adjourn, which motion was lost.

GENERAL ORDERS

Mr. Watt moved that the house resolve itself into a committee of the whole for the consideration of general orders;

which motion prevailed, and the house resolved itself into a committee of the whole.

The Speaker called Mr. Watt to the chair.

When the committee arose it submitted the following report:

Mr. Speaker: The committee of the whole have had under consideration House Bill No. 23: A bill for an act designating the Legal Holidays in the state of North Dakota and to amend and re-enact Section 7297 of the Compiled Laws of North Dakota, 1913, as amended by Chapter 143, Session Laws of 1919. and recommend that the same do pass.

Also: House Bill No. 5: A bill for an act to prohibit intoxicating liquors and beverages with exceptions of non-beverage and sacramental purposes and provide for its enforcement and the repeal of Laws in conflict therewith, and recommend that the same be amended as follows:

On page 14, line 19, after the word "property" insert the following: "Or if there be in or upon such conveyance so used, or upon any person therein any fire arms or guns," and when so amended recommend the same do pass.

Also: House Bill No. 7: A bill for an act providing for the appointment of County Brand Inspector; defining the duties of railways in the shipment of stock; penalty, and recommend that the same do pass.

Also: House Bill No. 29: A bill for an act to amend and re-enact Section 1137 of the General School Laws entitled Salary and Expenses, and recommend that the same do pass.

WM. WATT,
Chairman.

Mr. Bauer moved that the report of the committee be adopted, which motion prevailed and the report was adopted.

The courtesies of the floor were extended to J. J. Grady, Harper Burns, Leonard Stockwell, C. C. Stewart, P. A. Lee, Major Dana Wright, John F. Sullivan, C. G. Loiland, Mr. and Mrs. J. P. Maddock, J. F. Rindal, H. C. Westby, C. Happerstad.

Mr. Mikkelson moved that the House do now adjourn, which motion prevailed, and the House adjourned.

C. L. DAWSON,
Chief Clerk.

GENERAL ORDERS

House Bill No. 33: A Bill for an Act Appropriating \$12,-000.00 for Payment of Audit Made by Bishop, Brissman & Co.

TWENTY-THIRD DAY

House of Representatives,
Bismarck, North Dakota,
January 26, 1921.

The House convened at 2 o'clock P. M., pursuant to adjournment.

Prayer by Chaplain, Rev. Strutz.

Roll Call. All members present except Messrs. Brady and McDowell, who were excused.

REVISION AND CORRECTION OF THE JOURNAL

The committee on revision and correction of the journal made the following report:

Mr. Speaker: Your committee on revision and correction of the journal have carefully examined the Journal of the twenty-second day and find same correct.

And recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

PETITIONS AND COMMUNICATIONS

Cando, North Dakota, December 30th, 1920.

Hon. Henry Botz,
Representative 22nd Legislative Dist.,
Cando, North Dakota.

Dear Sir: We are enclosing herewith a copy of a bill which is to be introduced at the next session of the legislature

We respectfully ask you to give this bill your consideration and support.

Thanking you in advance for anything you may be able to do to further it's passage, we assure you your efforts will be appreciated.

Yours respectfully,
A. T. MOONEY,
AND 10 OTHERS.

We are in favor of the enclosed bill or any other bill which increases the salaries of the county officers.

To the Honorable Senator and the Representatives of 48th
Legislative District:

We, the undersigned County officials of Mercer County, respectfully petition you to support and vote for a bill for to increase the salaries of the county officials. Salaries have not increased with the cost of living and if there is a decrease of high cost we haven't seen any of it yet.

PAUL LEUPP,
AND 5 OTHER COUNTY OFFICERS.

Crosby, N. D., Jan. 24, 1921.

To the Honorable Members of both Houses of the Seventeenth Legislative Assembly:

Gentlemen: We, the undersigned, county officers of Divide County, North Dakota, respectfully ask your support for any salary bill for county officers that provides for a substantial increase in the salaries of county officers.

We respectfully ask this because of the increase in the cost of living, facts and figures in regard to which have already been submitted to you by other county officers.

We ask only what is fair in this matter and that any salary bill, for county officers, submitted to you be fairly dealt with, and we are confident that you will deal fairly with us, but we are submitting the foregoing to you to let you know that there is a real demand and need for increases in the salaries of all county officers.

Most respectfully submitted,

R. H. LYNCH,

AND OTHER COUNTY OFFICERS OF DIVIDE COUNTY.

Wahpeton, N. Dak., January 20th, 1921.

To the Representatives from Richland County, N. D.:

Gentlemen: At the present session of the Legislature a bill has been introduced providing for an increase in salaries of all county officers. To this bill we call your particular attention, and request your hearty support for its passage, and by way of justifying our request, respectfully submit the following:

The salaries of county officers now in vogue are those fixed by the legislature in 1915, which in this county lowered a number of county officials. Therefore, you will see that county officers now are not getting more pay than they did in 1915, and some get less than they did before that year.

Since 1914, and up to some time in April last, Bradstreet's report shows an increase in the cost of living of 119 per cent; Dunn's report shows an increase of 94 per cent and Bureau of Labor shows an increase of 103 per cent. Further, we all know that the cost of living since last April has been boosted still more.

It is almost impossible for the present salaried county officer of this county to meet his living expenses, even if he has no family, with the pay he receives from the county alone.

Common labor at this time commands wages ranging from \$4.00 to \$6.00 per day; bricklayers, masons, carpenters and others of this class get from \$8.00 to \$10.00 per day. Whenever a "drive" is on (and we have had a number of them) the county officials are hit as hard as others earning twice his salary, but he can say nothing.

Considering all these facts, and especially the fact that his salary has not been increased for five years, although the cost of living has increased more than 100 per cent since that time, do you consider the proposed legislation, above referred to, unfair at this time? We think not, and hope to learn soon that your support in this matter has made the salaries of the county officials commensurate with the increased cost of living.

J. WALTER GREEN,
Clerk of District Court.
AND 7 OTHER COUNTY OFFICERS.

Rugby, N. D., Jan. 20, 1921.

To the Honorable Members of the House and Senate, Bismarck, North Dakota.

Greeting: We, the County Officers of Pierce County, North Dakota, respectfully ask that you consider the proposed law regarding County Officers Salaries, and that you take favorable action regarding same.

It is a well known fact that during the last four years the salaries of all County Officers have remained the same, while all other classes of labor were increased, and in some counties of the state the salaries are such that competent Officers will be hard to get to accept County Offices at the salaries as they now are set by law.

C. E. HARNIT,
Sheriff.
AND 6 OTHER COUNTY OFFICERS.

Glen Ullin, N. D., January 22, 1921.

To the Honorable Jacob Bollinger, J. J. Strain, and J. F. Elmer, Members of the House of Representatives from Morton County:

Gentlemen: We are sending you herewith a petition from the voters and taxpayers of Glen Ullin and adjacent territory which we sincerely trust you will give your most earnest efforts. No doubt other petitions from other parts of the state asking for relief along the same lines come before the committee on education and the legislators. These undoubtedly differ in some of the ideas suggested and thus tend to confuse the minds of the legislators. But the underlying idea is a call for laws that may give relief. The cities, towns and villages which maintain classified high schools have the burden upon their shoulders of educating the young people from adjacent school districts without any expense to these adjacent districts. This is clearly an unfair state of affairs, and the burdens come very heavy on especially the smaller cities in the state. The burdens should be more equally divided.

We therefore hope and trust that the committee on education and the members of the legislature will enact into law some measure along the lines indicated in these petitions.

Very respectfully,

H. B. HARPER,
Pres. Board of Education.
JOHN W. LUTGERS,
Clerk, Board of Education.

To the Honorable Members Committee on Education:

We, the undersigned voters and taxpayers of Glen Ullin Special School District and adjacent territory, hereby respectfully petition you to use your best endeavors towards the enactment of laws as follows:

First: A measure requiring all school districts not providing high school privileges for their children to pay a reasonable tuition to any classified high school where these children may see fit to attend.

Second: A measure providing increased appropriations to classified high schools.

Third: A measure authorizing local school boards to levy ample funds for the proper maintenance of their schools.

Fourth: A measure providing for the annexation of territory to towns and cities having classified high schools within three miles of such schools, on petition of two-thirds of the actual school patrons residing in such territory.

H. B. HARPER,
AND 114 OTHERS.

Saint Paul, Minn., January 24, 1921.

Hon. Mr. Twitchell,
Speaker of the House of Representatives,
Bismarck, N. D.

Dear Sir: At convention assembled at Fargo on the 18th day of January, resolution was passed and adopted and as instructed we are herewith attaching copy of same.

Very truly yours,

G. A. THIEL,
Secretary.

To the Honorable Legislature of the State of North Dakota:

WHEREAS, the office of the Attorney General of the State of North Dakota is practically without funds, due to the fact that nearly all of the appropriations made by the legislature of 1919 has been expended; and,

WHEREAS, the grain grading act is about to come before the United States Court of Appeals for argument as regards the constitutionality of said act; and,

WHEREAS, the Railway Discriminatory Act is still pending, necessitating expending certain sums to defend the interest of the State of North Dakota in the cases referred to; and,

WHEREAS, the proper defending of said laws are vital importance to every citizen of the State of North Dakota:

THEREFORE, BE IT RESOLVED, by the Equity Co-Operative Exchange and the Tri-State Grain Growers with over one thousand persons present in regular session assembled this 18th day of January, 1921, request the state legislature of North Dakota now in session at Bismarck to appropriate sufficient funds to properly enable the Attorney General to defend the interests of the State of North Dakota, and request that said appropriation carry with it the emergency clause in order that the said funds be made immediately available. That a copy of this resolution be forwarded to the Speaker of the House and the President of the Senate of the State of North Dakota.

Signed:

C. SLEGERMAN,
AND 5 OTHERS.

Dated at Fargo, N. D. this 18th day of January, 1921.

To the Honorable Senators and Representatives of Cass County, North Dakota:

We, the Directors of School District No. 38, Cass County, North Dakota, after talking with the great majority of the residents of said School District No. 38, do hereby petition you to vote for a charge of at least \$10.00 per month, for all students outside of said District who attend our school, as a tuition charge, as we fully believe it will not more than equalize with students who live within the school district.

We understand that there is a bill before your Honorable bodies to fix a price or charge for each student coming from outside the district as a tuition fee and we do not know the name or title of the bill, but whatever it may be we ask that you put the tuition fee at not less than \$10.00 per month.

ED. KRINGLER,
President.
H. E. Brown,
Director.
E. O. MELVIN,
Director.

REPORT OF STANDING COMMITTEES

The committee on Enrollment and Engrossment made the following report:

Mr. Speaker: Your committee on Enrollment and Engrossment have examined the following bills:

House Bill No. 17: A Bill for an Act to Make Unlawful the Unauthorized Use of the Name, Insignia of, or the Impersonation of the Membership in the American Legion, and Providing a Penalty for the Violation Thereof.

House Bill No. 27: A Bill for an Act to Amend Section 1383 of the Compiled Laws of North Dakota for 1913, Relating to Branches to be Taught in Public Schools.

And find the same correctly engrossed.

ADAM PRESZLER,
Chairman.

Mr. Prezler moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on Education made the following report:

Mr. Speaker: Your committee on Education to whom was referred:

House Bill No. 36: A Bill for an Act to Provide for the Standardization of the One-Room Rural Schools, the Graded Schools and the High Schools of the State.

Have had the same under consideration and recommend that the same be amended as follows: Page 2 line 2 at top, word "course" to read "courses." Page 5 lines 3 and 4 at top after word "year" on line 3 strike out words "next preceding that." Page 6 after Salaries and Expenses line 1 change word "Inspector" to read "Inspectors." Page 6 after Salary and Expense line 2 change word "twenty-five" to read "twenty-two."

And when so amended recommend the same do pass.

MR. KITCHEN,
Chairman.

The committee on Education made the following report:

Mr. Speaker: Your committee on Education to whom was referred:

House Bill No. 28: A Bill for an Act to Amend and Re-enact Section 1136 of the General School Laws entitled Deputies. How Appointed. Salary.

Have had the same under consideration and recommend that the same be amended as follows: Line 10 after the word "teachers" insert the following "or major fraction thereof."

And when so amended recommend the same do pass.

MR. KITCHEN,
Chairman.

The committee on Public Health made the following report:

Mr. Speaker: Your committee on Public Health to whom was referred:

House Bill No. 31: A Bill for an Act Creating a Children's Code Commission; fixing the Membership Thereof; Defining its Powers and Duties; and Making an Appropriation Therefor.

Have had the same under consideration and recommend that the same be amended as follows: In Section 6 line 2 strike out the words "Five Thousand" and insert in lieu thereof, the words "Two Thousand Five Hundred." Also in line 3 same section strike out the figures "Five Thousand" and insert in lieu thereof, the figures "Two Thousand Five Hundred."

And when so amended recommend the same do pass.

C. A. SAGEN,
Chairman.

The committee on Public Health made the following report:

Mr. Speaker: Your committee on Public Health to whom was referred:

House Bill No. 37: A Bill for an Act to Amend and Re-enact Section 466 of the Compiled Laws of North Dakota for the Year 1913, Relating to Preliminary Qualifications of Applicants for Licenses to Practice Medicine in the State of North Dakota.

Have had the same under consideration and recommend that the same do pass.

C. A. SAGEN,
Chairman.

Mr. Sagen moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on Public Health made the following report:

Mr. Speaker: Your committee on Public Health to whom was referred:

House Bill No. 40: A Bill for an Act to Amend and Re-enact the Hotel Inspection Laws of North Dakota, the Same Being Article 57 of the Political Code of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 170, Session Laws of 1915 and Chapter 133, Session Laws of 1917.

Have had the same under consideration and recommend that the same do pass.

C. A. SAGEN,
Chairman.

Mr. Sagen moved that the report be adopted, which motion prevailed and the report was adopted.

REPORT OF SELECT COMMITTEE

Mr. Speaker: Your committee on Mileage and Per Diem make the following correction and addition to the report of this committee in the Journal of the 16th day: The total mileage of E. E. Bryans of Dist. 45 should be 595 miles.

NELS OLSGARD,
Chairman.

Mr. Olsgard moved that the report be adopted which motion prevailed and the report was adopted.

Mr. Johnson of Cass moved that the public printer be instructed to print two thousand copies of the temporary journals, and seven hundred and fifty copies of the bills, which motion prevailed.

INTRODUCTION, FIRST AND SECOND READING OF HOUSE BILLS

Mr. Jardine introduced:

House Bill No. 49: A Bill for an Act to Amend and Re-enact Section 814 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Jurors.

Was read the first and second time and referred to the committee on Judiciary.

Mr. McLarty introduced:

House Bill No. 50: A Bill for an Act to Amend and Re-enact Section 1146 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 213 of the Session Laws of 1917, Relating to Changing of School District Boundaries.

Was read the first and second time and referred to the committee on Counties.

Mr. McLarty introduced:

House Bill No. 51: A Bill for an Act to Prohibit the Use of Tobacco by Smoking in Certain Places and Providing Penalty.

Was read the first and second time and referred to the committee on State Affairs.

Messrs. Boyd, Bjorgo, Cart, Carlson, Kitchen, Semling, Starke, Preszler and Yeater introduced:

House Bill No. 52: A Bill for an Act Levying a Tax of One Mill Upon Each Dollar of Assessed Valuation of all Taxable Property Within the State for Each Year for the Purpose of Creating a fund to be known as the "Returned Soldiers' Fund," Providing for the Payment Thereof to Returned Soldiers, Defining the Powers and Duties of the Adjutant General and of the Industrial Commission with Reference Thereto and Making an Appropriation Therefor.

Was read the first and second time and referred to the committee on State Affairs.

Mr. Larson of Pierce and Mr. Sagen introduced:

House Bill No. 53: A Bill for an Act Providing that Every Company May File a Statement with the Register of Deeds of the County in Which it Does Business, Pay a Fee Therefor, and Providing that the Holders of Mortgages or Liens on Grain Shall not have a Lien or Mortgage upon said Crop Unless Register or Personal Service has been Made Upon said Elevator Company.

Was read the first and second time and referred to the committee on State Affairs.

Mr. Babcock introduced:

House Bill No. 54: A Bill for an Act to Amend and Re-enact Sections 3533 of the Compiled Laws of North Dakota for the Year 1913, Relating to Office Hours of County Commissioners and Fixing their Compensation.

Was read the first and second time and referred to the committee on Ways and Means.

Mr. Starke introduced:

House Bill No. 55: A Bill for an Act to Amend and Re-enact Sections 1 and 2 of Chapter 173 of the Session Laws

of 1919, Requiring the Label of the International Typographical Union to Be Placed Upon All Public Printing of the State of North Dakota and Providing Penalties for the Violation Thereof.

Was read the first and second time and referred to the committee on Public Printing.

Mr. Starke introduced:

House Bill No. 56: A Bill for an Act to Amend and Re-enact Section 7643 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Judgments, District and Supreme Courts to Direct.

Was read the first and second time and referred to the committee on Judiciary.

Mr. Maddock and Mr. Hanson of Benson introduced:

House Bill No. 57: A Bill for an Act to Amend and Re-enact Section 1455 of the Compiled Laws of the State of North Dakota for the Year 1913, and Section 1456 of the Compiled Laws of the State of North Dakota for the Year 1913, as Amended by Chapter 207 of the Session Laws of the State of North Dakota for the Year 1917, Relating to County Agricultural and Training Schools.

Was read the first and second time and referred to the committee on Agriculture.

Mr. Johnson of Steele introduced:

House Bill No. 58: A Bill for an Act Entitled "An Act Making an Appropriation for Immigration for the Biennial Period Beginning July 1st, 1921, and Ending June 30th, 1923."

Was read the first and second time and referred to the committee on Appropriations.

On motion of Mr. Maddock of Mountrail the House returned to the fourth order of business.

To the Honorable Speaker and Members of the House of Representatives of the Legislative Assembly of the State of North Dakota in the Seventeenth Session Assembled:

There are now pending in the various courts the following major cases involving large sums of money in which the State of North Dakota is interested:

The Bond and Stock Tax Case now pending before the United States District Court.

The Flood Case pending between the State of North Dakota and Minnesota, which involves over One Million Dollars, and is now in the United States Supreme Court.

The Railroad Tax Case in which a decision has been rendered by the United States District Court, which involves some Three Million Dollars, and in which an appeal may be taken to the Supreme Court of the United States.

The attack upon the constitutionality of the State Grain Grading Act which has already been decided in the United

States District Court and from there appealed to the United States Circuit Court of Appeals, may be appealed to the United States Supreme Court, and involves many hundreds of thousands of dollars to the citizens of North Dakota.

The Railroad rate case now pending before the United States District Court for the Southeastern district of North Dakota, and a Railroad Rate Case pending before the Interstate Commerce Commission at Washington, D. C.

These two latter cases involve proposed increases of rates in North Dakota which amount to approximately Two Million Dollars a year.

Thus far increases have been prevented since the month of September by actions in your State Supreme Court and hearings before your Railroad Commission, the expenses of which have not been paid by the State of North Dakota and no claim has been filed for the same.

At the present time the major litigations pending, as above mentioned, involves more in amount than at any other time that I know of in the history of the State of North Dakota in recent years. By that I mean that defeat in these cases would cost the State of North Dakota millions of dollars. It is estimated by the rate department of your Railroad Commission that to properly prepare the case on railroad rates and present it before the Interstate Commerce Commission, would require the expenditure of more than Five Thousand Dollars, would require the employment of a considerable number of accountants to get out the rate exhibits, to go to the various states and examine the reports of the various railroads, and to make exhaustive investigations and studies necessary to properly present the case before the Commission at Washington, D. C. Such preparation involves large printing bills, large fees for witnesses, large stenographic expenditures, and large traveling expenses. It is an assured fact that in hearings before the Interstate Commerce Commission the burden of proof is placed upon the State, and that if the State appears without a carefully and completely prepared case, there is no question but that the rates will be raised and the State of North Dakota suffer a loss of approximately Two Million Dollars per year.

A like situation exists with reference to most of the other cases I have referred to.

When I assumed the duties of Attorney General on January 3rd there remained in the office unexpended the sum of \$7805.65. Since that time bills have been presented, amounting to \$4025.52, and there is now being printed in the office of the Bismarck Tribune the report of the Attorney General for 1919-1920, which will probably cost not less than Eight Hundred or Nine Hundred Dollars, thus leaving in the office of the Attorney General for the first six months of 1921 the sum of \$3718.13, providing there are no further unpaid bills to be presented. The State Auditor has made a statement that there are doubtless a number of other bills which remain unpaid and properly chargeable against this appropriation.

It is significant to note that under the condition existing at this time the appropriation for printing is overdrawn approximately Six Hundred Dollars with an Eight Hundred Dollar bill still to come in.

It is therefore absolutely impossible for your Attorney General to have a brief printed or transcript printed or taken in any of the cases now pending.

It is also significant to note that the appropriation for traveling expenses is at present overdrawn about One Hundred Seventy Dollars, so it is impossible for the Attorney General or any of his assistants to attend the hearings of any of the cases pending away from the City of Bismarck, much less to appear in Washington, D. C. for the Railroad Rate Case.

In this connection I wish to call your attention to the fact that my predecessor expended during the period of eighteen months from July 1st, 1919, to December 31st, 1920, the sum of \$74,251.68 out of funds appropriated directly to the Attorney General's office, and that there was expended during the same period of time the sum of \$22,949.88 under other special appropriations for the defense of the State of North Dakota, which was not being properly taken care of by the Attorney General's office. That the average amount expended by the Attorney General out of his own appropriations per month during that period was \$4125. That the amount expended in the defense of the State of North Dakota in addition to that expended by the Attorney General, was the amount of \$1275. per month, or a total amount for the legal defense of the State of \$5400.00 per month.

There are six months yet to expire before July 1st, the beginning of the new biennium, with but \$3780.13 in the funds of the Attorney General's office with which to meet the expenses of his department, provided there are not more bills outstanding and unpaid which were incurred by my predecessor. This amounts to \$630.02 per month, approximately 15% of the amount expended each month by my predecessor, and about 11% of the total amount expended each month during the past eighteen months in the defense of the state.

There was a bill introduced in the House of Representatives some time ago, appropriating Twelve Thousand Dollars to take care of the lack of funds with which to operate the office of the Attorney General during the succeeding six months, and to provide funds with which defense can be made in the actions first above mentioned. If that amount had been appropriated, the Attorney General's office would still have had less than one-half as much as had been expended in the defense of the State for each month during the last eighteen months.

So far as I have been able to learn, the House of Representatives has seen fit to take no action thus far upon that measure. In the meantime, time is passing, the time of the hearing in the Railroad Rate Case is rapidly drawing near, as is also the condition in the other cases above mentioned. There is a serious question as to whether there is yet time in which to properly prepare the cases referred to.

Every member of your House, as well as myself, took an oath to support the Constitution of the United States and the Constitution of North Dakota, and to faithfully discharge the duties of our respective offices, according to the best of our ability.

Gentlemen, either purposely and with intention to cause the State of North Dakota to suffer the losses which will result from defeat in the litigation I have mentioned, or, thru ignorance of the facts, or indifference, you have failed to provide the funds with which a defense may be made in such suits.

Again I say, either through ignorance, indifference or political vindictiveness, you who have prevented the passage of such an appropriation, and prevented and are preventing the State of North Dakota from defending its rights in the Courts of the State and Nation, and, if the State of North Dakota, due to your failing to furnish funds with which to make these defenses, is forced to pay unjust freight rates in the future, as they have in the past; is forced to suffer the discriminations and thefts of unfair grain practices in the future as it has in the past; if, I say, these things come to pass, upon your shoulders, and your shoulders alone, will the blame fall. You, charged with the duty of protecting the best interests of the State of North Dakota, are refusing to appropriate funds with which to defend the state, though you must know such action on your part may result in a loss to the state of millions of dollars, annually.

I am merely addressing this communication to you in order that a record may be made in such form that you can not in the future, if you persist in your inaction, deny that you knowingly and deliberately served the causes of the great railroad interests and of those who would practice unfair methods in grain handling and of the financial enemies of your state, by hobbling and hampering the office of your Attorney General by denying to him a dollar with which to travel to appear in defense of your state, by denying to a single dollar with which to print briefs and transcripts in the cases pending against your state.

Take what action you will, I have done my part. I have made clear to you the facts, as they stand, and the effects which will result from your inaction and failure to live up to the real meaning of your oath of office.

Very respectfully submitted,

WM. LEMKE,

Attorney General for the State of North Dakota.

Mr. Maddock of Mountrail moved that the communication be printed in the journal.

Roll Call demanded.

HOUSE ROLL CALL

The question being on the motion of Mr. Maddock of Mountrail, the roll was called and there were ayes 63, nays 47, absent and not voting 3.

Ayes: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Bratsberg, Bryans, Burkhart, Burns, Cart, Doyle, Eckert, Ellingson, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Johnson of Trail, Johnson of Ward, Kamrath, Kellogg, Kitchen, Kopp, Lakie, Larkin, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock of Benson, Maddock of

Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Mouck, Oberg, Olafson, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sagen, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Nays: Allen, Anderson of Burleigh, Bauer, Bollinger, Botz, Boyd, Carlson, Cole, Durkee, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Heaton, Jardine, Johnson of Cass, Johnson of Sargent, Johnson of Pembina, Kelly, Kjes, Lackey, Larson of Pierce, McGauvran, Mikkelson, Ness, Nagel, Nathan-Olsgard, Olsen of Billings, Olson of Ramsey, Opshaug, Peters, Plath, Preszler, Quade, Root, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Absent and not voting: Brady, McDowell, Hanson of Grand Forks.

Motion prevailed.

SENATE CHAMBER

Bismarck, N. D., Jan. 26, 1921.

Mr. Speaker: I have the honor to transmit the following concurrent resolution:

CONCURRENT RESOLUTION:

BE IT RESOLVED, by the Senate of the State of North Dakota, the House of Representatives concurring:

WHEREAS, For more than twenty years last past the Red River of the North has been a non-navigable stream; and

WHEREAS, During the summer months the water in the river often is so low and impure that it is difficult for the inhabitants living in cities upon the banks of said stream to obtain a sufficient supply of water; and

WHEREAS, In order to conserve the health of the people residing in the territory supplied with water by said river, it is deemed advisable and expedient to construct dams therein at points where cities are located upon its banks; and

WHEREAS, The construction of such dams will furnish settling basins for the water supply of various cities, power for the operation of public utilities, and in addition thereto, greatly beautify said stream, and allowing the use thereof for pleasure boats; and

WHEREAS, The declaration by the Congress of the United States that said river is a non-navigable stream would permit the construction of bridges with stationary spans instead of lift spans or draw bridges, thus saving thousands of dollars in the construction thereof, and in this manner tend to promote traffic between the inhabitants of the States of North Dakota and Minnesota.

NOW, THEREFORE, BE IT RESOLVED, By the Legislative Assembly of the State of North Dakota assembled in regular session, that by virtue of the foregoing facts and circumstances, an Act of Congress declaring said Red River of the North a non-navigable stream would be very beneficial to a great many citizens of the States of North Dakota and Minnesota.

THEREFORE, We respectfully request the Congress of the United States to pass an Act declaring said Red River of the North a non-navigable stream.

BE IT FURTHER RESOLVED: That the Secretary of State of North Dakota be required to forward copies of this Concurrent Resolution to the President of the Senate of the United States and Speaker of the House of Representatives, at Washington, D. C., and to the Members of the Senate and House of Representatives, from the State of North Dakota.

Which the Senate adopted and your favorable consideration is respectfully requested.

Very respectfully,
W. J. PRATER,
Secretary.

On motion the House returned to the seventh order of business.

CONCURRENT RESOLUTION

Introduced by Boyd, Cart, Carlson, Kitchen, Semling, Stark, Prezler, Yeater, Bjorgo.

WHEREAS, There is now pending in Congress a Bill to provide additional compensation for the soldiers who served the United States during the late war, known as the American Legion Four-fold Plan; and

WHEREAS, The National House of Representatives passed said bill and same is now before the Senate Committee on Finance:

THEREFORE, BE IT RESOLVED By the House of Representatives of the State of North Dakota, the Senate concurring therein:

RESOLVED: That while we recognize that this nation can never repay the debt it owes to those who served, and cannot bring back to health and happiness those who suffered and died in the struggle. Yet it can in a measure equalize the financial losses of those who served by the payment of reasonable additional compensation as provided by the American Legion Four-fold Plan.

BE IT FURTHER RESOLVED That we urge the Senate and the Senate Committee on Finance to speedily enact into a law the plan of compensation known as the American Legion Four-fold Plan.

BE IT FURTHER RESOLVED That a copy of these resolution be sent to the Chairman of the Senate Finance Committee and to the Senators from this State.

Mr. Carlson moved that the report be adopted, which motion prevailed and the report was adopted.

THIRD READING OF HOUSE BILLS

House Bill No. 23: A Bill for an Act Designating the Legal Holidays in the State of North Dakota and to Amend and Re-enact Section 7297 of the Compiled Laws of North Dakota, 1913, as Amended by Chapter 143, Session Laws of 1919.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 109, nays 2, absent and not voting 2.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Wood, Yeater, Mr. Speaker.

Nays: Hempel, Whitmer.

Absent and not voting: Brady, McDowell.

So the bill passed and the title was agreed to.

Mr. Maddock of Benson moved that House Bill No. 7 be referred to the committee, which motion prevailed.

House Bill No. 29: A Bill For an Act to Amend and Re-enact Section 1137 of the General School Laws Entitled Salary and Expenses.

Was read the third time.

Mr. Kitchen asked the unanimous consent of the House to amend House Bill No. 29.

Mr. Watt moved that House Bill No. 29 be rereferred to General Orders, which motion prevailed.

HOUSE ROLL CALL

House Bill No. 5.

A Bill for an Act to prohibit intoxicating liquors and beverages with exceptions for nonbeverage and sacramental purposes and provide for its enforcement and the repeal of laws in conflict therewith.

Was read the third time.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 100, nays 11, absent and not voting 2.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kellogg, Kitchen, Kjos, Lackey, Lakie, Lar-

kin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Oberg, Olafson, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sproul, Starke, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Mr. Speaker.

Nays: Elmer, Kamrath, Kelly, Kopp, Nagel, Nathan, Ols-gard, Preszler, Sims, Slominski, Strain, Yeater.

Absent and not voting: Brady, McDowell.

So the bill passed and the title was agreed to.

The courtesies of the floor were extended to Francis Mur-phy, J. J. Simonson, Major A. B. Welch, Knut Erickson, A. W. Crary, John H. Warner, J. E. Erickson, E. O. Lukkason.

Mr. Jardine moved that the House do now adjourn, which motion prevailed and the House adjourned.

C. L. DAWSON,
Chief Clerk.

GENERAL ORDERS

House Bill No. 33: A Bill for an Act to appropriate \$12,-000 out of any Money in the State Treasury not Otherwise Appropriated, or so Much Thereof as May be Necessary for the Purpose of Paying All Expenses Connected With the Auditing of the Various State Industries as Required by Sec-tion 369, of the Compiled Laws of 1913, as Amended Novem-ber 2nd, 1920, by a Vote of People, and Providing How Such Appropriation Shall be Paid.

House Bill No. 36: A Bill for an Act to Provide for the Standardization of the One-Room Rural Schools, the Graded Schools and the High Schools of the State.

House Bill No. 28: A Bill for an Act Relating to the Stor-ing and Re-delivering of Grain by Public Warehousemen.

House Bill No. 31: A Bill for an Act Creating a Children's Code Commission; fixing the Membership Thereof; Defining its Powers and Duties; and Making an Appropriation Therefor.

House Bill No. 29: A Bill For an Act to Amend and Re-enact Section 1137 of the General School Laws Entitled Sal-ary and Expenses.

TWENTY-FOURTH DAY

House of Representatives,
Bismarck, North Dakota,
January 27, 1921.

The House convened at 2 o'clock P. M., pursuant to adjournment.

Prayer by Chaplain, Rev. Strutz.

Roll Call: All Members present.

REVISION AND CORRECTION OF THE JOURNAL

The committee on revision and correction of the journal made the following report:

Mr. Speaker: Your committee on revision and correction of the journal have carefully examined the Journal of the Twenty-third day and recommend that the same be corrected as follows: On page 12 in line 4 from bottom of page the name of Johnson of Sargeant should be stricken out and the same be inserted in line 8 on page 13.

And when so corrected recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted.

PETITIONS AND COMMUNICATIONS

Resolution passed by the Valley City Commercial Club, Wednesday evening, December 16th:

WHEREAS, The State of North Dakota requires by statute that physical education shall be included in the branches of study to be taught in all educational institutions receiving money from the state, and lays upon the boards of management of these institutions the duty to make provision for daily instruction in this branch of study; and

WHEREAS, No adequate provision has been made in the Valley City State Normal School for meeting the requirements of this law; and

WHEREAS, The last appropriation for buildings for the Valley City State Normal School was made by the 12th Leg-

islative Assembly in 1911, and since that time no building appropriation has been made for said Normal School; and

WHEREAS, The highest welfare of the State demands adequate support of its teacher training institutions in order that professional trained teachers may be prepared for the work of teaching in the public schools of the State:

THEREFORE, BE IT RESOLVED, By the Commercial Club of Valley City that we urge upon the 17th Legislative Assembly now in session the necessity of making provision at this session for a physical education building for the Valley City State Normal School.

BE IT FURTHER RESOLVED, That it is false economy to stint the State educational institutions and thus injure not only the institutions directly affected, but also public education in the entire State, and we urgently request the 17th Legislative Assembly to make appropriations sufficient to meet the current expenses of the Valley City Normal School for the coming biennium.

BE IT FURTHER RESOLVED, That we recommend to the 17th Legislative Assembly that legislation be enacted to provide for the maintenance of State educational institutions by a millage tax, and that a ten year building program be adopted by these institutions, with a plan for financing such a program.

VALLEY CITY COMMERCIAL CLUB,

J. H. S. THOMSON,
President.

I. J. MOE,
Secretary.

Langdon, N. Dak., Jan. 22, 1921.

Hon. Senator and Representatives, Cavalier County, N. Dak:

Gentlemen: Inasmuch as the High Schools of the state are bearing more than their fair share of the tax burden because of the fact that non-resident pupils are not required to pay tuition fees;

And inasmuch as our treasury is well nigh depleted from this cause, we urge the legislature to use all means within your power to enable us to levy a tuition fee of \$100.00 a year against the district from which non-resident pupils come. This amount should be paid for each pupil enrolled in any high school.

We suggest that you favor this method of levying the fees rather than the mill tax or county district methods.

We are too far along in this school year to get any relief but a law becoming effective July 1st, 1921, would enable us to take care of the children from other districts next year.

Kindly go the limit on this matter to keep our high schools open for pupils of surrounding districts.

JOHN MAHON,
President.
AND 4 OTHERS,

A similar petition was received from Milton, N. D., signed by Gustave Brecke and 4 others.

To the Hon. F. W. Mees, J. J. Strain, John Elmer and Jacob Bollinger:

Gentlemen: We call your attention to House Bill No. 34, a bill for an act to fix the salaries of certain County Officers, provide for the employment and payment of Deputy and Clerk hire in such office, the collection and deposit of fees and repeal of certain laws.

This bill has been referred to the Committee on State Affairs.

This bill is a belated effort or attempt to do justice to a large body of public servants who have borne the burden and heat of the day, at the old salaries, while prices of necessities were mounting skyward. Nearly all classes of employment outside of the public service have had their salaries and wages increased to meet the constant rise in prices, until almost every line of employment is better paid than County Officers.

We therefore, earnestly request you to support the bill above referred to, and secure its passage. We urge this on the ground of doing simple justice to the class of public servants it will benefit.

LEE NICHOLS,
County Auditor.

AND 5 OTHER COUNTY OFFICERS.

To the Members of Senate and House of Representatives from Ransom County, N. Dak.:

Greeting: We, the undersigned, County Officers of Ransom County, North Dakota, most respectfully petition and request that you as members of the legislature from Ransom County, N. Dak., use your best efforts for the passage of a law, looking to an increase of salary of all county officers in the State of North Dakota.

Owing to the increased cost of living, the present salaries of County officials is not in proportion to the salaries of other lines of business of a similar nature, we are taking this opportunity of asking your co-operation in the matter.

THOS. J. HARRIS,
County Auditor.

AND 7 OTHER COUNTY OFFICERS.

REPORTS OF STANDING COMMITTEES

The committee on Agriculture made the following report:

Mr. Speaker: Your committee on Agriculture to whom was referred:

Senate Bill No. 12: A bill for An Act to Amend and Re-enact the Concentrated Feeding Stuff Law of North Dakota the same Being Article 43, Sec. 2911-2921 of the Political Code of the Compiled Laws of North Dakota for 1913.

Have had the same under consideration and recommend that the same be amended as follows:

On line (20) twenty in Section 1 the word "and" following the word percent, be stricken out.

And when so amended recommend the same do pass.

VICTOR L. ANDERSON,
Chairman.

Also:

House Bill No. 57: A Bill for an Act to Amend and Re-enact Section 1455 of the Compiled Laws of the State of North Dakota for the Year 1913, and Section 1456 of the Compiled Laws of the State of North Dakota for the Year 1913, as Amended by Chapter 207 of the Session Laws of the State of North Dakota for the Year 1917, Relating to County Agricultural and Training Schools.

Have had the same under consideration and recommend that the same be amended as follows:

On line 9 in Sec. 1456, the words "Five Thousand" be changed to read "Three Thousand," and on line 10 the figures "\$5,000.00" be changed to read "\$3,000.00."

And when so amended recommend the same do pass.

VICTOR L. ANDERSON,
Chairman.

Also:

House Bill No. 48: A Bill for an Act to Amend and Re-enact Section 9997 of the Compiled Laws of North Dakota for the Year 1913, Relating to Butchers' Reports of Branded Animals Killed.

Have had the same under consideration and recommend that the same do pass.

VICTOR L. ANDERSON,
Chairman.

Mr. Weld of Kidder moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on Judiciary made the following report:

Mr. Speaker: Your committee on Judiciary to whom was referred:

Also:

House Bill No. 4:

A Bill for an Act making it a felony for a male person over the age of sixteen years of age to take indecent liberties with a child under the age of fourteen years, and providing a penalty therefor.

Have had the same under consideration and recommend that the same be amended as follows:

Section 1. That the word "fourteen," in line two (2) of Section 1 be stricken out and in lieu thereof inserted the word "sixteen." Title: That the title to said act be amend-

ed by striking out the word "fourteen" and inserting in lieu thereof the word "sixteen."

And when so amended recommend the same do pass.

C. H. STARKE,
Chairman.

Also:

House Bill No. 3:

A Bill for an Act restricting the form and liability upon obligations in writing given in payment of any speculative security.

Have had the same under consideration and recommend that the same be amended as follows:

Section 1. That the word, "void," in line ten (10) of Section one (1) be stricken out and in lieu thereof inserted the word, "voidable." That the period after the word "parties," in line 14 of Section one be stricken out, and in lieu thereof inserted a semicolon. That immediately after the semicolon, in line 14 of Section 1 the following be inserted and added: "Provided that this act shall not apply to co-operative enterprises organized under the laws of this state."

And when so amended recommend the same do pass.

C. H. STARKE,
Chairman.

REPORT OF HOUSE COMMITTEE ON WAYS AND MEANS

The committee on Ways and Means made the following report:

Mr. Speaker: Your committee on Ways and Means to whom was referred:

Senate Bill No. 15: A Bill for an Act to Amend and Re-enact Section 1340, Compiled Laws of North Dakota for 1913, Relating to Proposals for Building School Houses.

Have had the same under consideration and recommend that the same be amended as follows:

In line 12 strike out everything from the word "an" to the semicolon in line 16, and in lieu thereof insert the following: "Chapter 92, Civil Code, of the Compiled Laws of 1913, as amended by Chapter 67, Session Laws of 1915."

And when so amended recommend the same do pass.

M. W. KELLY,
Chairman.

INTRODUCTION, FIRST AND SECOND READING OF HOUSE BILLS

Mr. Sims introduced:

House Bill No. 59: A Bill for an Act to Amend and Re-enact Section 3905 of the Compiled Laws of North Dakota for the Year 1913, Relating to the Building and Repairing of Sidewalks by Villages, the Giving of Notice Thereof, the Duties of Real Property Owners, and the Powers of the Board of Trustees in Regard Thereto.

Was read the first and second time and referred to the committee on Municipal Corporation.

Mr. Bratsberg introduced:

House Bill No. 60: A Bill for an Act Appropriating Five Thousand (\$5,000.00) Dollars for the Purpose of Erecting a Suitable Dairy Barn at the Experimental Station, Situated at Hettinger, Adams County, North Dakota.

Was read the first and second time and referred to the committee on Appropriations.

Mr. Wood introduced:

House Bill No. 61: A Bill for an Act to Amend and Re-enact Section 5 of Chapter 224 of the Session Laws of North Dakota, for the Year 1919, Relating to Income Taxes.

Was read the first and second time and referred to the committee on Tax and Tax Laws.

Mr. Hanson of Grand Forks introduced:

House Bill No. 62: A Bill for an Act Repealing Chapter 171 of the Session Laws of North Dakota for the year 1919, Limiting the Power of Courts to Grant Injunctions.

Was read the first and second time and referred to the committee on Judiciary.

Mr. Martin and Mr. Bjorgo introduced:

House Bill No. 63: A Bill for an Act to Amend and Re-enact Section 7644 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 1 of the Session Laws for the Year 1919, (Regular Session), Relating to Change of Judges in Civil and Criminal Actions in the District Court, for Prejudice or Bias of Judge Thereof; Providing for the Calling in of Another Judge of Another Judicial District, and the Payment of His Expenses, and the Discharge of Jurors Therein.

Was read the first and second time and referred to the committee on Judiciary.

Mr. Peters introduced:

House Bill No. 64: A Bill for an Act Repealing Section 6 of Chapter 160 of the Session Laws of North Dakota for the Year 1919, Relating to a Flat Tax of Three Cents an Acre for the Purpose of Carrying Out the Hail Insurance Act.

Was read the first and second time and referred to the committee on Insurance.

Mr. Olsen of Billings introduced:

House Bill No. 65: A Bill for an Act to Provide for the Sterilization of Razors, Towels and Other Materials Used in Barber Shops.

Was read the first and second time and referred to the committee on Public Health.

MESSAGE FROM THE SENATE

Bismarck, N. D., Jan. 27, 1921.

Mr. Speaker: I have the honor to inform you that the Senate has concurred in the House concurrent resolution relating to Additional Compensation for Service Men According to American Legion Four-Fold Plan.

Very respectfully,
W. J. PRATER,
Secretary.

THIRD READING OF HOUSE BILLS

House Bill No. 37: A Bill for an Act to Amend and Re-enact Section 466 of the Compiled Laws of North Dakota for the Year 1913, Relating to Preliminary Qualifications of Applicants for License to Practice Medicine in the State of North Dakota.

Was read the third time:

The question being on the final passage of the bill, the roll was called and there were ayes 85, nays 28, absent and not voting, 0.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Halcrow, Hanson of Grand Forks, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larson of Pierce, McDowell, McGauvran, McLarty, Maddock of Mountrail, Martin of Bottineau, Mikkelson, Miller, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Strain, Ulland, Watt, Weld of Wells, Whitmer, Wood, Mr. Speaker.

Nays: Bilquist, Bratsberg, Bryans, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Larkin, Larson of Ransom, Lazier, Levin, McManus, Maddock of Benson, Magnuson, Martin of Slope, Maxwell, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Vogel, Weld of Kidder, Yeater.

So the bill passed and the title was agreed to.

House Bill No. 40: A Bill for an Act to Amend and Re-enact the Hotel Inspection Laws of North Dakota, the Same Being Article 57 of the Political Code of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 170, Session Laws of 1915 and Chapter 133, Session Laws of 1917.

Was read the third time:

The question being on the final passage of the bill, the roll was called and there were ayes 109, nays 2, absent and not voting 2.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Yeater, Mr. Speaker.

Nays: Johnson of Sargent, Wood.

Absent and not voting: Heaton and Strain.

So the bill passed and the title was agreed to.

Mr. Patterson moved that the House do now concur in Senate concurrent resolution petitioning Congress to pass an act declaring the Red River of the North a non-navigable stream, which motion prevailed and the resolution was concurred in.

Mr. Kitchen asked permission of the House to return to the ninth order of business, which request was granted.

INTRODUCTION, FIRST AND SECOND READING OF HOUSE BILLS

Committee on Education introduced:

House Bill No. 66: A Bill for an Act to Provide for the Payment of Non-Resident Tuition Fee in the High School Department of Standardized Graded and Standardized High Schools Receiving State Aid.

Was read the first and second time and referred to the committee on Education.

Mr. Maddock of Benson asked permission of the House to return to the seventh order of business, which was granted.

Mr. Maddock of Benson moved that House Bill No. 57 be re-referred to the committee on Agriculture, which motion prevailed.

On motion the House took a recess for ten minutes.

AFTER RECESS

The House convened pursuant to recess taken, the Speaker presiding.

On motion of Mr. Johnson of Sargent, the House returned to the ninth order of business.

INTRODUCTION, FIRST AND SECOND READING OF
HOUSE BILLS

Mr. Johnson of Sargent introduced:

House Bill No. 67: A Bill for an Act to Amend and Re-enact Sections 2462, 2463, 2466, 2487, 2489, 2490 Compiled Laws 1913, Relating to Drains.

Was read the first and second time and referred to the committee on Drainage and Irrigation.

On motion the House returned to the fifth order of business.

REPORT OF STANDING COMMITTEES

The committee on Enrollment and Engrossment made the following report:

Mr. Speaker: Your committee on Enrollment and Engrossment have examined the following bills:

House Bill No. 5:

A Bill for an Act to Prohibit Intoxicating Liquors and Beverages and Property Intended for the Manufacture of Same; Prohibiting the Transportation of Liquor and Providing for the Forfeiture of Property Used for the Transportation of Same; to Provide for its Enforcement and the Repeal of Laws in Conflict Therewith.

House Bill No. 23: A Bill for an Act Designating the Legal Holidays in the State of North Dakota and to Amend and Re-enact Section 7297 of the Compiled Laws of North Dakota, 1913, as Amended by Chapter 143, Session Laws of 1919.

And find the same correctly engrossed.

ADAM PRESZLER,
Chairman.

Mr. Preszler moved that the report be adopted, which motion prevailed and the report was adopted.

GENERAL ORDERS

Mr. Shipley moved that the House resolve itself into a committee of the whole for the consideration of general orders; which motion prevailed, and the house resolved itself into a committee of the whole.

The Speaker called Mr. Shipley to the chair.

When the committee arose it submitted the following report:

Mr. Speaker: The committee of the whole have had under consideration:

House Bill No. 33: A Bill for an Act to Appropriate \$12,000 out of any Money in the State Treasury not Otherwise Appropriated, or so Much Thereof as May be Necessary for

the Purpose of Paying All Expenses Connected With the Auditing of the Various State Industries as Required by Section 369, of the Compiled Laws of 1913, as Amended November 2nd, 1920, by a Vote of People, and Providing How Such Appropriation Shall be Paid.

And recommend that the same do pass as amended.

D. E. SHIPLEY,
Chairman.

Mr. Kelly moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Watt asked unanimous consent to return to the fourth order of business, which request was granted.

PETITIONS AND COMMUNICATIONS

Mr. Watt presented the following communication:

On the 23rd day of the 17th Legislative Assembly, in the House of Representatives, in the State of North Dakota, a communication was received from William Lemke, Attorney General for the State of North Dakota. Such communication being entered in the Journal of the House for said date. This communication said in part:

"Gentlemen, either purposely and with intention to cause the State of North Dakota to suffer the losses which will result from defeat in the litigation I have mentioned, or, thru ignorance of the facts, or indifference, you have failed to provide the funds with which a defense may be made in such suits.

Again I say, either thru ignorance, indifference or political vindictiveness, you who have prevented the passage of such an appropriation, and prevented and are preventing the State of North Dakota from defending its rights in the Courts of the State and Nation, and, if the State of North Dakota, due to your failing to furnish funds with which to make these defenses, is forced to pay unjust freight rates in the future, as they have in the past; is forced to suffer the discriminations and thefts of unfair grain practices in the future as it has in the past; if, I say, these things come to pass, upon your shoulders, and your shoulders alone, will the blame fall. You, charged with the duty of protecting the best interests of the State of North Dakota, are refusing to appropriate funds with which to defend the state, though you must know such action on your part may result in a loss to the state of millions of dollars, annually."

In order that proper understanding of this matter may be made a matter of record, we wish in this communication to set forth the following facts:

In the said communication of Mr. Lemke, he admits that there was left to him by the out-going Attorney General in the Attorney General's Fund the sum of \$7,805.65, being approximately one-half of the Attorney General's Fund appropriated for the year ending July 1st, 1921. Said fund being intact, and subject to his use, except for certain outstanding bills against the office of the Attorney General of the State.

of North Dakota. Mr. Lemke, in his communication, signally failed to mention the appropriations of \$15,000.00 made by Chapter 8 of the Special Session of the 16th Legislative Assembly. He also failed to make mention of the \$10,000.00 appropriated by Chapter 20 of the same session. A reference to the balance remaining in the hands of the State Treasurer in said funds discloses the fact that there is now available in said funds, in the treasury of the State of North Dakota the sum of \$9051.05. He failed further in his communication to state, that he would be entitled on proper representation to the State Emergency Commission to receive 10% of the appropriation made for his office for the biennial, in this case the sum of \$3368.55. He also failed to state in his communication that there is available in the hands of the Board of Railroad Commissioners to apply on the expenses of litigation between the State of North Dakota and all public utilities companies, the sum of \$15,520.67. He failed further to state that there is a balance in the contingent fund of the State Tax Commissioner of \$8,845.92 which may be used in fighting tax cases.

In order that this matter may be laid squarely before you, the Appropriation Committee of this body desires to inform you that there were two bills introduced, requesting the immediate appropriation of \$12,000.00 to augment the funds in the hands of the Attorney General of the State of North Dakota. One bill being House Bill No. 2, the other bill being Senate Bill No. 6. These bills at their original introduction were identically the same. The Senate, however, took action on their bill, amended the appropriation to \$10,000.00 and passed the same without the Emergency Clause being attached. This bill superseded in the hands of your appropriation committee, House Bill No. 2 and is now the bill under consideration, mentioned in the communication from Mr. Lemke.

We wish further to call your attention to the fact that Senate Bill No. 25, being the Budget Bill, has included in its items an appropriation of \$10,000.00 to cover expenses of the litigation mentioned in the emergency bill introduced for the relief of the Attorney General, consequently your committee on Appropriation is at a loss to understand the necessity for advising the passage of Senate Bill No. 6 handed it for consideration, and resents keenly the language used in the communication of the Attorney General, wherein it states that the action of your committee of appropriation has been dilatory.

Should the Attorney General be faced with the necessity of conducting a legal action for the State, should he use the rights and privileges given to his department, and other departments of the State, there is no danger whatever, of the State being the looser on account of lack of funds. And considering the action of the Senate, in amending Senate Bill No. 6 and relieving said Bill of the Emergency clause, there is no way in the opinion of your Appropriation Committee of granting relief to the Attorney General by House action, at this time, on Senate Bill No. 6.

There can be no question in the mind of anyone familiar with the facts that the Attorney General is alone responsible

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to the State in conducting the necessary legal actions in which the State is interested and the blame, should he fail to do so, shall rest on him, and him alone.

Respectfully submitted,

WM. WATT
CLAUDE LACKEY
NELS OLSGARD
JOHN F. FREEMAN
D. L. PETERS
JACOB BOLLINGER
J. D. ROOT
ADOLPH MIKKELSON
M. W. KELLY
PAUL JOHNSON
JOSEPH McGAUVVRAN
CARL B. OLSEN, OF BILLINGS

Mr. Maddock of Benson moved that the communication be printed in the Journal, which motion prevailed.

The courtesies of the floor were extended to Messrs. Jack Williams, A. S. Marshall, F. T. Gronvald, C. J. Larson, Guy L. Elken, E. A. Ulland, J. P. Smith, Jacob Schleckemeyer.

Mr. Johnson of Cass moved that the House do now adjourn, which motion prevailed and the House adjourned.

C. L. DAWSON,
Chief Clerk.

GENERAL ORDERS

House Bill No. 36: A Bill for an Act to Provide for the Standardization of the One-Room Rural Schools, the Graded Schools and the High Schools of the State.

House Bill No. 28: A Bill for an Act Relating to the Storing and Re-delivering of Grain by Public Warehousemen.

House Bill No. 31: A Bill for an Act Creating a Children's Code Commission; fixing the Membership Thereof; Defining its Powers and Duties; and Making an Appropriation Therefor.

House Bill No. 29: A Bill for an Act to Amend and Re-enact Section 137 of the General School Laws Entitled Salary and Expenses.

Senate Bill No. 12: A bill for An Act to Amend and Re-enact the Concentrated Feeding Stuff Law of North Dakota the same Being Article 43, Sec. 2911-2921 of the Political Code of the Compiled Laws of North Dakota for 1913.

House Bill No. 4:

A Bill for an Act making it a felony for a male person over the age of sixteen years to take indecent liberties with a child under the age of fourteen years, and providing a penalty therefor.

House Bill No. 3:

A Bill for an Act restricting the form and liability upon obligations in writing given in payment of any speculative security.

Senate Bill No. 15: A Bill for an Act to Amend and Re-enact Section 1340, Compiled Laws of North Dakota for 1913.

TWENTY-FIFTH DAY

House of Representatives,
Bismarck, North Dakota,
January 28, 1921.

The House convened at 2 o'clock P. M., pursuant to adjournment, the Speaker presiding.

Prayer by the Chaplain, Rev. Strutz.

Roll Call: All members present except Mr. Brady.

REVISION AND CORRECTION OF THE JOURNAL

The committee on revision and correction of the journal made the following report:

Mr. Speaker: Your committee on revision and correction of the journal have carefully examined the Journal of the Twenty-fourth day and recommend that the same be corrected as follows:

On page 7, House Bill No. 3, should read House Bill No. 37, and under said reading the title of said bill should be corrected to correspond to House Bill No. 37. On page 8, 6th line from bottom of page the word "returned" should read "referred." On page 9 in line 18 from the bottom the word "file" should be changed to the word "find."

And when so corrected recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted.

PETITIONS AND COMMUNICATIONS

Nekoma, North Dakota, January 27th, 1921.

Hon. Senator and Representatives, Cavalier County, No. Dak.:

Gentlemen: Inasmuch as the High Schools of the state are bearing more than their share of the tax burden because of the fact that non-resident pupils are not required to pay tuition fees.

We urge the legislature to use all means within your power to enable us to levy a tuition fee of \$100.00 a year against the district from which non-resident pupils come. This amount should be paid for each pupil enrolled in any high school.

We suggest that you favor this method of levying the fees rather than the mill tax on county district methods.

We are too far along in this school year to get any relief but a law becoming effective July 1st, 1921, would enable us to take care of the children from other districts next year.

Kindly go the limit on this matter to keep our high schools open for pupils of surrounding districts.

Very respectfully,
 NEKOMA CONSOLIDATED SCHOOLS,
 JAMES MCGREGOR,
 President.
 A. B. FLOM,
 Director.
 W. E. JOHNSTON,
 Director.

To the Honorable Senator and Members of the House of Representatives of the 31st Legislative District, North Dakota:

We, the undersigned, county officers, hereby urgently request and petition you to support and use your best efforts to secure a necessary and deserving increase in salaries of county officers.

Respectfully submitted,
 C. C. TURNER,
 County Treasurer.

AND 7 OTHER COUNTY OFFICERS.

REPORT OF STANDING COMMITTEES

The Committee on State Affairs makes the following report:

Mr. Speaker: Your Committee on State Affairs to whom was referred House Bill No. 13, A Bill for an Act Entitled an Act to Regulate the Hours of Work on Public Work, have had the same under consideration and recommend that the same be amended as follows:

Strike out everything after the words "A Bill" and insert in lieu thereof the following: An Act Entitled an Act to Regulate the Hours of Work on State Buildings. BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE STATE OF NORTH DAKOTA: Section 1. (EIGHT HOURS ON STATE BUILDINGS) That it is a part of the public policy of the State of North Dakota that all work by contract or day labor done, upon any building being constructed by or for the State of North Dakota shall be performed in work day of not more than eight hours each, except in cases of extraordinary emergency. No case of extraordinary emergency should be construed to exist in any case where other labor can be found to take the place of labor which has already been employed for eight hours in any calendar day.

Section 2. (CONTRACTS TO CONTAIN CLAUSE). All contracts for work upon any building being constructed by or for the State of North Dakota shall provide that they may be cancelled by the officers or agents authorized to contract for or supervise the execution of such work, in case such work is not performed in accordance with the policy of the state relating to such work.

Section 3. (DUTY OF OFFICERS). It is made the duty of all officers or agents authorized to contract for work upon any public building to be done in behalf of the State of North Dakota, to stipulate in all contracts as provided for in this act, and all such officers and agents, and all officers and agents entrusted with the supervision of work performed under such contracts, are authorized, and it is made their duty, to declare any contract cancelled, the execution of which is not in accordance with the public policy of this state as herein declared.

Section 4. (HOURS CONSTITUTING DAY'S LABOR). Hereafter eight hours in any calendar day shall constitute a day's work on any work done for the state upon any public building being constructed by or for the State of North Dakota, subject to conditions hereinafter provided.

Section 5. (PUBLIC CONTRACT, WORK GOVERNED BY). All work done by contract or sub-contract on any building being constructed by or for the State of North Dakota shall be done under the provisions of this Act; provided, that in cases of extraordinary emergency, the hours of work may be extended, but in such case the rate of pay for time employed in excess of eight hours of each calendar day shall be one and one-half times the rate of pay allowed for the same amount of time during eight hours' service. And for this purpose this act is made a part of all contracts, sub-contracts or agreements for work done for the state upon any such building within the state.

Section 6. (PENALTY. CONTRACTOR). Any contractor, sub-contractor, or agent of contractor or sub-contractor, foreman or employee who shall violate any of the provisions of this act shall be deemed guilty of misdemeanor, and upon conviction shall be fined in a sum not less than twenty-five dollars nor more than two hundred dollars, or with imprisonment, in County Jail not to exceed thirty days, or both, for the first offense, and for each offense thereafter shall be punished by a fine not to exceed \$500.00, or imprisonment in the County Jail not to exceed one year, or by both such fine and imprisonment.

Section 7. The provisions of this Act shall not apply to work to be performed under any contract or sub-contract existing at the date this Act shall take effect.

Section 8. All acts or parts of acts in conflict herewith are hereby repealed.

And when so amended recommend that the bill do pass.

MARTIN OLSEN,
Chairman.

A Minority of the Committee on State Affairs made the following report:

Mr. Speaker: Your committee on State Affairs to whom was referred:

House Bill No. 13: A Bill for an Act entitled, An Act to Regulate the Hours of Work on Public Work.

Have had the same under consideration and recommend that the same be amended as follows:

At the conclusion of Sec. 6, add the following: "Provided, however, that this act shall not be construed to apply to road construction crews of five men or a lesser number."

And when so amended recommend the same do pass.

J. H. BURKHART,
WALTER MADDOCK,
E. E. BRYANS,
WILLIAM KAMRATH,
FRED ECKERT,
THEO. HANSON.

The committee on State Affairs made the following report:

Mr. Speaker: Your committee on State Affairs to whom was referred:

House Bill No. 14: A Bill entitled, An Act Relating to Interfering with Rights of Employees.

Have had the same under consideration and recommend that the same be amended as follows:

Strike out section "b." Strike out section "c" to the period in line 5. Line 6, sec. "c," after the word "act" strike out the words "shall be deemed guilty of a misdemeanor and." Line 8, sec. "c," strike out the words "one year" and insert in lieu thereof "six months." Line 9, sec. "c," strike out the words "one thousand dollars (\$6,000.00)" and insert in lieu thereof the words "five hundred dollars (\$500.00)." Strike out the remainder of the bill after the period in line 10, sec. "c."

And when so amended recommend the same do pass.

MARTIN OLSEN,
Chairman.

A Minority of the Committee on State Affairs made the following report:

Mr. Speaker: Your committee on State Affairs to whom was referred:

House Bill No. 14: A Bill entitled, An Act Relating to Interfering with Rights of Employees.

Have had the same under consideration and recommend that the same be amended as follows:

After the first comma in line five of paragraph "b" insert the following: religious, charitable, political or fraternal. In line 10 of section "c," strike out the following: "In all

prosecutions hereunder the person, company or corporation violating this act, shall be held responsible for the acts of managers, officers, agents and employees."

And when so amended recommend the same do pass.

J. H. BURKHART,
WALTER MADDOCK,
E. E. BRYANS,
J. J. STRAIN,
FRED ECKERT.

The committee on State Affairs made the following report:

Mr. Speaker: Your committee on State Affairs to whom was referred:

House Bill No. 7:

A Bill for an Act Providing for the Appointment of County Brand Inspectors; Defining the Duties of Railways in the Shipment of Certain Stock; Penalty.

Have had the same under consideration and recommend that the same be amended as follows:

Sec. 7, line 8, after the word "shipment" insert the words "from any point within the county."

And when so amended recommend the same do pass.

MARTIN OLSEN,
Chairman.

The committee on State Affairs made the following report:

Mr. Speaker: Your committee on State Affairs to whom was referred:

House Bill No. 8: A Bill for an Act Entitled, an Act to Amend Chapter 7739 of the Compiled Laws of North Dakota for the Year 1913, and Relating to Cases in which only Absolute Exemptions are allowed.

Have had the same under consideration and recommend that the same be indefinitely postponed.

MARTIN OLSEN,
Chairman

Mr. Olson of Ramsey moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on State Affairs made the following report:

Mr. Speaker: Your committee on State Affairs to whom was referred:

House Bill No. 16: A Bill for An Act Relative to Scaffoldings and Providing Safety Appliances in Construction Work.

Have had the same under consideration and recommend that the same be amended as follows:

Section 1, line 20, after word "as" insert the words "may be practicable." Sec. 3, line 1, strike out the word "and" after the words "engaged in" and insert in lieu thereof the word "or."

And when so amended recommend the same do pass.

MARTIN OLSEN,
Chairman.

The committee on Insurance made the following report:

Mr. Speaker: Your committee on Insurance to whom was referred:

House Bill No. 21: A Bill for An Act to Amend and Re-enact Section 5 of Chapter 162 of the Laws of North Dakota for 1919, Relating to Information Furnished by Employers to the Workmen's Compensation Bureau of North Dakota and Penalty for Failure to Furnish Information Required.

Have had the same under consideration and recommend that the same be amended as follows:

After the word "thereof" in line 8 of sec. 5, strike out the period, and add the following: "unless it can be otherwise shown by the employer affected." After the word "who" in the second line "1" on page 3 of the printed bill, insert the word "willfully."

And when so amended recommend the same do pass.

ROY JOHNSON,
Chairman.

The committee on Insurance made the following report:

Mr. Speaker: Your committee on Insurance to whom was referred:

House Bill No. 22: A Bill for an Act to Amend and Re-enact Section 3 of Chapter 162 of the Laws of North Dakota for the Year 1919, Relating to the Payment of Compensation to Injured Employees, or their dependents, and the Payment of Burial Expenses in the Event of Death Resulting from Injuries.

Have had the same under consideration and recommend that the same do pass.

ROY JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on Judiciary made the following report:

Mr. Speaker: Your committee on Judiciary to whom was referred:

House Bill No. 9: A Bill entitled, An Act to Protect Trade Mark of Workmen's Unions and the Wearing of Union Buttons.

Have had the same under consideration and recommend that the same be amended as follows:

TITLE: That the word "Buttons" in the second line of the title be stricken out and in lieu thereof inserted the word, "Emblems." SECTION 1. That all of section one (1) be

stricken out. SECTION 2. That all of lines one (1), two (2), three (3), and four (4) of section two (2), be stricken out and in lieu thereof inserted the following: "Section 1. It shall be unlawful for any person or corporation to wear or use the emblem adopted by, or representing any labor union of this State unless such person or corporation is entitled to wear or use such emblem under the rules of the union which said emblem represents." SECTION 3. That the figure "3" in line one (1) of section three (3) be stricken out and in lieu thereof inserted the figure (2). That the word "Button" in line one (1) of section three (3) be stricken out and in lieu thereof inserted the word "Emblem." That the word "as" in line one (1) of section three (3) be stricken out. That the word "emblem" in line two (2) of section three (3) be stricken out.

And when so amended recommend the same do pass.

C. H. STARKE,
Chairman.

The committee on Judiciary made the following report:

Mr. Speaker: Your committee on Judiciary to whom was referred:

House Bill No. 11: A Bill entitled, An Act to Amend Chapter 7567 of the Compiled Laws of North Dakota for the Year 1913, and Relating to Garnishments.

Have had the same under consideration and recommend that the same be amended as follows:

TITLE. That the word "Chapter," in the first line of the title be stricken out and in lieu thereof inserted the word, "Section." Section 1. That preceeding line one (1) of section one (1) the following be inserted, "Sec. 1 Amendment. That Section 7567 of the Compiled Laws of the State of North Dakota for the Year 1913, is hereby amended and re-enacted to read as follows:" That the word and figure, "Section 1," in line one (1) of Section one (1) be stricken out and in lieu thereof the following inserted: "Section 7567." That the last two lines of said section one (1) numbered Numbers 1 and 2 be stricken out and in lieu thereof the following inserted and added: "Provided that the wages or salary of any person who is the head of a family and a resident of this State to the amount of \$15.00 per week, shall be exempt from garnishment. Every employer shall pay to such person such exempt wages or salary not to exceed the sum of \$15.00 per week of each weeks' wages earned by him, when due, upon such wage earner making and delivering to such employer his affidavit that he is such head of a family and residing with the same in this state, notwithstanding the service of such writ, and the surplus only of such exempt salary or wages shall be held by the employer to abide the event of the garnishment suit. At least two days prior to the issuance of any garnishment summons the creditor shall cause demand to be served upon the debtor and the employer for the excess above the amount herein exempted. Such demand with proof of service shall be filed with the Court at the time of the issuance of garnishment summons. Failure to serve or file said notice as herein provided shall render said

garnishment void. The excess of wages over and above the amount herein exempted shall be held by the employer, subject to such garnishment from the time of service of such demand and for five days thereafter."

And when so amended recommend the same do pass.

C. H. STARKE,
Chairman.

The committee on Enrollment and Engrossment made the following report:

Mr. Speaker: Your committee on Enrollment and Engrossment have examined the following bills:

House Bill No. 37: A Bill for an Act to Amend and Re-enact Section 466 of the Compiled Laws of North Dakota for the Year 1913, Relating to Preliminary Qualifications of Applicants for Licenses to Practice Medicine in the State of North Dakota.

House Bill No. 40: A Bill for an Act to Amend and Re-enact the Hotel Inspection Laws of North Dakota, the Same Being Article 57 of the Political Code of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 170, Session Laws of 1915 and Chapter 133, Session Laws of 1917.

And find the same correctly engrossed.

ADAM PRESZLER,
Chairman.

Mr. Preszler moved that the report be adopted, which motion prevailed and the report was adopted.

INTRODUCTION, FIRST AND SECOND READING OF HOUSE BILLS

Mr. Nels Olsgard, by request, introduced:

House Bill No. 68: A Bill for an Act to Amend and Re-enact Section 27 of Chapter 162 of the Session Laws of North Dakota for the Year 1919, Relating to and for the Benefit of Injured Employees and their Dependents in Hazardous Employments, and Providing Funds with which to Carry on the Work of the Workmen's Compensation Bureau.

Was read the first and second time and referred to the committee on Appropriations.

Mr. Nels Olsgard, by request, introduced:

House Bill No. 69: A Bill for an Act to Amend and Re-enact Section 6 of Chapter 162 of the Session Laws of North Dakota for the year 1919, Relating to and for the Benefit of Employees Injured and the Dependents of Employees Killed in Hazardous Employments, Fixing the Duties and Liabilities of Employees and Employers, and Providing methods of Securing the Payment of Obligations Arising in Favor of Injured Employees and their Dependents .

Was read the first and second time and referred to the committee on Insurance.

Mr. Root introduced:

House Bill No. 70: A Bill for an Act to Repeal Chapter One Hundred and Seventy-Three of the Session Laws of Nineteen Hundred and Nineteen, requiring Union Label on State Printing.

Was read the first and second time and referred to the committee on Public Printing.

Mr. Root introduced:

House Bill No. 71: A Bill for an Act to Amend and Re-enact Section 2212 of the Compiled Laws of North Dakota for 1913 as Amended by Chapter 252 of the Session Laws of 1915, Relating to the Duty of the County Auditor, and the Requirements of the Transfer of Real Property as to Taxes.

Was read the first and second time and referred to the committee on Taxes and Tax Laws.

Mr. Magnuson introduced:

House Bill No. 72: A Bill for an Act to Amend and Re-enact Section 4924 of the Compiled Laws of North Dakota for the Year 1913, Relating to Taxation of Insurance Companies.

Was read the first and second time and referred to the committee on Insurance.

Mr. Bjorgo introduced:

House Bill No. 73: A Bill for an Act Fixing the Compensation of Election Officers for Services at Elections.

Was read the first and second time and referred to the committee on Elections and Election Privileges.

Mr. Lackey introduced:

House Bill No. 74: A Bill for an Act to Amend and Re-enact Section 7660, Compiled Laws of 1913, Relating to Causes for a New Trial.

Was read the first and second time and referred to the committee on Judiciary.

Mr. Flom introduced:

House Bill No. 75: A Bill for an Act to Appropriate Money for the Purpose of Constructing a Beef Cattle Barn at the Langdon SubStation.

Was read the first and second time and referred to the committee on Appropriations.

Mr. Elmer introduced:

House Bill No. 76: A Bill for an Act to Amend and Re-enact Section 1147, Compiled Laws for the Year 1913, as Amended by Chapter 197, of the Session Laws for the Year 1919, Relating to the Formation of New Common School Districts.

Was read the first and second time and referred to the committee on Education.

Mr. Bauer introduced:

House Bill No. 77: A Bill for an Act Fixing the Compensation of Election Officers.

Was read the first and second time and referred to the committee on Election and Election Privileges.

Mr. Miller introduced:

House Bill No. 78: A Bill for an Act Authorizing the Commissioner of Agriculture and Labor to Collect, Tabulate and Publish Statistics Relating to the Cost of Producing Agricultural Products in the State of North Dakota, and Making an Appropriation therefor.

Was read the first and second time and referred to the committee on Appropriations.

Mr. Harding, by request, introduced:

House Bill No. 79: A Bill for an Act to Amend and Re-enact Sections 48 and 49 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Public Printing and Binding.

Was read the first and second time and referred to the committee on Public Printing.

Mr. Patterson introduced:

House Bill No. 80: A Bill for an Act Relating to the Inspection of Steam Boilers and the Licensing of Steam and Operating Engineers in the State of North Dakota.

Was read the first and second time and referred to the committee on State Affairs.

Mr. Oberg introduced:

- House Bill No. 81: A Bill for an Act to Establish a Uniform Egg Law, for Regulating and Preventing the Sale of Eggs Unfit as Articles of human Food, Requiring Eggs to be Canded, Requiring a License for Dealers in Eggs and Establishing a Penalty for Violation of this Act.

Was read the first and second time and referred to the committee on Agriculture.

Mr. Kitchen introduced:

House Bill No. 82:

Was read the first and second time and referred to the committee on State Affairs.

Mr. Olsen of Billings introduced:

House Bill No. 83: A Bill for an Act Repealing the Penalty and Interest on Real Estate Taxes for the Year 1920, Up to the Date of November 1, 1921.

Was read the first and second time and referred to the committee on Tax and Tax Laws.

Mr. Boyd introduced:

House Bill No. 84: A Bill for an Act to Provide for a State Factory Inspector, Prescribing his Duties and Fixing the Salary thereof.

Was read the first and second time and referred to the committee on Ways and Means.

Mr. Bauer introduced:

House Bill No. 85: A Bill for an Act to Amend and Re-enact Chapter 160 Session Laws 1919, Relating to Hail Insurance.

Was read the first and second time and referred to the committee on Insurance.

MESSAGE FROM THE SENATE

Bismarck, N. D., Jan. 28, 1921.

Mr. Speaker: I have the honor to transmit the following concurrent resolution:

CONCURRENT RESOLUTION

Memorializing and Requesting Congress to Release Unto the State of North Dakota Absolutely Federal Automobile Trucks at Fort Lincoln and in the State of North Dakota, Now Rapidly Becoming Valueless and Going to Waste and Destruction.

Senator McNair introduces the following Concurrent Resolution and moves its adoption:

BE IT RESOLVED BY THE SENATE OF THE STATE OF NORTH DAKOTA, THE HOUSE CONCURRING THEREIN:

WHEREAS, Federal Automobile trucks in large numbers and aggregating in cost to the Federal Government over one million dollars have been assigned to the State Highway Commission of the State of North Dakota for use upon the highways in connection with State and Federal road development, subject to certain conditions and restrictions; and

WHEREAS, The State of North Dakota through such department has been unable to utilize and make useful such automobiles by reason of the limited use for which they have been assigned and the conditions and restrictions imposed; and

WHEREAS, Such trucks in large numbers are now un-housed, located upon the open prairie, are rapidly deteriorating in value and capacity for use for any purpose; and

WHEREAS, Such automobiles are capable of use and may be used advantageously by the State of North Dakota, the counties and other municipal sub-divisions thereof for beneficial public purposes; and

WHEREAS, It is essential that public waste and destruction may not occur to public assets of value and usability:

THEREFORE, That the State of North Dakota requests the Federal Congress and the Federal authorities to immediately provide that such automobiles may be assigned to the State of North Dakota absolutely for use for public purposes, and that our representatives in Congress be requested to take action at once to secure such result.

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Which the Senate adopted and your favorable consideration is respectfully requested.

Very respectfully,

W. J. PRATER,
Secretary.

Bismarck, N. D., Jan. 28, 1921.

Mr. Speaker: I have the honor to transmit herewith the following bills:

Senate Bill No. 18: A Bill for an Act to Amend and Re-enact Chapter Six, Session Laws 1919, as Amended by Special Session Laws 1919 Relating to the Licensing, Regulating and Supervising the Licensing and Inspection of Pool and Billiard Rooms, Ball and Pin Alleys, Dance Halls, Theaters, Moving Picture Shows, Taxicab or Auto Livery, Places where Soft Drinks are Manufactured or Sold or where Cigars and Tobacco are Sold, or Public Hall, owned Privately and Used for Public Purposes; Providing Fees therefor, Inspectors, Office Help and Supplies Thereof; Defining Powers and Duties and Repealing all Acts and Parts of Acts Inconsistent Therewith.

Which the Senate has passed and your favorable consideration is respectfully requested.

Very respectfully,

W. J. PRATER,
Secretary.

Bismarck, N. D., Jan. 28, 1921.

Mr. Speaker: I have the honor to transmit the following concurrent resolution:

BE IT RESOLVED BY THE SENATE OF THE STATE OF NORTH DAKOTA, THE HOUSE OF REPRESENTATIVES CONCURRING THEREIN:

WHEREAS, The per diem allowed members of the legislature is entirely inadequate to meet their actual expenses while in the discharge of their duties; and

WHEREAS, It is the opinion of the members of the Seventeenth Legislative Assembly that the people of the State are not in favor of their representatives donating their time and also suffering an actual financial loss:

NOW, THEREFORE, BE IT RESOLVED: That there is hereby appropriated out of any money in the State Treasury, not otherwise appropriated, the sum of Twenty-five Thousand Dollars (\$25,000.00) or so much thereof as may be necessary, to allow each member of the Seventeenth Legislative Assembly the sum of One Hundred and Fifty Dollars (\$150.-00) for expenses, and that the Auditor be authorized to draw warrants on the State Treasurer for that amount.

Which the Senate adopted and your favorable consideration is respectfully requested.

Very respectfully,

W. J. PRATER,
Secretary.

THIRD READING OF HOUSE BILLS

House Bill No. 33: A Bill for an Act to appropriate \$12,000 out of any Money in the State Treasury not Otherwise Appropriated, or so Much Thereof as May be Necessary for the Purpose of Paying All Expenses Connected With the Auditing of the Various State Industries as Required by Section 369, of the Compiled Laws of 1913, as Amended November 2nd, 1920, by a Vote of People, and Providing How Such Appropriation Shall be Paid.

Was read the third time.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 61, nays 49, absent and not voting 2, one excused.

Ayes: Allen, Anderson of Burleigh, Bauer, Bjorgo, Bolinger, Botz, Boyd, Burkhart, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Maddock of Mountrail, Mikkelson, Mouck, Ness, Nagel, Olafson, Ols-gard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Reichert, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bratsberg, Bryans, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Levin, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Nathan, Oberg, Olson of Barnes, Opland, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Brady and Lazier.

Mr. Patterson was excused.

So the bill passed and the title was agreed to.

EXPLANATION OF VOTES.

Mr. Burkhart: I wish to explain my vote and have it recorded in the Journal. It is not my desire to hinder a vote in any way, but I am not in sympathy with the way this bill was introduced, and the way it was carried through the house. It is not my desire to hamper the audit in any way, and it is also my desire that the people who made this audit of the bank should receive their money. Therefore, I vote "aye".

Mr. Hanson of Grand Forks: I would like to explain my vote. Ever since the second day we came here and introduced and passed a resolution and sent it down to Bishop-Brissman & Co., I have listened to a lot of discussion although I have not taken any part in it, and I have understood

that all the members on this floor, Nonpartisan and Independents, were very anxious to get the report, or a copy of it. In fact, both parties have stated that many times on this floor. I do not know whether they have been honest in it or not, I am not going to accuse any of them; I will leave that to the people of the state. We had a good many talks and a good many arguments but it did not get us anywhere. We had a recess, and the Speaker of this house, Mr. Twichell, went to St. Paul at his own expense and got the report. Now, from the discussion on this bill appropriating money to pay for this work these people have done, I was under the impression that every member of this house wanted to pay the bill, and I am very much surprised to hear some of the Nonpartisan members voting "no", but of course they have a chance to change their votes from "no" to "aye" before the vote is announced, and I really believe they will do so.

Mr. Patterson: I would like to be informed if the desk has the remarks of Mr. Hanson down.

Mr. Hanson: I intended they should be taken down.

Mr. Hemple: One gentleman on this floor asked the reason why certain members wanted to vote "no". I would like to give my reasons and would like to have them recorded in the Journal. As I read here yesterday from a copy of the law, and from sample copy of the ballot, it was the business of the Board of Auditors to make this audit, and it was distinctly stated in that law that the Board of Auditors should make the audit public. It was also stated on the floor yesterday that this audit was not, the first part of it was not made public by the Audit Board, but was made public by the auditing company in St. Paul.

Mr. Speaker: I desire to correct the gentleman. No such statement was made that the audit was made public by the audit company in St. Paul.

Mr. Hemple: That is the way it came to my ears.

Mr. Speaker: The house is not responsible for what comes to your ears.

Mr. Hemple: Before I want to vote for this bill I want to know that the audit was legally made and legally approved by the Audit Board and a request put in by the Audit Board for this audit. And I further vote against this bill because I think the consideration of \$12,000 is entirely too large for a partial audit. I vote "no".

Mr. Johnson of Pembina: I wish to explain my vote and have it recorded in the Journal. I introduced this bill because I want the state to pay its honest debts, and I want to save my state from being dragged further down in the mire politically, financially and socially. I vote "aye".

Mr. Maddock of Benson: I would like to explain my vote and have my remarks taken down in the Journal. The people of this state on November 2nd passed the auditing law. This law did not carry an appropriation for auditing ex-

penses, and had this law carried an appropriation no one knows what the result of the election would have been. The people of this state know that the people are the only means for providing money for the payment of the expenses of this state. Inasmuch as this is not provided for in the initiated law we would simply conclude that the people did not wish this audit made until after the legislature had met. The same voters that passed the initiated law likewise elected the auditing board to direct the provisions of the initiated law. It was not the intention therefore of the people of the state of North Dakota that this audit should be conducted under the direction of the old audit board, and the people of this state at that election repudiated two-thirds of this old auditing board at the primary last June. It has been difficult to get information in regard to this bill—

The Speaker: Is the gentleman arguing on this audit, or explaining his vote?

Mr. Maddock: I am explaining why I vote "no".

The Speaker: Some of the gentleman's remarks are a little out of the line of an explanation. If you will confine yourself to an explanation you will be in order.

Mr. Maddock: Another reason why I intend to vote against this bill is because some information that could have been produced before this House was not forthcoming, some information that I believe could have been produced because the auditing board having ordered this audit, have said, "we have entered into a contract with a firm of certified accountants to make this examination and the work is now under way." This part of the statement was signed by the State Auditor and dated December 4, 1920, at Bismarck, North Dakota, signed by the State Auditor, the Secretary of the State Board of Auditors, William Langer, Attorney General, and Thomas Hall, Secretary of State. Reference has been made in the Committee of the Whole to this, and a demand has been made for this contract to be produced here—

The Speaker: The gentleman is out of order. The gentleman knows as well as the chair that he is arguing this matter and not explaining his vote. If he wishes to explain his vote he will be allowed to proceed, otherwise he is out of order.

Mr. Maddock: Will the remarks of the Speaker also be taken down?

The Speaker: They will be taken down if the gentleman so requests.

Mr. Maddock: There is some doubt in my mind as to whether or not this audit has not already been paid for. In the communication from the auditing company I believe they said settlements had to be made each week. Now then several weeks have gone and it is safe to presume that these settlements have been made—

The Speaker: May the chair ask the gentleman a question? Who does the gentleman presume paid for it?

Mr. Maddock: Who do I presume? That is the proposition we are trying to find out.

The Speaker: The gentleman has made the statement that he presumed the audit had been paid for.

Mr. Maddock: I presume it has.

The Speaker: The chair as a member of this House asks the privilege of asking the gentleman a question. Who do you presume paid for it?

Mr. Maddock: Possibly some of the public who have advanced this \$2,700 spoken about previously in the Committee of the Whole. I vote "no".

Mr. Maddock of Mountrail: I condemn the dilatory methods of the members of this house and the time taken on the floor when we are trying to get anything through. I do not want to take up any time talking on this, but I want to see the State of North Dakota redeem its pledges in every way, shape and manner, therefore I vote "aye".

Mr. Patterson: Mr. Speaker, I rise to explain my vote, and ask and request my remarks be taken down this time and be placed in the Journal and become a part of the record thereof. I wish to make this plain in view of the fact that at various times when I have explained my vote and asked my remarks taken down they haven't been put in the Journal. Now this bill has some merit in it. I believe it should be given a great deal of consideration, and I believe some people realize there is a great deal of merit, and the action that some have taken have had something to do with the way I shall vote on this bill, especially when it was of such importance that practically it was necessary to call a recess of this legislative body of something like five days using up the taxpayer's money paying legislative members and clerk hire during all that time to let our Speaker go to St. Paul and using his time—

The Speaker: The gentleman will come to order. The statements he is making have no foundation in fact. No recess was taken for such purpose. A recess was taken at the instance of both sides of the house, and the gentleman knows that as well as ever member of the House.

Mr. Watt: I rise to a point of order. I do not believe the gentleman is explaining his vote at all. He is making a campaign speech and using this method of getting it printed in the Journal.

The Speaker: The point is well taken. The gentleman will confine his remarks to an explanation of his vote.

Mr. Patterson: We had a recess didn't we?

The Speaker: We did.

Mr. Patterson: You went to St. Paul?

The Speaker: I did.

Mr. Patterson: You got the auditing report?

The Speaker: I did.

Mr. Patterson: You said on the floor that by going there it was the result of getting it some two days sooner.

The Speaker: I did say that, which is a fact. There is no foundation for the remarks the gentleman has made. The Chair does not desire to argue with the gentleman further. If the gentleman will confine his remarks to explaining his vote he may proceed. He knows as well as the Chair what his rights are.

Mr. Patterson: I understand that under our rules of order a person cannot be excused from voting without the unanimous consent of the House. Now it might be all right. I used to be a whip when I was a small boy but I outgrew it.

Mr. Kitchen. I rise to a point of order.

The Speaker: The gentleman will confine his remarks to explaining his vote or sit down.

Mr. Patterson: I have ben trying to explain my vote, but I have been interrupted.

The Speaker: The gentleman will take his seat. He is out of order.

Mr. Patterson: I refuse to vote if I am not allowed to explain my vote, and I ask the unanimous consent to be excused.

The Speaker: The gentleman asks unanimous consent to be excused from voting.

Mr. Shipley I demand the gentleman vote.

The Speaker: Unanimous consent is denied.

Mr. Patterson: I ask for a roll call whether I shall be forced to vote.

The Speaker: A member objects to his being excused from voting. I assume if the gentleman refuses to vote the House will not force him to vote.

Mr. Hanson of Grand Forks: Mr. Speaker, I make a motion that Mr. Patterson be excused from voting.

Mr. Patterson: The reason Im a asking to be excused is because I am prohibited from explaining my vote.

The Speaker: The gentleman is not prohibited from explaining his vote, but he is prohibited from making an argument. The gentleman will take his seat, he is out of order. The request has been made by Mr. Hanson that Mr. Patterson be excused from voting. Unless there is objection against Mr. Patterson being excused at this time he will be excused.

Mr. Shipley: I would like a ruling from the chair as to what is necessary in getting the gentleman on record in this vote; as I said before. I insist that he vote.

The Speaker: The rules of the house are that no member is allowed to pass on roll call except with the unanimous consent of the house; the consent has not been granted.

Mr. Miller: I move the rules of the House be suspended.

The Speaker: Which rule? We do not want to suspend them all.

Mr. Miller: The rule requiring him to vote.

(The motion being put to a vote of the house, the motion was lost.)

The Speaker: The Chair will suggest that if Mr. Patterson wishes to show a disposition not to vote on this measure contrary to the requirements of this House, then rather than take any proceeding in the matter that we pass him at this time.

Mr. Shipley: I do not like to have a gentleman of Mr. Patterson's caliber excused from voting on any question that comes up for vote, and I do not think it right or fair that he should be excused, but I will withdraw by objection and allow him to use that method if he desires.

Mr. Speaker: The gentleman withdraws his objection.

Mr. Patterson: I wish to thank Mr. Shipley for this courtesy, and my reason for not voting is I wish to explain my vote and wish it placed in the record.

The Speaker: No such reason will be placed on record.

Mr. Patterson: If I am not allowed to have it in the record I still maintain a right to explain my vote.

The Speaker: The gentleman has been ruled out of order three times.

Mr. Patterson: I move—

The Speaker: The gentleman will take his seat.

Mr. Reichert: I rise for information. I do not know whether I understood correctly yesterday or not, but my understanding was of the statement made here on the floor by our Speaker that he went to St. Paul at his own expense and paid the money out of his own pocket to get that audit.

The Speaker: No, that is not correct. I went at my own expense, but didn't pay the money out of my own pocket. I took the money as a guarantee to Bishop-Brissman & Co., that the state would ultimately pay them. A deposit had to be made in order to get the audit.

Mr. Reichert: With that fact in mind, and the generous idea of our Speaker going to St. Paul to get the audit which we have all waited for so long, I vote aye.

Mr. Peters moved that the House do now recess for fifteen minutes, which motion prevailed.

AFTER RECESS.

The House reassembled pursuant to recess taken, the Speaker presiding.

THIRD READING OF HOUSE BILLS.

House Bill No. 48: A Bill for an Act to Amend and Re-enact Section 9997 of the Compiled Laws of North Dakota for the Year 1913, Relating to Butchers' Reports of Branded Animals Killed.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 103, nays 0, absent and not voting 10.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Whitmer, Wood Yeater, Mr. Speaker.

Absent and not voting: Brady, Elmer, Hanson of Benson, Johnson of Steele, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Weld of Wells.

So the bill passed and the title was agreed to.

Mr. Kitchen asked unanimous consent to withdraw House Bill No. 82, which request was granted.

Mr. Maddock of Mountrail asked to revert back to the Seventh order of business.

MOTIONS AND RESOLUTIONS.

Mr. Patterson introduced a resolution.

Mr. Starke moved that said resolution be laid on the table and all reference thereto be expunged from the records; which motion prevailed.

The courtesies of the floor were extended to D. N. Bonnar, Hon. John C. Lowe, D. Ferris Cordner, J. J. Simonson, Hon. P. D. Norton, Hon. U. L. Burdick.

Mr. Starke moved that the House do now adjourn which motion prevailed and the House adjourned.

C. L. DAWSON,
Chief Clerk.

GENERAL ORDERS:

House Bill No. 36: A Bill for an Act to Provide for the Standardization of the One-Room Rural Schools, the Graded Schools and the High Schools of the State.

House Bill No. 28: A Bill for an Act to Amend and Re-enact Section 1136 of the General School Laws entitled Deputies. How Appointed. Salary.

House Bill No. 31: A Bill for an Act Creating a Children's Code Commission; fixing the Membership Thereof; Defining its Powers and Duties; and Making an Appropriation Therefor.

House Bill No. 29: A Bill for an Act to Amend and Re-enact Section 1137 of the General School Laws Entitled Salary and Expenses.

Senate Bill No. 12: A bill for An Act to Amend and Re-enact the Concentrated Feeding Stuff Law of North Dakota the same Being Article 43, Sec. 2911-2921 of the Political Code of the Compiled Laws of North Dakota for 1913.

House Bill No. 4:

A Bill for an Act making it a felony for a male person over the age of sixteen years to take indecent liberties with a child under the age of fourteen years, and providing a penalty therefor.

House Bill No. 3:

A Bill for an Act restricting the form and liability upon obligations in writing given in payment of any speculative security.

Senate Bill No. 15: A Bill for an Act to Amend and Re-enact Section 1340, Compiled Laws of North Dakota, for 1913.

House Bill No. 13: A Bill for an Act entitled, An Act to Regulate the Hours of Work on Public Work.

House Bill No. 14: A Bill entitled, An Act Relating to Interfering with Rights of Employees.

House Bill No. 7:

A Bill for an Act Providing for the Appointment of County Brand Inspectors; Defining the Duties of Railways in the Shipment of Certain Stock; Penalty.

House Bill No. 16: A Bill for An Act Relative to Scaffoldings and Providing Safety Appliances in Construction Work.

House Bill No. 21: A Bill for An Act to Amend and Re-enact Section 5 of Chapter 162 of the Laws of North Dakota for 1919, Relating to Information Furnished by Employers to the Workmen's Compensation Bureau of North Dakota and Penalty for Failure to Furnish Information Required.

House Bill No. 9: A Bill entitled, An Act to Protect Trade Mark of Workmen's Unions and the Wearing of Union Buttons.

House Bill No. 11: A Bill entitled, An Act to Amend Chapter 7567 of the Compiled Laws of North Dakota for the Year 1913, and Relating to Garnishments.

TWENTY-SIXTH DAY

House of Representatives,
Bismarck, North Dakota,
January 29, 1921.

The House convened at 2 o'clock P. M., pursuant to adjournment, the Speaker presiding.

Prayer by Chaplain, Rev. Strutz.

Roll Call. All members present except Messrs. Brady and Opland, who were excused.

REVISION AND CORRECTION OF THE JOURNAL

The committee on revision and correction of the journal made the following report:

Mr. Speaker: Your committee on revision and correction of the journal have carefully examined the Journal of the Twenty-fifth day and recommend that the same be corrected as follows:

Strike out the word "and" in line 2, page 15, and insert "and had this law carried an appropriation."

Strike out the words "legislature is" in line 3 and insert the words "people are," and strike out the word "bills" in line 4 and insert the word "expenses."

And when so corrected recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted.

PETITIONS AND COMMUNICATIONS

Northwood, N. D., Jan. 27, 1921.

To Hon P. G. Hanson, Representative 5th Legislative District:

The petitioners and subscribers hereto, legal voters, of the said District, petition and pray that you will use your best efforts to enact House Bill No. 5 to conform with the 18th Amendment to the Federal Constitution and the Volstead Act.

K. A. SATHER,
AND 45 OTHERS.

SATURDAY, JANUARY 29, 1921

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Beach, North Dakota, January 28th, 1921.

Mr. C. B. Olsen, Rep. 39th Leg. District, % House of Representatives, Bismarck, North Dakota.

Dear Sir: Population of Golden Valley County for the year 1915 was 6032; Federal Census for the year 1920 was 4811. Salary of County Officer under census of 1915 is as follows:

County Auditor	\$1500.00
Sheriff	1500.00
Supt. of Schools	1500.00
County Judge	1200.00
County Treasurer	1500.00
Clerk of Dist. Court	1500.00
Register of Deeds	1500.00
States Attorney	1000.00

Salary under the State's Census for the year 1920 is as follows:

County Auditor	\$1200.00
Sheriff	1500.00
Supt. of Schools	1200.00
County Judge	1000.00
County Treasurer	1200.00
Clerk of Dist. Court	1200.00
Register of Deeds	1200.00
States Attorney	800.00

Trusting that this information will be satisfactory, I beg to remain,

Very truly yours,
M. C. McCARTHY,
County Auditor

Hawkeye Valley Township, Charlson, North Dakota.

To the Honorable Members of the House of Representatives of the Seventeenth Legislative Assembly of the State of North Dakota:

We, the undersigned, farmers and businessmen of Eastern McKenzie County, hereby petition the Legislative Assembly now in session, for the erection or purchase of a state-owned Ferry, same to be located for crossing on the Missouri River at Sanish, N. D.

And your petitioners pray that the state shall operate and maintain such ferry and charge for such services a price sufficient for its operation and maintainance and for setting aside a sum each year for five or seven years, sufficient to pay back into the treasury of the state the purchase price of such ferry.

And your petitioners pray that such ferry be ready for launching not later than the First of April, 1921.

The conditions set forth in petition, under which the ferry may be operated, are only tentative; a suggestion on the part of the petitioners.

The reason that we petition and desire a state-owned ferry is that the private owned ferry at the point in question is giving us bum service at a fancy price and at times no service at all.

We believe that a state-owned ferry where service and not profits are the fundamental object for its existence would give the traveling public cheaper and better service.

S. K. BREISETH,
AND 81 OTHERS.

Bismarck, N. D., January 21, 1921.

Victor L. Anderson, Rep., Bismarck, N. D., and House of Representatives:

Dear Sir: We, the undersigned officials of Burleigh County, respectfully call your honorable attention to a Bill presented to the House, to have the salaries of all County Officers of the State of North Dakota increased in a proportionate amount, and urge you to use your utmost valuable endeavors to bring this much needed request to a favorable conclusion.

Respectfully,
R. PENWARDEN,
Register of Deeds, Burleigh County, N. D.
AND 6 OTHER COUNTY OFFICERS.

To the Seventeenth Legislative Assembly of the State of North Dakota:

We, the undersigned, being familiar with the appeal "To the Friends of the State Normal School at Mayville, N. D.," made by President Evjen, endorse his statements given therein, both the Financial estimate of the Mayville Normal School for the biennial period from July 1, 1921 to June 30, 1923, and the extract from the biennial report of the School for the period ending June, 1920. We therefore respectfully petition that the appropriations asked for by Pres. Evjen be approved and made into law.

H. G. SPRINGEN,
AND 100 OTHERS.

To the Seventeenth Legislative Assembly of the State of North Dakota:

Having perused President Evjen's "Appeal to Friends of the State Normal School at Mayville, North Dakota," which contains the revised Financial Estimate of the Mayville Normal School for the Biennial Period 1921-1923 and an Extract from the Biennial Report of the Normal School for the Period ending June 30, 1920; and having heard his discussion of these reports, we, the Local Union of American Society of Equity, at Mayville, N. D., resolve;

That the appropriations asked for by the Mayville Normal School for the biennial period 1921-1923 should be granted in order to keep the school on a sound basis, financially and educationally;

That we therefore respectfully petition that the appropriations asked for in President Evjen's estimate \$232,809 (total

expenses \$279,309. less total receipts \$46,500.) be approved and made into law.

Dated: Mayville, N. Dak., January 14th, 1921.

ALBERT G. MOEN,
President.

ALBERT RENDEDAHL,
Secretary.

To the Seventeenth Legislative Assembly of the State of North Dakota:

In conformity to instructions from the Commercial Club of Mayville, North Dakota, we, the Committee, beg leave to present to your body this petition urging you to grant the appropriation to the Mayville Normal School which President Evjen asks for in his budget.

The Normal School at Mayville is the only institution in the state which has at all times been modest in its appeals for aid. It has produced a high rate of interest on every dollar which the state has invested. The institution has turned out teachers and leaders of whom the state can well be proud. The student body is this year, and always has been, of the best quality possible.

As to plant, the Mayville Normal is beautiful in appearance and fairly well equipped. Geographically, the institution is well located. Mayville is located in the richest portion of the state. The farmers are wealthy and the country is thickly settled. Automobiles take the place of railroads as a means of transportation. With these conditions existing the Mayville Normal is within easy reach of a possible attendance of seven hundred students.

The reason there are not over 250 normal school students enrolled in the regular school year in addition to about 125 during the summer term, a total annual registration of 375 different students, which computed on the comparison of pre-war and post-war attendance in the normal schools of the United States nevertheless makes the Mayville Normal one of the leaders—is because the school is not able to take care of more on account of the teacher shortage. The investment in the physical plant at the Normal School is not being utilized as it ought to be. It would be neither economical nor wise, to curtail running expenses. To secure fair returns on the investment, the institution needs every cent that President Evjen asks for.

We citizens have never before taken this measure of impressing upon the Legislature the needs of the institution. This year we do because we feel that the cause demands it; we do it because the young people of the state are entitled to it in order to secure the best opportunity of fitting themselves as teachers; we urge it because we know President Evjen is asking for what is absolutely necessary, his demands are just.

Our earnest request is that the Legislature will see fit to make the appropriation as requested by President Evjen.

Dated: Mayville, N. D., January 14, 1921.

Respectfully submitted,
 OSCAR ERICKSON,
 G. E. BRUNSDALE,
 L. V. W. DuPUIS,
 Committee.

Hatton, N. D., Jan. 28, 1921.

To the Seventeenth Assembly of the State of North Dakota:

We, the undersigned, do most respectfully petition your honorable body to pass the following measures: House Bill No. 5; Senate Bill No. 18; Senate Bill No. 16, and House Bill No. 51.

Adopted by a rising vote of the members of St. John's Ladies Aid and the W. C. T. U. of Hatton, N. D.

MRS. H. E. SANDER,
 Pres., St. John's Ladies Aid.
 MRS. MINNIE HANSON,
 Pres., 15th Dist. W. C. T. U.

To the Legislative Assembly of the State of North Dakota, Session of 1921:

We, the undersigned, voters of the 36th Legislative District of the State of North Dakota, respectfully petition your honorable bodies: That Chapter 267 of the laws of 1913, being sub-division 2 of Section 232 of said Chapter, relating to Compulsory Attendance of Schools, be amended providing that in rural districts, children over the ages of eleven years, shall not be required to attend school from the first day of April to the first day of November of the same year.

JOHANNES WOGNER,
 AND ABOUT 75 OTHERS.

A communication was received from the Board of Administration relative to Education Institutions of our state, and same was referred to the Committee on State Affairs.

REPORT OF STANDING COMMITTEE

The committee on Agriculture made the following report:
 Mr. Speaker: Your committee on Agriculture to whom was referred:

House Bill No. 57: A Bill for an Act to Amend and Re-enact Section 1455 of the Compiled Laws of the State of North Dakota for the Year 1913, and Section 1456 of the Compiled Laws of the State of North Dakota for the Year 1913, as Amended by Chapter 207 of the Session Laws of the State of North Dakota for the Year 1917, Relating to County Agricultural and Training Schools.

Have had the same under consideration and recommend that the same do pass.

VICTOR L. ANDERSON,
 Chairman.

Mr. Allen moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on State Affairs made the following report:

Mr. Speaker: Your committee on State Affairs to whom was referred:

House Bill No. 52: A Bill for an Act Levying a Tax of One Mill Upon Each Dollar of Assessed Valuation of all Taxable Property Within the State for Each Year for the Purpose of Creating a fund to be known as the "Returned Soldiers' Fund," Providing for the Payment Thereof to Returned Soldiers, Defining the Powers and Duties of the Adjutant General and of the Industrial Commission with Reference Thereto and Making an Appropriation Therefor.

Have had the same under consideration and recommend that the same do pass.

MARTIN OLSEN,
Chairman.

Mr. Olsen moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on State Affairs made the following report:

Mr. Speaker: Your committee on State Affairs to whom was referred:

House Bill No. 53: A Bill for an Act Providing that Every Company May File a Statement with the Register of Deeds of the County in Which it Does Business, Pay a Fee Therefor, and Providing that the Holders of Mortgages or Liens on Grain Shall not have a Lien or Mortgage upon said Crop Unless Register or Personal Service has been Made Upon said Elevator Company.

Have had the same under consideration and recommend that the same do pass.

MARTIN OLSEN,
Chairman.

Mr. Olsen moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on State Affairs made the following report:

Mr. Speaker: Your committee on State Affairs to whom was referred:

House Bill No. 26: A Bill for an Act to Amend and Re-enact Sections 1, 2, and 3, of Chapter 206, of the Session Laws of 1919, as Amended by Chapter 55 of the Special Session Laws of 1919, Relating to the Levying of a Tax for the Purpose of Creating a Fund to be Known as the "Returned Soldiers' Fund," and Increasing Such Levy to One Mill, and Providing for the Payment of Interest upon Unpaid Vouchers and Removing the Limitation upon the Use of the Compensation Given to Returned Soldiers.

Have had the same under consideration and recommend that the same be indefinitely postponed.

MARTIN OLSEN,
Chairman.

Mr. Olsen moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on State Affairs made the following report:

Mr. Speaker: Your committee on State Affairs to whom was referred:

House Bill No. 1:

A Bill for an Act to Amend and Re-enact Section 1 of Chapter 206 of the Session Laws of 1919, as Amended by Chapter 55 of the Special Session Laws of 1919, Relating to the Levying of a Tax of Three-Fourths of One Mill Upon Each Dollar of Assessed Valuation of all Taxable Property Within the State for Each Year for the Purpose of Creating a Fund to be Known as the "Returned Soldiers' Fund," and Increasing Such Levy to One Mill.

Have had the same under consideration and recommend that the same be indefinitely postponed.

MARTIN OLSEN,
Chairman.

Mr. Olsen moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on Enrollment and Engrossment made the following report:

Mr. Speaker: Your committee on Enrollment and Engrossment have examined the following bills:

House Bill No. 33: A Bill for an Act to Appropriate \$12,000 out of any Money in the State Treasury not Otherwise Appropriated, or so Much Thereof as May be Necessary for the Purpose of Paying All Expenses Connected With the Auditing of the Various State Industries as Required by Section 369, of the Compiled Laws of 1913, as Amended November 2nd, 1920, by a Vote of People, and Providing How Such Appropriation Shall be Paid.

House Bill No. 48: A Bill for an Act to Amend and Re-enact Section 9997 of the Compiled Laws of North Dakota for the Year 1913, Relating to Butchers' Reports of Branded Animals Killed.

And find the same correctly engrossed.

ADAM PRESZLER,
Chairman.

Mr. Preszler moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Root asked that further time be granted the committee to consider House Bill No. 38, and that they be given until February 10th, which request was granted.

Mr. Ness asked an extension of time for the committee to consider House Bill No. 41, which request was granted.

INTRODUCTION, FIRST AND SECOND READING OF HOUSE BILLS

Mr. McLarty introduced:

House Bill No. 86: A Bill for an Act to Amend and Re-enact Section 1240 of the Compiled Laws of North Dakota

for the Year 1913, as Amended by Chapter 196 of the Session Laws of 1919, Relating to Adjacent Territory in Special School Districts.

Was read the first and second time and referred to the committee on Education.

Mr. Peters introduced:

House Bill No. 87: A Bill for an Act Repealing Section 924, 925, 926, and 927 of the Compiled Laws of North Dakota for the Year 1913, Relating to Publicity Pamphlets.

Was read the first and second time and referred to the committee on Public Printing.

Mr. Burns introduced:

House Bill No. 88: A Bill for an Act to Amend and Re-enact Sections 624, 625, 626, and 627 of the Compiled Laws of North Dakota for the Year 1913; as Amended and Re-enacted by Chapter 252 of the Session Laws of North Dakota for the Year 1917, and Chapter 25 of the Special Session Laws for Year 1919, Providing for a Commissioner of Noxious Weeds, Appointment and Duties.

Was read the first and second time and referred to the committee on Agriculture.

THIRD READING OF HOUSE BILLS HOUSE ROLL CALL

House Bill No. 22: A Bill for an Act to Amend and Re-enact Section 3 of Chapter 162 of the Laws of North Dakota for the Year 1919, Relating to the Payment of Compensation to Injured Employees, or their dependents, and the Payment of Burial Expenses in the Event of Death Resulting from Injuries.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 109, nays 1, absent and not voting 3.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divid, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims,

Slominski, Sproul, Starke, Strain, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Quade.

Absent and not voting: Brady, Maddock of Benson, Ulland.

So the bill passed and the title was agreed to.

CONSIDERATION OF MESSAGES FROM THE SENATE

Mr. Patterson moved that the House concur with the Senate in the concurrent resolution:

Memorializing and Requesting Congress to Release Unto the State of North Dakota Absolutely Federal Automobile Trucks at Fort Lincoln and in the State of North Dakota, now Rapidly Becoming Valueless and Going to Waste and Destruction.

Which motion prevailed.

Mr. Patterson moved that the concurrent resolution relative to Appropriation to allow all members \$150.00 each, be referred to the Committee on Appropriations, which motion prevailed.

FIRST AND SECOND READING OF SENATE BILLS

Senate Bill No. 18: A Bill for an Act to Amend and Re-enact Chapter Six, Session Laws 1919, as Amended by Special Session Laws 1919 Relating to the Licensing, Regulating and Supervising the Licensing and Inspection of Pool and Billiard Rooms, Ball and Pin Alleys, Dance Halls, Theaters, Moving Picture Shows, Taxicab or Auto Livery, Places where Soft Drinks are Manufactured or Sold or where Cigars and Tobacco are Sold, or Public Hall, owned Privately and Used for Public Purposes; Providing Fees therefor, Inspectors, Office Help and Supplies Thereof; Defining Powers and Duties and Repealing all Acts and Parts of Acts Inconsistent Therewith.

Was read the first and second time and referred to the committee on State Affairs.

GENERAL ORDERS

Mr. Freeman moved that the House resolve itself into a committee of the whole for the consideration of general orders; which motion prevailed, and the House resolved itself into a committee of the whole.

The Speaker called Mr. Freeman to the chair.

When the committee arose it submitted the following report:

Mr. Speaker: The committee of the whole have had under consideration:

House Bill No. 36: A Bill for an Act to Provide for the Standardization of the One-Room Rural Schools, the Graded Schools and the High Schools of the State.

And recommend that the same be referred to the committee on Appropriation.

Also:

House Bill No. 28: A Bill for an Act to Amend and Re-enact Section 1136 of the General School Laws entitled Deputies. How Appointed. Salary.

And recommend that the same be rereferred to the committee for further consideration.

Also:

House Bill No. 31: A Bill for an Act Creating a Children's Code Commission; fixing the Membership Thereof; Defining its Powers and Duties; and Making an Appropriation Therefor.

And recommend that the same do pass as amended.

Also:

House Bill No. 29: A Bill for an Act to Amend and Re-enact Section 1137 of the General School Laws Entitled Salary and Expenses.

And recommend that the same be rereferred to the committee for further consideration.

Also:

Senate Bill No. 12: A bill for An Act to Amend and Re-enact the Concentrated Feding Stuff Law of North Dakota the same Being Article 43, Sec. 2911-2921 of the Political Code of the Compiled Laws of North Dakota for 1913.

And recommend the same do pass as amended.

Also:

House Bill No. 4:

A Bill for an Act making it a felony for a male person over the age of sixteen years of age to take indecent liberties with a child under the age of fourteen years, and providing a penalty therefor.

And recommend the same do pass as amended.

Also:

House Bill No. 3:

A Bill for an Act restricting the form and liability upon obligations in writing given in payment of any speculative security.

And recommend the same do pass as amended.

Also:

Senate Bill No. 15: A Bill for an Act to Amend and Re-enact Section 1340, Compiled Laws of North Dakota for 1913. Relating to Proposals for Building School Houses.

And recommend that the same do pass as amended.

Also:

House Bill No. 13: A Bill for an Act entitled, An Act to Regulate the Hours of Work on Public Work.

And recommend that the same do pass as amended by a majority report of the State Affairs committee.

JOHN T. FREEMAN,

Chairman.

The Speaker withdrew House Bill No. 68 from the committee on Appropriations and referred it to the committee on Insurance, to be returned later to the committee on Appropriations

On motion the House returned to the seventh order of business.

MOTIONS AND RESOLUTIONS

Maddock moved that when the House adjourn next Wednesday that it adjourn at 4:00 P. M. to meet in Joint Session with the Senate to listen to Drs. Ladd, Kane and Allen relative to Appropriations.

The courtesies of the floor were extended to Wm. Emard, George Morgan, Joe Sullivan, Harry Griffith, Melvin Michaelson, R. J. Fox, A. T. Fillard.

Mr. Mikkelson moved that we do now adjourn, which motion prevailed and the House adjourned.

C. L. DAWSON,

Chief Clerk.

GENERAL ORDERS

House Bill No. 14: A Bill entitled, An Act Relating to Interfering with Rights of Employees.

House Bill No. 7:

A Bill for an Act Providing for the Appointment of County Brand Inspectors; Defining the Duties of Railways in the Shipment of Certain Stock; Penalty.

House Bill No. 16: A Bill for An Act Relative to Scaffoldings and Providing Safety Appliances in Construction Work.

House Bill No. 21: A Bill for An Act to Amend and Re-enact Section 5 of Chapter 162 of the Laws of North Dakota for 1919, Relating to Information Furnished by Employers to the Workmen's Compensation Bureau of North Dakota and Penalty for Failure to Furnish Information Required.

House Bill No. 9: A Bill entitled, An Act to Protect Trade-Mark of Workmen's Unions and the Wearing of Union Buttons.

House Bill No. 11: A Bill entitled, An Act to Amend Chapter 7567 of the Compiled Laws of North Dakota for the Year 1913, and Relating to Garnishments.

TWENTY-EIGHTH DAY

House of Representatives,
Bismarck, North Dakota,
January 31, 1921.

The House assembled pursuant to adjournment, the Speaker presiding.

Prayer by Chaplain, Rev. Dewhurst.

Roll Call. All members present except Messrs. Bryans, Brady and Hartl.

REVISION AND CORRECTION OF THE JOURNAL

The committee on revision and correction of the journal made the following report:

Mr. Speaker: Your committee on revision and correction of the journal have carefully examined the Journal of the 26th day and find the same correct.

And recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted.

REPORTS OF STANDING COMMITTEES

The committee on Education made the following report:

Mr. Speaker: Your committee on Education to whom was referred:

House Bill No. 28: A Bill for an Act to Amend and Re-enact Section 1136 of the General School Laws Entitled Deputies. How Appointed. Salary.

Have had the same under consideration and recommend that the same be amended as follows:

Amend title by striking out all of title after the numerals "1136," and after such numerals add "of the Compiled Laws of North Dakota of 1913, as Amended and Re-enacted by Chapter 208 of the Session Laws of 1917, and as Amended and Re-enacted by Chapter 104 of the Session Laws of 1919, Relating to the Office of County Superintendent of Schools."

And when so amended recommend the same do pass.

MR. KITCHEN,
Chairman.

Also:

Mr. Speaker: Your committee on Education to whom was referred:

House Bill No. 29: A Bill for an Act to Amend and Re-enact Section 1137 of the General School Laws Entitled Salary and Expenses.

Have had the same under consideration and recommend that the same be amended as follows:

Substitute for former report this report: Amend title by striking out all of title after the numerals "1137," and after such numerals add "of the Compiled Laws of North Dakota of 1913, as Amended and Re-enacted by Chapter 105 of the Session Laws of 1919, Relating to the Salary and Expenses of County Superintendents of Schools."

Amend by striking out after word "expense" on line 1, lines 1, 2, 3 and part of line 4, as far as the word "no" in line 4.

Amend by substituting for the word "eighteen" in line 5 the word "fifteen."

And when so amended recommend the same do pass.

MR. KITCHEN,
Chairman.

Also:

Mr. Speaker: Your committee on Education to whom was referred:

House Bill No. 66: A Bill for an Act to Provide for the Payment of Non-Resident Tuition Fee in the High School Department of Standardized Graded and Standardized High Schools Receiving State Aid.

Have had the same under consideration and recommend that the same do pass.

MR. KITCHEN,
Chairman.

Mr. Patterson moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on Enrollment and Engrossment made the following report:

Mr. Speaker: Your committee on Enrollment and Engrossment have examined the following bills:

House Bill No. 22: A Bill for an Act to Amend and Re-enact Section 3 of Chapter 162 of the Laws of North Dakota for the Year 1919, Relating to the Payment of Compensation to Injured Employees, or their dependents, and the Payment

of Burial Expenses in the Event of Death Resulting from Injuries.

And find the same correctly engrossed.

ADAM PRESZLER,
Chairman.

Mr. Preszler moved that the report be adopted, which motion prevailed and the report was adopted.

MESSAGES FROM THE SENATE

Bismarck, N. D., Jan. 29, 1921.

Mr. Speaker: I have the honor to transmit herewith the following bills:

Senate Bill No. 24: A Bill for an Act to Amend and Re-enact Section 4400 of the Compiled Laws of North Dakota, 1913, Relating to Affirmative Proof Required in Divorce Actions.

Senate Bill No. 32: A Bill for an Act to Amend and Re-enact Sections 11114 and 11115, Compiled Laws of the State of North Dakota for 1913, Relating to the Admitting to Bail of Persons Charged with the Offense of Homicide.

Senate Bill No. 35: A Bill for an Act Repealing Section 6972 of the Compiled Laws of the State of North Dakota for the year 1913, Relating to Negotiable Instruments Made Payable at a Bank.

Which the Senate has passed and your favorable consideration is respectfully requested.

Very respectfully,
W. J. PRATER,
Secretary.

MOTIONS AND RESOLUTIONS

Mr. Shipley offers the following motion:

I move that at the time of adjournment on Wednesday, February 2nd, as hereby fixed, that in addition to hearing Dr. Ladd, Dr. Kane, and Dr. Allen, that this body hear Chief Justice Robinson of the Supreme Court with respect to certain matters upon which he has expressed a desire to address us; and I further move that during this session no further adjournments of this body be taken for this or like purposes. This motion respecting the future conduct of this body regarding these matters is made with the object and purpose of procuring the business of legislation being considered by this body in a proper, practical and efficient manner and according to the rules of procedure recognized and established by this and all former legislative assemblies of the state; and this motion is made without the slightest intent to in any manner show discourtesy to any gentlemen desiring to address this body, but with the hope that they will each and all of them appear before proper committees to which any measure in which they are interested is referred.

All heads of institutions and departments of the state have been given an opportunity to appear before the state Budget Board; their needs as to appropriations have been considered, the report of such Budget Board is before the House and Senate and is being considered in respective committees on appropriation. It is clear that any representations involving changes in the recommendations made by the Budget Board should at this time be made to the Appropriation Committee and any proposed proposal as to legislation involving educational matters should be made direct to the Committee on Education. Addresses on this and like matters made to the legislature as a body can accomplish little, if any, good, as they are afforded no true basis for the making of appropriations or upon which to really determine legislation to be enacted, for the reason that there cannot be afforded that opportunity which the properly authorized committee has, to go into the matters concerned, through intelligent questioning of the representatives of institutions or departments, with the view and purpose of securing a full and correct understanding of such matters from the standpoint of the committee having the matter in charge, and required to report thereon to this body. Through taking adjournments for the purpose for which this adjournment has been determined upon for Wednesday, this body is opening the way for the representative of each and every institution and department of the state to appear and address this body in like manner upon any matter in which they are interested. Though we have granted this privilege to the gentlemen named in the motion for adjournment on Wednesday and are about to grant the same privilege to Chief Justice Robinson, who has requested this right, we must, in justice to ourselves, and in the interest of efficiency of this body at this time go on record as against any further adjournments for like purposes. A program such as we have embarked upon through granting of these privileges, permitting this and like matters to be taken up before the House direct, either while that body is in session or through adjourning for such purposes, can only result in taking up a vast amount of the time of this body in the consideration of matters which should and must ultimately be re-considered in committee, where, with the aid of the report of the Budget Board and through such inquiry as the members of the committee may there make of such matters can be more correctly and fairly determined.

Mr. Shipley moved the adoption of the resolution, which motion was duly seconded.

Mr. Patterson: "I move we make a distinguishment, and that we vote whether we hear Judge Robinson or not first."

Which motion prevailed.

Roll call demanded.

HOUSE ROLL CALL

The question being on the motion of Mr. Shipley, the roll was called and there were ayes 62, nays 48, absent and not voting 3.

Ayes: Allen, Anderson of Burleigh, Bauer, Bilquist, Bjorgo, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee,

Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Trail, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Arduser, Babcock, Bjerke, Bratsberg, Burkhardt, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Opland, Patterson, Reichert, Renauld, Sherman, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Brady, Bryans and Hartl.

So the motion prevailed.

Mr. Kitchen moved that the Speaker appoint a committee of three to escort Drs. Ladd, Kane and Allen to the rostrum on Wednesday at 4 P. M., which motion prevailed, and the Speaker appointed as such committee Messrs. Kitchen, Patterson and Olsen of Billings.

Mr. Shipley moved that the Speaker appoint a committee of three to escort Chief Justice Robinson to the rostrum on Wednesday at 4 P. M., which motion prevailed and the Speaker appointed as such committee Messrs. Shipley, Nagel and Sherman.

A Concurrent Resolution Petitioning the Congress of the United States to Take Steps Toward the Establishment of a National Park in Billings County, North Dakota, Embracing the Wonderful Petrified Forest There Located, to be Called Roosevelt Park.

Introduced by Carl B. Olsen of Billings County.

To the Senate and House of Representatives of the United States of America in Congress Assembled:

We, the Seventeenth Legislative Assembly of the State of North Dakota, beg leave to represent to your honorable bodies:

First: That there is in the western part of this state, lying within the boundaries of Billings County, near the town of Medora, a wonderful Petrified Forest, consisting of thousands of petrified stumps ranging in size up to 8 and 10 feet high and as much as 14 feet in diameter. This prehistoric forest, appearing in a certain stratum of soil is apparently in its original position. A large number of the stumps being erect while others are prostrate due to the action of the elements in wearing away the soil on which this forest grew, while others appear as huge mushrooms on pedestals

of firmer soil. That there is to be found among these petrified stumps the fossil leaves of these once giant trees. These fossils or petrified trees are found in the greatest profusion on four sections of land.

Second: That the surrounding country is a wonderful and picturesque section of Bad Lands along the Little Missouri River, being a distinct type of country, very interesting and alluring to tourists and sightseers, and of great scientific value.

Third: That there are groves of pines and quaking aspens which are found almost nowhere else within the State of North Dakota. Cedars, ash, cottonwood, boxelders, cherries, plums and berry trees abound in the hills and in the draws and canyons, and along the Little Missouri River.

Fourth: That our late President Theodore Roosevelt loved this country and made it his home and that his cattle ranged over every section of this country while he was engaged in the stock business in Billings County, North Dakota.

Fifth: That this is the natural home of deer, elk, antelope, and buffalo and that there is now a considerable number of deer living on this tract of land. Bald and Golden Eagles are plentiful.

Sixth: That the above mentioned features and points of interest, including Roosevelt's Range, are all contained in 33 sections of land, involving 21,945.04 acres, being sections 5, 6, 7, 8, 17, 18, 19, 20, township 140, range 101, sections 1, 2, 3, 4, 5, 9, 10, 11, 12, 13, 14, 15, 16, 23 and 24, township 140, range 102, sections 31, 32, 33, 34, 35, township 141, range 101, and sections 26, 27, 34, 35, 36, township 141, range 102, all west of the fifth principal meridian. Less than 5% of this land is susceptible to cultivation.

Seventh: That, even though the southern border of this proposed Parks is but one-half mile from the town of Medora, which is located on the Northern Pacific Railroad and the Red Trail or National Park Highway, it is nearly all inaccessible under the more convenient modes of travel and a large part is only accessible with saddle horses. Due to this fact the scenic and scientific wonders of this region are almost wholly unknown except locally.

Eighth: That there are artesian wells and natural fresh water springs at various points on this tract which make possible the most delightful and ideal camping grounds.

NOW THEREFORE, We, the Seventeenth Legislative Assembly of the State of North Dakota, believing that this wonderful Fossil Forest and this beautiful and fantastic section of Bad Lands with its grotesque formations and its wonderfully colored buttes should be made accessible to scientists and sightseers and preserved inviolate for future generations, do hereby most respectfully petition your honorable bodies to take steps for the purchase of the above described tract of land and as much more as your honorable bodies may deem fit, and the establishment of a National Park and game preserve. And we further respectfully request that the same

shall be called Roosevelt Park as a lasting memorial to our beloved late President; and

BE IT RESOLVED, By the Seventeenth Legislative Assembly of the State of North Dakota, that our Senators and Representatives in Congress be and are hereby authorized and instructed to use all honorable means to induce the Congress of the United States to make the proposed Roosevelt Park a reality in the near future, under the care and supervision of the Federal Government. Also that the Secretary of State of North Dakota, be and is hereby requested and instructed to transmit a copy of this memorial to the President of the United States, the Secretary of Interior, and to each House of Congress, to each of our National Senators and Representatives and also a copy of this memorial together with a blue print of this proposed Park to the Chairman of the National Parks Commission.

Referred to the Committee on State Affairs.

MESSAGES FROM THE SENATE

Bismarck, N. D., Jan. 31, 1921.

Mr. Speaker: The Senate requests that the House reconsider the vote by which it concurred in the Senate Resolution introduced by Sen. McNair requesting Congress to release automobiles and trucks and material at Ft. Lincoln, and return the resolution to the Senate.

Very respectfully,
W. J. PRATER,
Secretary.

INTRODUCTION, FIRST AND SECOND READING OF HOUSE BILLS

Mr. J. B. Johnson of Sargent introduced:

House Bill No. 89: A Bill for an Act to Amend and Re-enact Section 2014 of the Compiled Laws of North Dakota for the Year 1913.

Was read the first and second time and referred to the committee on Counties.

Mr. Kjos introduced:

House Bill No. 90: A Bill for an Act Requiring Railroad Companies to Provide Separate Compartments for Carriage of Sick People and Providing a Penalty for Violation Thereof.

Was read the first and second time and referred to the committee on Railroads.

Mr. Root presented:

House Bill No. 91: A Bill for an Act Appropriating the Sum of Nine Thousand Fifty-One Dollars and Five Cents (\$9051.05), for the use of the office of the Attorney General of the State of North Dakota, and Repealing Chapter 20 of the Laws of the Special Legislative Session of North Dakota for the Year 1919, by Which Said Chapter on Appropriation was Made for the Payment of Salaries of Special Assistant Attorneys General, of Which said Appropriation the Sum of \$9051.05 is Still in the General Fund of the State Unexpended.

And same was referred to the committee on Delayed Bills.

Messrs. Paul Johnson and Walter Maddock presented:

House Bill No. 92: A Bill for an Act Providing for a Committee to Investigate the Proposed Roosevelt Park.

And same was referred to the committee on Delayed Bills.

Mr. Roy Johnson introduced:

House Bill No. 93: A Bill for an Act Requiring Insurance Companies Writing Burglary and Fidelity Insurance for Banks to Furnish Certain Information.

Was read the first and second time and referred to the committee on Insurance.

Mr. Carlson introduced:

House Bill No. 94: A Bill for an Act to Amend and Re-enact Chapter 117 of the 1919 Session Laws of the State of North Dakota, and to Provide for No Party Nomination and Election of All Elective State and County Officers, Judges of the Supreme and District Court, State Superintendent of Public Instruction and County Superintendent of Schools.

Was read the first and second time and referred to the committee on Elections and Election Privileges.

Mr. Magnuson introduced:

House Bill No. 95: A Bill for an Act to Amend and Re-enact Section 4547 of the Compiled Laws of North Dakota for the Year 1913, Relating to Elections by Stockholders and Members of Corporations.

Was read the first and second time and referred to the committee on Corporations other than Municipal.

THIRD READING OF HOUSE BILLS

House Bill No. 57: A Bill for an Act to Amend and Re-enact Section 1455 of the Compiled Laws of the State of North Dakota for the Year 1913, and Section 1456 of the Compiled Laws of the State of North Dakota for the Year 1913, as Amended by Chapter 207 of the Session Laws of the State of North Dakota for the Year 1917, Relating to County Agricultural and Training Schools.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 107, nays 2, absent and not voting 4.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Bratsberg, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of

Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Johnson of Sargent, Plath.

Absent and not voting: Brady, Bryans, Hartl, Sproul.

So the bill passed and the title agreed to.

House Bill No. 52: A Bill for an Act Levying a Tax of One Mill Upon Each Dollar of Assessed Valuation of all Taxable Property Within the State for Each Year for the Purpose of Creating a fund to be known as the "Returned Soldiers' Fund," Providing for the Payment Thereof to Returned Soldiers, Defining the Powers and Duties of the Adjutant General and of the Industrial Commission with Reference Thereto and Making an Appropriation Therefor.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 106, nays 0, absent and not voting 4, 3 passed.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Bratsberg, Burkhart, Burns, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Brady, Bryans, Hartl, Strain.

Messrs. Boyd, Carlson and Semling passed.

So the bill passed and the title was agreed to.

Mr. Plath moved that the House take a recess for ten minutes, which motion prevailed, and the House took a recess.

The House convened pursuant to recess taken, the Speaker presiding.

On motion of Mr. Plath the House returned to the fifth order of business.

REPORT OF STANDING COMMITTEES

To the House of Representatives of the State of North Dakota:

Mr. Speaker: Your committee on Delayed Bills have had under consideration House Bill No. 91 and unanimously recommend that the same be permitted to be introduced.

JOHN G. PLATH,
Chairman.

Mr. Plath moved that the report be adopted, which motion prevailed and the report was adopted.

To the House of Representatives of the State of North Dakota:

Mr. Speaker: Your committee on Delayed Bills have had under consideration House Bill No. 92 and unanimously recommend that the same be permitted to be introduced.

JOHN G. PLATH,
Chairman.

Mr. Plath moved that the report be adopted, which motion prevailed and the report was adopted.

INTRODUCTION, FIRST AND SECOND READING OF HOUSE BILLS

Mr. Root introduced:

House Bill No. 91: A Bill for an Act Appropriating the Sum of Nine Thousand Fifty-One Dollars and Five Cents (\$9051.05), for the Use of the Office of the Attorney General of the State of North Dakota, and Repealing Chapter 20 of the Laws of the Special Legislative Session of North Dakota for the Year 1919, by Which Said Chapter an Appropriation was Made for the Payment of Salaries of Special Assistant Attorneys General, of Which said Appropriation the Sum of \$9051.05 is Still in the General Fund of the State Unexpended.

Was read the first and second time and referred to the committee on Appropriations.

Messrs. Paul Johnson and Walter Maddock introduced:

House Bill No. 92: A Bill for an Act Providing for a Committee to Investigate the Proposed Roosevelt Park.

Was read the first and second time and referred to the committee on Appropriations.

Mr. Mouck introduced:

House Bill No. 96: A Bill for an Act to Amend and Re-enact Sections 869 and 983 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 117, Session Laws of 1919, Relating to the Opening and Closing of Polls in Primary and General Elections.

Was read the first and second time and referred to the committee on Elections and Election Privileges.

THIRD READING OF HOUSE BILLS

House Bill No. 53: A Bill for an Act Providing that Every Company May File a Statement with the Register of Deeds of the County in Which it Does Business. Pay a Fee Therefor, and Providing that the Holders of Mortgages or Liens on Grain Shall not have a Lien or Mortgage upon said Crop Unless Register or Personal Service has been Made Upon said Elevator Company.

Was read the third time.

Mr. Kitchen moved that further action on House Bill No. 53 be deferred for one day, which motion prevailed.

House Bill No. 31: A Bill for an Act Creating a Children's Code Commission; Fixing the Membership Thereof; Defining its Powers and Duties; and Making an Appropriation Therefor.

Was read the third time.

Mr. Hagelbarger moved that House Bill No. 31 be amended at the end of Section 2 as follows:

"Provided, that no one shall be eligible to such commission without being the parent of six children,"

Which motion was lost.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 79, nays 30, absent and not voting 4.

Ayes: Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Burkhardt, Burns, Carlson, Cart, Cole, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Hempel, Heaton, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kelly, Kitchen, Kopp, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, Maddock of Mountrail, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Mouck, Ness, Nathan, Oberg, Olafson, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Reichert, Root, Sagen, Semling, Sherman, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Wells, Whitmer, Mr. Speaker.

Nays: Allen, Bauer, Bilquist, Bratsberg, Doyle, Durkee, Eckert, Ellingson, Hagelbarger, Harding, Jardine, Kellogg, Kjos, Lackey, Lakie, McGauvran, McLarty, McManus, Maddock of Benson, Magnuson, Morton, Nagel, Olsgard, Olson of Barnes, Quade, Renault, Shimmin, Weld of Kidder, Wood, Yeater.

Absent and not voting: Brady, Bryans, Hartl, Miller.

So the bill passed and the title was agreed to.

House Bill No. 4:

A Bill for an Act making it a felony for a male person over the age of sixteen years of age to take indecent liberties with a child under the age of fourteen years, and providing a penalty therefor.

Was read the third time:

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 110, nays 0, absent and not voting 3.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Bratsberg, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagebarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Brady, Bryans, Strain.

So the bill passed and the title was agreed to.

House Bill No. 3: A Bill for an Act Restricting the Form and Liability Upon, Obligations in Writing Given in Payment of Any Speculative Security.

Was read the third time.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 71, nays 38, absent and not voting 4.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Burkhart, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Halcrow, Hanson of Benson, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kamrath, Kelly, Kitchen, Kjos, Kopp, Lakie, Larson of Pierce, McDowell, McGauvran, McManus, Maddock of Benson, Maddock of Mountrail, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Bilquist, Bratsberg, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Hagelbarger, Hall, Harding, Hempel, Johnson of Steele, Kellogg, Lackey, Larkin, Larson of Ransom, Lazier, Levin, McLarty, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olsgard, Olson of Barnes, Opland, Patterson, Renauld, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Brady, Bryans, Hartl, Reichert.

So the bill passed and the title was agreed to.

House Bill No. 13: A Bill for an Act entitled, An Act to Regulate the Hours of Work on Public Work.

Was read the third time.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 32, nays 76, absent and not voting 5.

Ayes: Allen, Anderson of Burleigh, Bauer, Bjorgo, Boyd, Burns, Carlson, Ellingson, Erickson of Walsh, Grangaard, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Traill, Johnson of Ward, Mikkelson, Mouck, Ness, Olsen of Billings, Olson of Ramsey, Preszler, Quade, Sagen, Semling, Shipley, Slominski, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bollinger, Botz, Bratsberg, Burkhart, Cart, Cole, Doyle, Durkee, Eckert, Erickson of Divide, Flom, Freeman, Fredrickson, Frandson, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hempel, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Ophaug, Opland, Patterson, Peters, Plath, Reichert, Renauld, Root, Sherman, Shimmin, Sims, Sproul, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Brady, Bryans, Elmer, Hartl, Strain.

So the bill was lost.

Mr. Hempel: I wish to explain my vote and have it recorded: If the amendment offered by the minority committee had carried, I would have voted yes, but as it didn't, I vote no.

The courtesies of the floor was extended to M. E. H. Dummer, Dr. Geo. A. Perkins, Harry Hoff, E. D. Karlsrud, Leo. Brundage, David Vogel.

Mr. Jardine moved that the House do now adjourn, which motion prevailed, and the House adjourned.

C. L. DAWSON,
Chief Clerk.

GENERAL ORDERS

House Bill No. 14: A Bill entitled, An Act Relating to Interfering with Rights of Employees.

House Bill No. 7:

A Bill for an Act Providing for the Appointment of County Brand Inspectors; Defining the Duties of Railways in the Shipment of Certain Stock; Penalty.

House Bill No. 16: A Bill for An Act Relative to Scaffoldings and Providing Safety Appliances in Construction Work.

House Bill No. 21: A Bill for An Act to Amend and Re-enact Section 5 of Chapter 162 of the Laws of North Dakota for 1919, Relating to Information Furnished by Employers to the Workmen's Compensation Bureau of North Dakota and Penalty for Failure to Furnish Information Required.

House Bill No. 9: A Bill entitled, An Act to Protect Trade Mark of Workmen's Unions and the Wearing of Union Buttons.

House Bill No. 11: A Bill entitled, An Act to Amend Chapter 7567 of the Compiled Laws of North Dakota for the Year 1913, and Relating to Garnishments.

House Bill No. 28: A Bill for an Act to Amend and Re-enact Section 1136 of the General School Laws entitled Deputies. How Appointed. Salary.

House Bill No. 29: A Bill For an Act to Amend and Re-enact Section 1137 of the General School Laws Entitled Salary and Expenses.

TWENTY-NINTH DAY

House of Representatives,
Bismarck, North Dakota,
February 1, 1921.

The House assembled at 2 o'clock P. M., pursuant to adjournment, the Speaker presiding.

Prayer by Chaplain, Rev. Dewhurst.

Roll Call. All members present except Messrs. Brady, Jardine, Hartl, who were excused.

REVISION AND CORRECTION OF THE JOURNAL

The committee on revision and correction of the journal made the following report:

Mr. Speaker: Your committee on revision and correction of the journal have carefully examined the Journal of the Twenty-eighth day and recommend that the same be corrected as follows:

On page 13, in line 10 from the bottom, change the word "majority" to "minority."

On page 1, House Bill 28, correct title.

On page 6, line 2, of Section 7, add letter "s" to word "Park."

On page 7, last line of Resolution, add "s" to word "Park."

And when so corrected recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted.

PRESENTATION OF PETITIONS AND COMMUNICATIONS

To Gov. Lynn J. Frazier, the Senate and House of North Dakota:

We appreciate the crystallization of efforts leading to the organization of a Flood Control and Drainage District comprising the entire watershed area of the Red River Valley.

We regret that the State of North Dakota has not passed an enabling act which shall make possible the co-operation of the state with the state of South Dakota and the state of Minnesota in the organization of a joint Flood Control and Drainage Commission for the Red River Valley in the three states.

WHEREAS; First, We respectfully urge the Senate and House of the State of North Dakota, at the session of 1921 to pass an enabling act which shall permit the counties in the drainage basin of the Red River Valley to form a Flood Control and Drainage District.

Second, That the District Commission shall be given authority to join with similar commissions from Minnesota and South Dakota, in the formation of a Red River Valley Flood Control and Drainage District.

Adopted Dec. 16, 1920, by the Tri-State Flood Control Association and N. Dak. Flood Control Assoc. in joint meeting at Fargo.

W. P. CHESTNUT,
Sec., Tri-State Assoc.

Oakes, N. D., Jan. 31, 1921.

To the Seventeenth Legislative Assembly of the State of North Dakota:

We, the undersigned, do most respectfully petition your honorable body to pass the following measures: Senate Bill No. 18, Senate Bill No. 16, and House Bill No. 51.

Adopted by a rising vote of the First Methodist Episcopal Church of Oakes, N. D., 200 present.

REV. O. L. ANTHONY,
Pastor.

Hope, North Dakota.

To the Seventeenth Legislative Assembly of the State of North Dakota:

We, the undersigned, do most respectfully petition your honorable body to pass the following measures:

House Bill No. 5, Senate Bill No. 18, Senate Bill No. 16, and House Bill No. 51.

Adopted by a rising vote of the members of the Methodist Sunday School of Hope, N. D., 48 voting affirmatively, no negative votes.

Dated Jan. 31, 1921.

R. A. LATHROP,
Supt.

A similar petition was received signed by Mrs. P. S. Shippy and 37 others, and a similar petition signed by Julia H. Cole and 35 others.

To Hon. A. N. Flom, Representative, Bismarck, N. Dak.:

The undersigned county officials of Cavalier County hereby respectfully urge your earnest consideration and support of legislation proposing a substantial increase in salaries of

county officials throughout the state. On account of the high cost of living, the salaries now provided by law for such officials are insufficient to secure and retain the services of competent officials, and because of the growing importance of these positions, public welfare demands a higher class of efficiency than the present salaries will employ and retain. During the entire period of the war, under trying conditions, county officials served faithfully without asking any increase of pay whatever, and right and justice would now seem to entitle such officials to consideration at the hands of the legislature.

We urgently request your support of legislation proposing an increase of at least twenty-five per cent over present salaries.

JOHN W. SCOTT,
Auditor.

AND SIX OTHER COUNTY OFFICERS.

Dazey, North Dakota.

To the Members of the Legislature from Barnes County:

We, the undersigned, taxpayers of the Dazey School District, petition you to introduce and use your best efforts to have passed at the next session of the legislature a bill to more evenly distribute the taxation for maintaining high schools in villages and rural districts. As it is now, a few are burdened with heavy taxation, and others receive the same benefit with practically no tax. In districts where high schools are maintained, it costs \$1.00 per acre per year, or more, for tax, while in adjoining school districts the tax on the land is about 40c per acre per year. The high school must educate the pupils of the adjoining districts.

We ask that either the state levy a tax and maintain a fund to defray all expenses of the rural and village high schools and have the state decide where such high schools should be located, or that the state should be redistricted and the high schools given enough territory to lessen the tax burden for them.

C. P. STOWMAN,
AND 25 OTHERS.

A petition was presented from Barnes county urging the legislature to pass a law raising the salaries of county officers; said petition being signed by C. W. Nelson, County Auditor, and seven other county officers.

A petition was received from Grant county asking for a law raising the salaries of county officers; said petition was signed by Vincent Hoagan, and 8 other county officers.

A petition was received from Bowman county asking for legislation with reference to increased aid for rural schools and other matters relative to various school aid; said petition was signed by C. J. N. Nelson and about 60 others.

To the House of Representatives of the State of North Dakota:

The American Legion through its legislative committee and upon behalf of the North Dakota service men desire to express their appreciation of the interest shown by Repre-

sentatives Miller and Renauld, who introduced House Bill No. 1 and of Representative L. E. Heaton, who introduced House Bill No. 26.

They acknowledge their indebtedness to these members for ideas which were appropriated by them and later incorporated in House Bill No. 52, which was passed by the House.

They appreciate the magnanimity shown by these Representatives in their willingness to forego their pride of authorship in the bills introduced by them, and their whole hearted support of the measure finally passed.

They acknowledge the appreciation of the services rendered by the soldiers of North Dakota in the late war as expressed by the Governor of the State of North Dakota in his address to the Legislature and by the House of Representatives in the unanimous passage of House Bill No. 52.

LEGISLATIVE COMMITTEE OF THE AMERICAN LEGION.

LaMoure, N. Dak., Jan. 30, 1921.

To the Seventeenth Legislative Assembly of the State of North Dakota:

Gentlemen: We, the undersigned, do most respectfully petition your honorable body to pass the following measures: House Bill No. 5, Senate Bill No. 18, Senate Bill No. 16, and House Bill No. 51.

Adopted by a rising vote of the members of the LaMoure Woman's Christian Temperance Union.

Signed:

(MRS.) R. L. BENJAMIN,
Chairman.

Bismarck, N. D., January 28th, 1921.

Mr. Walter Maddock,
Representative 44th Dist.,

Dear Sir: Pursuant to your request I present herewith a statement of balances in the funds mentioned as shown by our books as of date:

Chapter 8, 1919 Special Session Laws	\$ 531.23
Chapter 20, 1919 Special Session Laws	9,051.05
Public Utility Fund, Railroad Commrs.	15,295.71
Tax Commissioners Fund	8,517.76

In regard to the statement contained in the house journal of January 27th to the effect that the Attorney General's department would be permitted to draw from the Emergency Board 10% of their appropriation, will say that this is true on all funds excepting the salary of the Attorney General. The correct amount which the Emergency Board could approve is \$2648.55 and not \$3368.55.

The books of the State Treasurer cannot be used as an authority in determining the balances in any particular fund. This is due to the fact that any number of warrants which may have been issued by this office and charged off on our books, might not be presented for payment to the Treasurer for weeks, and in many instances for months, after issuance.

TUESDAY, FEBRUARY 1, 1921

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They would not be charged off on his books until presented and paid.

Trusting this information will answer your purpose, I am,

Very respectfully,
D. C. POINDEXTER,
State Auditor.

Bismarck, N. D., January 28th, 1921.

Hon. Walter J. Maddock,
House of Representatives,
Bismarck, North Dakota.

Dear Sir: In reply to your request for information, will say that the balance remaining in contingent fund provided by House Bill No. 39 of the Special Session is \$531.23 and the balance in fund provided by House Bill No. 13 of Special Session for paying of Special Assistant Attorneys General is \$9,051.05.

There are more than enough bills outstanding to take up the first amount and there are cases now pending in Court in which attorneys were appointed before the first of the year, which will take approximately all of the latter fund.

I can see no logical reason for transferring any money from these funds to any other department as this money will be necessary in order to carry out the work for which it was appropriated.

In my estimation it is absolutely essential that the Attorney General be provided with sufficient funds to enable him to properly carry on the work of his office and to defend the rate cases that are now pending and which he has so ably prosecuted thus far.

Yours respectfully,
LYNN J. FRAZIER.

Bismarck, N. D., January 28th, 1921.

Hon. Walter J. Maddock,
House of Representatives,
Bismarck, North Dakota.

Dear Sir: I have your request for information relative to the present status of the contingent fund of the State Tax Commissioner amounting to \$8,845.92. This item is all the money I have for paying my office help, office supplies, etc. At the present time it is used in paying the salaries of ten employees. This money could not and cannot be used by the Attorney General in fighting tax cases. I have never found any authority nor heard of any custom which would permit one department to rob another. I shall not permit the Attorney General to have one cent of this fund for any purpose whatsoever and there is no law which would permit his taking any of it.

Yours truly,
GEO. E. WALLACE,
State Tax Commissioner.

Bismarck, N. D., January 28th, 1921.

Hon. Walter Maddock,
House of Representatives,
Bismarck, N. D.

Sir: Per your request, I have made an examination into the fund appropriated in Chapter 192 by the 1919 Legislative Assembly, and attached you will find a detailed statement of the present condition of the fund and the estimated requirements.

There are certain other requirements that may have to be met, during the next 5 months, that will be expensive, one of which is the evaluation of electric property in Bismarck, Fargo, Grand Forks and Minot, where disputes as to rates are still at issue. The present commissioners are required to devote all their time to the commission work, and as a result work that was badly delayed last year is being given attention now. There appears to be no legal basis for using this money for an interstate rate case even were the money available, and the Commission's regular budget was not projected with the anticipation of an expensive statewide rate case such as now confronts the State of North Dakota. Further, I do not understand that we can, nor has it been the practice of this Commission to use funds other than those specifically appropriated for our use.

Yours truly,
V. E. SMART,
Traffic Expert.

UTILITY ACCOUNT

Appropriated Chapter 192, laws 1919	\$50,000.00
Collected for fees, transcripts, etc. cr. fund	5,162.90
	<hr/>
	\$55,162.90
Used in carrying out provisions of law up to date	\$40,537.42
Bills payable date	605.25
Authorized salaries, 5 months payrolls to July 1st	9,616.65
Requirements for traveling expenses regular routine estimated from records July, 1920, to Jan. 1st, 1921	2,750.00
Miscellaneous expense utility department, regular routine, stationery, supplies, etc., report blank, postage	800.00
Anticipated unused balance of fund July 1st, 1921	850.58
	<hr/>
	\$55,162.90

The Commission has about 65 unheard cases carried over from last year and which the Commission will be required to hear and adjust in the next few months, and doubtless the expenses during the next 5 months will be greater per month than above shown based upon last years averages.

V. E. SMART.

Bismarck, N. D., January 28th, 1921.

Hon. Walter Maddock,
House of Representatives,
Bismarck, N. D.

Sir: Per your further request with reference to defending the claim of the railroads in North Dakota in their petition to the Interstate Commerce Commission asking for an investigation of intrastate freight, passenger, baggage, and milk rates in North Dakota, claiming that they are in unjust discrimination against Interstate Commerce, due to the rejection of their petition to the State Commission for certain percentage increases in all of such rates, after careful survey and study I am thoroughly convinced that an exhaustive examination should be made of the railroad's books and accounts to analyze the total business done in North Dakota for one year past, ascertain the exact nature and amount of any and all discriminations that may exist and be in a position to defend changes in intrastate rates except where such discriminations actually exist and are unjust and place a measurable burden upon interstate commerce.

A compilation of the rates in North Dakota in such a manner as to provide a measure for determining discrimination makes it necessary to make nearly 3000 studies for the different distances on the form hereto annexed.

To analyze the railroad accounts fully will require the time of a large force of clerks for many days amounting in all to 2400 days of clerical labor in taking off the data and compilation of same in such shape as to make it admissable as evidence, in addition to which is the expense of presentation and getting witnesses to and from the point of hearing before the Interstate Commerce Commission.

As you will recall, after the increased rates had been presumably established by the Railroad Commission, Mr. Lemke secured a temporary restraining order from the Supreme Court in this State, which was later made permanent pending rehearing before the Railroad Commission. Largely upon the exhibits laboriously made by the writer evenings and nights Mr. Lemke indicated to the Railroad Commission that the railroads in North Dakota under careful and efficient management should now be earning some \$2,600,000 per annum in excess of a six percent return upon their taxation value, and upon which showing the State Commission denied the increases sought.

As a result of this denial a petition has been filed with the Interstate Commerce Commission claiming that the North Dakota freight and passenger rates discriminate against Interstate Commerce. That Commission has entered upon an investigation, and a hearing will doubtless be set within a very few days for a date within the next thirty days.

If the State of North Dakota desires to protect itself in this proceeding, quick, and thorough studies of the state's transportation business positively must be made, and with absolutely no further delay. I sincerely regret that the lack of funds available for this work has so far made it impossible for me to make these expensive studies in behalf of the At-

torney General and of the Railroad Commission, and I trust that the Honorable Body of which you are a member will realize the urgency of the situation and will take such action as will permit the proper defense being made.

Permit me to assure the Legislature that personally I will do everything within my humble power to protect the just, and correct or prevent any unjust transportation rates in our state.

Yours truly,
V. E. SMART,
Traffic Expert.

Mr. Watt moved that the communications be printed in the journal, except the last communication.

Mr. Maddock of Mountrail moved as an amendment that all the communications be printed in the journal.

The chair ruled Mr. Maddock's motion out of order for the reason the communication was addressed personally to Mr. Maddock.

Mr. Maddock of Benson appealed from the ruling of the chair.

Roll call demanded.

The question being on the question as to whether the chair should be sustained, the roll was called and there were ayes 54, nays 53, absent and not voting 5.

Ayes: Allen, Anderson of Burleigh, Bauer, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen of Billings, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood.

Nays: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Brady, Hartl, Jardine, Olson of Ramsey, Semling,

Mr. Speaker did not vote.

So the Chair was sustained.

Mr. Hempel: I would like to explain my vote and ask the unanimous consent of the House to have it printed in the journal. I do not doubt the fairness of the chair, but I doubt his judgment in ruling that this communication of Attorney General Lemke shall not be printed in the journal and placed before the public. I vote no.

REPORTS OF STANDING COMMITTEES

The committee on Municipal Corporations made the follow-

Mr. Speaker: Your committee on Municipal Corporations to whom was referred:

House Bill No. 42: A Bill for an Act to Amend and Re-enact Section 3969 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Section 79 of the Session Laws of North Dakota for the Year 1919, Relating to Excluding Farm Lands From the Limits of City, Town and Villages.

Have had the same under consideration and recommend that the same be amended as follows:

After the word "village" in the 29th line, insert "provided that this Act shall not in any way repeal or otherwise effect the provisions of Section 3697 of the Compiled Laws of 1913."

And when so amended recommend the same do pass.

JOHN T. FREEMAN,
Chairman.

Also:

Mr. Speaker: Your committee on Municipal Corporations to whom was referred:

House Bill No. 45: A Bill for an Act to Amend and Re-enact Section 3967 of the Compiled Laws of North Dakota for the Year 1913, Relating to Errors and Deficiencies in City, Town or Village Plats.

Have had the same under consideration and recommend that the same do pass.

JOHN T. FREEMAN,
Chairman.

Mr. Freeman moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

Mr. Speaker: Your committee on Municipal Corporations to whom was referred:

House Bill No. 59: A Bill for an Act to Amend and Re-enact Section 3905 of the Compiled Laws of North Dakota for the Year 1913, Relating to the Building and Repairing of Sidewalks by Villages, the Giving of Notices Thereof, the Duties of Real Property Owners, and the Powers of the Board of Trustees in Regard Thereto.

Have had the same under consideration and recommend that the same do pass.

JOHN T. FREEMAN,
Chairman.

Mr. Freeman moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on Enrollment and Engrossment made the following report:

Mr. Speaker: Your committee on Enrollment and Engrossment have examined the following bills:

House Bill No. 3: A Bill for an Act Restricting the Form and Liability Upon Obligations in Writing Given in Payment of Any Speculative Security.

House Bill No. 4: A Bill for an Act Making it a Felony for a Male Person Over the Age of Sixteen Years to Take Indecent Liberties With a Child Under the Age of Fourteen Years, and Providing a Penalty Therefor.

House Bill No. 31: For an Act Creating a Children's Code Commission; Fixing the Membership Thereof; Defining Its Powers and Duties; and Making an Appropriation Therefor.

House Bill No. 52: A Bill for an Act Levying a Tax of One Mill Upon Each Dollar of Assessed Valuation of all Taxable Property Within the State for Each Year for the Purpose of Creating a fund to be known as the "Returned Soldiers' Fund," Providing for the Payment Thereof to Returned Soldiers, Defining the Powers and Duties of the Adjutant General and of the Industrial Commission with Reference Thereto and Making an Appropriation Therefor.

House Bill No. 57: A Bill for an Act to Amend and Re-enact Section 1455 of the Compiled Laws of the State of North Dakota for the Year 1913, and Section 1456 of the Compiled Laws of the State of North Dakota for the Year 1913, as Amended by Chapter 207 of the Session Laws of the State of North Dakota for the Year 1917, Relating to County Agricultural and Training Schools.

And find the same correctly engrossed.

ADAM PRESZLER,
Chairman.

Mr. Preszler moved that the report be adopted, which motion prevailed and the report was adopted.

A majority of the committee on Ways and Means made the following report:

Mr. Speaker: Your Committee on Ways and Means to whom was referred:

House Bill No. 84: A Bill for an Act to Provide for a State Factory Inspector, Prescribing his Duties and Fixing the Salary thereof.

Have had the same under consideration and recommend that the same be indefinitely postponed.

M. W. KELLY,
Chairman.

Mr. Kelly moved that House Bill No. 84 be re-referred to Committee on State Affairs, which motion prevailed.

A minority committee on Ways and Means made the following report:

Mr. Speaker: Your Committee on Ways and Means to whom was referred:

House Bill No. 84: A Bill for an Act to Provide for a State Factory Inspector, Prescribing his Duties and Fixing the Salary thereof.

Have had the same under consideration and recommend that the same do pass.

ROBERT S. BOYD,
O. C. MARTIN,
JOSEPH RENAULD,
OSCAR S. OBERG,

The committee on Judiciary made the following report:

Mr. Speaker: Your committee on Judiciary to whom was referred:

House Bill No. 49: A Bill for an Act to Amend and Re-enact Section 814 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Jurors.

Have had the same under consideration and recommend that the same be amended as follows:

Title: That the title be amended to read as follows: "An Act to Amend and Re-enact Section 814 of the Compiled Laws of North Dakota for the Year 1913, Relating to Qualifications of Jurors."

Section 1. That after the last word in line eleven (11) of section one (1) there be inserted the following, "female persons."

And when so amended recommend the same do pass.

C. H. STARKE,
Chairman.

Also:

Mr. Speaker: Your committee on Judiciary to whom was referred:

House Bill No. 56: A Bill for an Act to Amend and Re-enact Section 7643 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Judgments, District and Supreme Courts to Direct.

Have had the same under consideration and recommend that the same do pass.

C. H. STARKE,
Chairman.

Mr. Starke moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

Mr. Speaker: Your committee on Judiciary to whom was referred:

House Bill No. 46: A Bill for an Act Prohibiting the Insertion of any Waiver or Release of Damages in Promissory Notes or Chattel Mortgages.

Have had the same under consideration and recommend that the same be indefinitely postponed.

C. H. STARKE,
Chairman.

Mr. Starke moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on Public Health made the following report:

Mr. Speaker: Your committee on Public Health to whom was referred:

House Bill No. 65: A Bill for an Act to Provide for the Sterilization of Razors, Towels and Other Materials Used in Barber Shops.

Have had the same under consideration and recommend that the same be indefinitely postponed.

C. A. SAGEN,
Chairman.

Mr. C. A. Sagen moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on Appropriations made the following report:

Mr. Speaker: Your committee on Appropriations to whom was referred:

House Bill No. 36: A Bill for an Act to Provide for the Standardization of the One-Room Rural Schools, the Graded Schools and the High Schools of the State.

Have had the same under consideration and recommend that the same be amended as follows:

In the printed bill on page 10 in Section 10, strike out lines 1, 2, 3, 4, 5, 6, and the first three words in line 7.

We would then respectfully urge that the bill be re-referred to your Committee on Education with the request that the title be completed and the bill re-drafted.

WM. WATT,
Chairman.

Mr. Watt moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on State Affairs made the following report:

Mr. Speaker: Your committee on State Affairs to whom was referred:

House Bill No. 51: A Bill for an Act to Prohibit the Use of Tobacco by Smoking in Certain Places and Providing Penalty.

Have had the same under consideration and recommend that the same be amended as follows:

Sec. 1, line 4, after the comma after the word "room" insert the words "in which both men and women are being served."

Sec. 1, line 10, after the word "\$50.00" strike out the comma and insert in lieu thereof a period. Strike out the remainder of the bill.

And when so amended recommend the same do pass.

MARTIN OLSEN,
Chairman.

Also:

Mr. Speaker: A minority of your committee on State Affairs to whom was referred:

House Bill No. 51: A Bill for an Act to Prohibit the Use of Tobacco by Smoking in Certain Places and Providing Penalty.

Have had the same under consideration and recommend that the same be indefinitely postponed.

J. J. STRAIN,
H. B. DURKEE,
L. E. COLE,
C. A. ULLAND.

MARTIN OLSEN,
Chairman.

Mr. Strain moved that the Minority report be adopted, which motion was lost.

MESSAGE FROM THE SENATE

Bismarck, N. D., Jan. 31, 1921.

Mr. Speaker: I have the honor to transmit the following concurrent resolution:

CONCURRENT RESOLUTION

Introduced by Mr. Baker and Mr. Bond.

Be It Resolved By The Senate Of The State Of North Dakota, The House Of Representatives Concurring:

WHEREAS, A critical situation exists in much of that territory between the western boundary of Minnesota and the Rocky Mountains in that within this territory there are large numbers of farmers who, in the aggregate, have millions of acres under cultivation, but who have not sufficient seed and feed for the spring planting of 1921; and

WHEREAS, The farmers of this region demonstrated their loyalty to the government during the late war by producing food products to the limit of their strength and ability at less than cost, owing to drouth, grasshopper damage and high cost of labor; and

WHEREAS, In order to insure the best results from the forthcoming harvest, seed corn, seed potatoes and seed wheat

should be provided with the proviso that, in order to secure seed grain and feed, a reasonable acreage of corn and potatoes must also be planted; and

WHEREAS, Owing to the present financial depression existing throughout the entire country, it will not be possible for the banks, the counties or the state to arrange for furnishing the necessary seed and feed; and

WHEREAS, Unless Federal aid is forthcoming, millions of these productive acres will not be cropped at this time when the production of agricultural products is recognized as a factor of vital importance to the welfare of the nation and the world.

NOW THEREFORE, BE IT RESOLVED, By the Senate of the Seventeenth Legislative Assembly of the State of North Dakota, the House of Representatives concurring, that we do hereby memorialize the Congress of the United States and respectfully urge that Congress take immediate action toward furnishing the means whereby the farmers in this section may be provided with federal aid, to the end that they may receive sufficient seed and feed to plant a normal acreage for the season of 1921.

BE IT FURTHER RESOLVED, That the Secretary of the Senate send a copy of this resolution to the President of the Senate and the Speaker of the House of the Montana and South Dakota legislatures, respectively; also to our members in Congress.

Which the Senate adopted and your favorable consideration is respectfully requested.

Very respectfully,
W. J. PRATER,
Secretary.

Mr. Johnson moved that the House do now concur in the resolution, which motion prevailed.

MOTIONS AND RESOLUTIONS

Mr. Johnson of Cass asked for an extension of time for the committee to consider House Bills Nos. 18, 19 and 20, which request was granted.

Mr. Maddock of Benson moved that Senate Bill No. 6 be ordered out of committee, without a report thereon, and brought before the House for consideration.

Roll call demanded.

The question being on the motion of Mr. Maddock, the roll was called and there were ayes 53, nays 56, absent and not voting 4.

Ayes: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Lazior, Levin, McLarty, McManus, Maddock of

Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Nays: Allen, Anderson of Burleigh, Bauer, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelsen, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Shimin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Absent and not voting: Brady, Jardine, Hartl, Semling.

So the motion was lost.

MOTIONS AND RESOLUTIONS

A CONCURRENT RESOLUTION

Introduced by Mr. J. J. Strain.

Memorializing our National Congress at Washington to amend the National Constitution if necessary so as to elect the President and Vice President of the United States by direct vote of the people, thereby doing away with the Presidential Electors.

The President and Vice President are the only Elective Officers who are not elected by a direct vote of the people. We think the time is ripe to change this system. We would request the Secretary of State to forward a copy of this resolution to each of our United States Senators and each of our Congressmen at Washington and request them to use all honorable means to bring about this change.

Mr. Elmer moved the adoption of the resolution, which motion prevailed.

Mr. Hanson moved that the House recess for ten minutes, which motion prevailed, and the House recessed for ten minutes.

AFTER RECESS

The House assembled pursuant to recess taken, the Speaker presiding.

INTRODUCTION, FIRST AND SECOND READING OF HOUSE BILLS

Mr. R. J. Boyd introduced:

House Bill No. 97: An Act Permitting the City to Make Advancements Upon Material Purchased by a Contractor for Use in the Performance of Contracts for Municipal Improvements.

Was read the first and second time and referred to the committee on Municipal Corporations.

Mr. R. J. Boyd introduced:

House Bill No. 98: An Act to Amend and Re-enact Section 3710 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Contractors. How Paid.

Was read the first and second time and referred to the committee on Municipal Corporations.

Mr. Anderson, of Griggs, introduced:

House Bill No. 99: For an Act to Amend and Re-enact Section 3529 of the Compiled Laws of North Dakota for the Year 1913 Relating to Fees of Notaries Public.

Was read the first and second time and referred to the committee on Judiciary.

Mr. Roy Johnson introduced:

House Bill No. 100: For an Act Defining Criminal Syndicalism, Prohibiting the Advocacy Thereof and the Advocacy of Crime, Sabotage, Violence, or Other Unlawful Methods of Terrorism as a Means of Accomplishing Industrial Ends, and Assemblage for the Purpose of Such Advocacy; and Providing Penalties for the Violations of the Provisions Thereof.

Was read the first and second time and referred to the committee on State Affairs.

Mr. Frandson presented:

House Bill No. 101.

The same was referred to the committee on Delayed Bills.

Mr. Grangaard, by request, introduced:

House Bill No. 102: An Act to Amend and Re-enact Section 1 of Chapter 142 of the Session Laws of North Dakota for the Year 1915, Relating to the Payment of Tuition for Attendance at Any Model High or Graded Elementary School Which is Operated, Maintained or in Any Manner Connected With the State University, Any Normal School or Any Educational Institution of Higher Learning.

Was read the first and second time and referred to the committee on Education.

THIRD READING OF HOUSE BILLS

House Bill No. 53: A Bill for an Act Providing that Every Company May File a Statement with the Register of Deeds of the County in Which it Does Business, Pay a Fee Therefor, and Providing that the Holders of Mortgages or Liens on Grain Shall not have a Lien or Mortgage upon said Crop Unless Register or Personal Service has been Made Upon said Elevator Company.

Was read the third time.

The Speaker called Mr. Maddock of Mountrail to the chair.

Mr. Bauer moved that further consideration of House Bill No. 53 be indefinitely postponed.

Mr. Hempel moved as an amendment that the bill be referred to the committee from which it came, which motion was lost.

The question being on the motion to indefinitely postpone the bill, the motion prevailed.

MESSAGE FROM THE SENATE

Bismarck, N. D., Feb. 1, 1921.

Mr. Speaker: I have the honor to transmit herewith the following bills:

Senate Bill No. 27: A Bill for an Act to Amend and Re-enact Section 1045 of the Compiled Laws of North Dakota for the Year 1913 as Amended by Chapter 148 of the Laws of North Dakota for the Year 1919, Relating to the Compensation of Election Officers.

Senate Bill No. 29: An Act to Amend and Re-enact Section 1 of Chapter 4 of the Laws Passed by the Special Session of the Sixteenth Legislative Assembly of the State of North Dakota, Begun and Held at Bismarck, the Capital of Said State, on Tuesday, the Twenty-fifth Day of November, A. D. 1919, and Concluding Thursday, December the Eleventh, 1919, Being an Act to Appropriate \$225,000.00 for the Purpose of Aiding in the Construction of a Bridge Across the Missouri River From Burleigh County to Morton County in the State of North Dakota, and the Further Sum of \$35,000.00 for the Construction of a Bridge Across the Red River, at Pembina, Pembina County, and Kittson County, Minnesota, Under the Provisions of Chapter 73 of the Laws Passed at the Sixteenth Session of the Legislative Assembly of North Dakota, Approved March 5, 1919; and Such Appropriation be Made From the State Highway Fund; Which Act was Approved 9:00 A. M. December 12, 1919.

Senate Bill No. 34: A Bill for an Act Legalizing and Validating all Notices and Publications Commenced in an Official Newspaper Prior to the 1st day of January, 1921.

Senate Bill No. 41: A Bill for an Act to Amend and Re-enact Section 4059 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 71, Session Laws of 1915, and Chapter 178, Session Laws of 1917, Relating to Powers of Park Commission, be Amended and Re-enacted to Read as Follows:

Senate Bill No. 46: A Bill for an Act to Amend and Re-enact Sections 48 and 49 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Public Printing and Binding.

Which the Senate has passed and your favorable consideration is respectfully requested.

Very respectfully,
W. J. PRATER,
Secretary.

CONSIDERATION OF MESSAGES FROM THE SENATE

Mr. Maddock of Mountrail moved that the rules be suspended, and the vote by which the concurrent resolution of Senator McNair was concurred in, and which the Senate requested returned, be reconsidered, which motion prevailed.

Mr. Patterson moved that the request of the Senate for

the return of the concurrent resolution be complied with, which motion prevailed.

A copy of the report of the Industrial Commission which is required to be filed with the legislature on February 1st, was received and filed.

The courtesies of the floor were extended to E. J. Kelly, C. S. Buck, M. O. Hall, F. G. Orr, J. M. Beuttner, Adolph Schlenker, A. O. Solvig, Ed Sinkler, Rose R. Martin, Adolph Graf, J. B. Nilsen, L. R. Nostdal, Herman Hanson.

Mr. Sproul moved that the House Do now adjourn; which motion prevailed and the House adjourned.

C. L. DAWSON,
Chief Clerk.

GENERAL ORDERS:

House Bill No. 14: A Bill entitled, An Act Relating to Interfering with Rights of Employees.

House Bill No. 7: A Bill for an Act Providing for the Appointment of County Brand Inspectors; Defining the Duties of Railways in the Shipment of Certain Stock; Penalty.

House Bill No. 16: A Bill for An Act Relative to Scaffoldings and Providing Safety Appliances in Construction Work.

House Bill No. 21: A Bill for An Act to Amend and Re-enact Section 5 of Chapter 162 of the Laws of North Dakota for 1919, Relating to Information Furnished by Employers to the Workmen's Compensation Bureau of North Dakota and Penalty for Failure to Furnish Information Required.

House Bill No. 9: A Bill entitled, An Act to Protect Trade Mark of Workmen's Unions and the Wearing of Union Buttons.

House Bill No. 11: A Bill entitled, An Act to Amend Chapter 7567 of the Compiled Laws of North Dakota for the Year

House Bill No. 28: A Bill for an Act to Amend and Re-enact Section 1136 of the General School Laws entitled Deputies. How Appointed. Salary.

House Bill No. 29: A Bill for an Act to Amend and Re-enact Section 1137 of the General School Laws Entitled Salary and Expenses.

House Bill No. 42: A Bill for an Act to Amend and Re-enact Section 3969 of the Compiled Laws of North Dakota for the Year 1919, Relating to Excluding Farm Lands From the Limits of City, Town and Villages.

House Bill No. 49: A Bill for an Act to Amend and Re-enact Section 814 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Jurors.

House Bill No. 36: A Bill for an Act to Provide for the Standardization of the One-Room Rural Schools, the Graded Schools and the High Schools of the State.

House Bill No. 51: A Bill for an Act to Prohibit the Use of Tobacco by Smoking in Certain Places and Providing Penalty.

THIRTIETH DAY

House of Representatives,
Bismarck, North Dakota,
February 2, 1921.

The House convened at 2 P. M., pursuant to adjournment, the Speaker presiding.

Prayer by the Chaplain, Rev. Postlethwaite.

Roll Call. All members present except Hartl and Burns, who were excused.

REVISION AND CORRECTION OF THE JOURNAL

The committee on revision and correction of the journal made the following report:

Mr. Speaker: Your committee on revision and correction of the journal have carefully examined the Journal of the 29th day and find the same correct.

And recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted.

PETITIONS AND COMMUNICATIONS

Lidgerwood, N. D., February 1, 1921.

Representative McLarty,
Bismarck, N. D.

Dear Sir: I notice that you have introduced the anti-smoke bill in the legislature and I think the measure should have the support of every member.

I think it should be amended so as to include Movie Theaters and Dance Halls. I hope that this will be done.

Hoping that you include these two public places in the bill and trusting that it will be passed without any difficulty, I am yours,

A. B. STEEN,
Lyric Theater..

Representative A. J. McLarty:

We, the undersigned, as citizens of Egeland, N. Dak., respectfully ask you to use your influence and vote for the passage of House Bill No. 5.

As members of the churches, Sunday Schools, high school and W. C. T. U., all are united in working for the welfare of our town and community, therefore use this means of voicing our wishes.

MRS. ANNA IRVIN,
Egeland, N. D.
AND 25 OTHERS.

REPORTS OF STANDING COMMITTEES

The committee on Appropriations made the following report:

Mr. Speaker: Your committee on Appropriations to whom was referred:

House Bill No. 78: A Bill for an Act Authorizing the Commissioner of Agriculture and Labor to Collect, Tabulate and Publish Statistics Relating to the Cost of Producing Agricultural Products in the State of North Dakota, and Making an Appropriation therefor.

Have had the same under consideration and recommend that the same be indefinitely postponed.

WM. WATT,
Chairman.

Mr. Watt moved that the report be adopted, which motion prevailed and the report was adopted.

MAJORITY REPORT

The committee on Appropriations made the following report:

Mr. Speaker: Your committee on Appropriations to whom was referred:

House Bill No. 91: A Bill for an Act Appropriating the Sum of Nine Thousand Fifty-One Dollars and Five Cents (\$9051.05), for the Use of the Office of the Attorney General of the State of North Dakota, and Repealing Chapter 20 of the Laws of the Special Legislative Session of North Dakota for the Year 1919, by Which Said Chapter an Appropriation was Made for the Payment of Salaries of Special Assistant Attorneys General, of Which said Appropriation the Sum of \$9051.05 is Still in the General Fund of the State Unexpended.

Have had the same under consideration and recommend that the same do pass.

WM. WATT,
Chairman.

Mr. Speaker: The Minority of your committee on Appropriations to whom was referred:

House Bill No. 91: A Bill for an Act Appropriating the Sum of Nine Thousand Fifty-One Dollars and Five Cents

(\$9051.05), for the Use of the Office of the Attorney General of the State of North Dakota, and Repealing Chapter 20 of the Laws of the Special Legislative Session of North Dakota for the Year 1919, by Which Said Chapter an Appropriation was Made for the Payment of Salaries of Special Assistant Attorneys General, of Which said Appropriation the Sum of \$9051.05 is Still in the General Fund of the State Unexpended.

Have had the same under consideration and recommend that the same be indefinitely postponed.

JOHN R. MADDOCK,
A. L. MAXWELL,
FRED E. SIMS,
MARTIN LARSON,
L. O. FREDRICKSON,
CHAS. W. WHITMER,

Mr. Watt moved that the majority report be adopted.

Mr. Maddock of Benson moved as an amendment that the word minority be substituted for the word majority, which motion was lost.

Roll Call demanded.

HOUSE ROLL CALL

The question being on the adoption of the Majority Report. the roll was called and there were ayes 57, nays 53, absent and not voting 3.

Ayes: Allen, Anderson of Burleigh, Bauer, Bollinger, Botz, Boyd, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Bjorgo, Burns, Hartl.

So the motion prevailed.

Mr. Hagelbarger asked the unanimous consent of the house to explain his vote and have it recorded in the journal. "I do not see any advantage in taking money out of one pocket.

and putting it into another when there is not enough money in that pocket. I vote 'no.' "

Mr. Hempel asked the unanimous consent of the house to explain his vote and have it recorded in the journal. "This majority report, if passed, will attempt to appropriate money out of a fund which has already been very well and properly spent. I vote 'no.' "

Mr. Maddock of Benson asked the unanimous consent of the house to explain his vote and have it recorded in the journal. "I vote 'no' on this question because I do not desire to question the veracity of the governor of this state. Second: I do not believe in depriving any one of a chance of being paid for their work. Third: This bill is not providing the large need of additional money for the legal work of this state. I vote 'no.' "

Mr. Sagen asked the unanimous consent of the house to explain his vote and have it recorded in the journal. "I vote 'aye' on this question for the reason that I want the legal department of our state placed back into the hands of the Attorney General. Also for the reason that there has been a disposition that when a state officer has been out of sympathy with the prevailing political views of the majority, to divide his power and place it in the hands of some other department. This should stop, therefore I vote 'aye.' "

Mr. Speaker: Your Committee on Delayed Bills have had under consideration House Bill No. 101 and unanimously recommend that the same be permitted to be introduced.

JOHN G. PLATH,
Chairman.

Mr. Plath moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on Game and Fish made the following report:

Mr. Speaker: Your committee on Game and Fish to whom was referred:

House Bill No. 35: A Bill for an Act to Amend and Re-enact Section 33 of Chapter 161 of the Laws of North Dakota for the Year 1915 as Amended by Chapter 122 of the Laws of North Dakota for the Year 1917 as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Relating to Game Birds and Season for Killing.

Have had the same under consideration and recommend that the same be amended as follows:

That all after "A Bill" be stricken out and the following inserted in lieu thereof: "For an Act to Amend and Re-enact Section 33 of Chapter 161 of the Laws of North Dakota, for the year 1915, as amended by Chapter 122 of the Laws of North Dakota for the year 1917, as amended by Chapter 134 of the Laws of North Dakota for the year 1919, relating to the open season for Game Birds.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF
THE STATE OF NORTH DAKOTA:

Section 1. AMENDMENT. That Section 33 of Chapter 161 of the Laws of North Dakota for the year 1915, as amended by Chapter 122 of the Laws of North Dakota for the year 1917, as amended by Chapter 134 of the Laws of North Dakota for the year 1919, be and the same is hereby amended and re-enacted to read as follows:

Section 33. GAME BIRDS, SEASON FOR KILLING. No person shall hunt, take, kill, ship, convey or cause to be shipped or transported by common or private carrier, to any person either within or without the state, expose for sale, sell to any one, have in possession with intent to sell, or have in possession or under control at any time, any turtle dove, snipe, prairie chicken, pinnated, white-breasted or sharptailed grouse, quail, partridge, Chinese ring-neck or English pheasant, Hungarian partridges, wild duck of any variety, wild goose of any variety, brant of any variety, or aquatic fowl, or any part thereof, except; First, that any snipe, prairie chicken, grouse, wood cock or golden plover may be killed or had in possession between the sixteenth day of September and the sixth day of October, both inclusive following, provided, however, that no snipe, prairie chicken, grouse, wood cock or golden plover shall be placed in cold storage; second, that any wild duck, wild goose or brant of any variety may be killed and had in possession between the sixteenth day of September and the first day of December, both inclusive, following. Any person violating the provisions of this Section shall be punished by fine of not less than \$25.00 or more than \$50.00, and cost of prosecution, or by imprisonment in the county jail for not less than twenty days nor more than thirty days, or by both fine and imprisonment, in the discretion of the Court, for each and every bird killed or destroyed contrary to the provisions of this section.

And when so amended recommend the same do pass.

WM. BAUER,
Chairman.

The committee on Education made the following report:

Mr. Speaker: Your committee on Education to whom was referred:

House Bill No. 76: A Bill for an Act to Amend and Re-enact Section 1147, Compiled Laws for the Year 1913, as Amended by Chapter 197, of the Session Laws for the Year 1919, Relating to the Formation of New Common School Districts.

Have had the same under consideration and recommend that the same be indefinitely postponed.

MR. KITCHEN,
Chairman.

Mr. Kitchen moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on State Affairs made the following report:

Mr. Speaker: Your committee on State Affairs to whom was referred:

Senate Bill No. 8: A Bill for an Act to Repeal and Re-enact Section 1714 of the Compiled Laws of the State of North Dakota for the Year 1913, as Amended by Chapter 143, of the Session Laws of 1917.

Have had the same under consideration and recommend that the same do pass.

MARTIN OLSEN,
Chairman.

Mr. Olsen moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on Ways and Means made the following report:

Mr. Speaker: Your committee on Ways and Means to whom was referred:

House Bill No. 54: A Bill for an Act to Amend and Re-enact Sections 3533 of the Compiled Laws of North Dakota for the Year 1913, Relating to Office Hours of County Commissioners and Fixing their Compensation.

Have had the same under consideration and recommend that the same be indefinitely postponed.

M. W. KELLY,
Chairman.

Mr. Kelly moved that the report be adopted, which motion prevailed and the report of the committee was adopted.

The committee on Judiciary made the following report:

Mr. Speaker: Your committee on Judiciary to whom was referred:

House Bill No. 32: A Bill for an Act to Amend and Re-enact Subdivision 4 of Section 3387, and Sections 3498 and 7967, and to Repeal Sections 7685, 7686 and 7699 of the Compiled Laws of 1913, Relating to the Duties and Fees of the Clerk of the District Court.

Have had the same under consideration and recommend that the same be indefinitely postponed.

C. H. STARKE,
Chairman.

Mr. Starke moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

Mr. Speaker: Your committee on Judiciary to whom was referred:

House Bill No. 10: A Bill entitled, An Act Creating a Mechanics' and Laborers' Lien.

Have had the same under consideration and recommend that the same be indefinitely postponed.

C. H. STARKE,
Chairman.

Mr. Starke moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

Mr. Speaker: Your committee on Judiciary to whom was referred:

House Bill No. 74: A Bill for an Act to Amend and Re-enact Section 7660, Compiled Laws of 1913, Relating to Causes for a New Trial.

Have had the same under consideration and recommend that the same do pass.

C. H. STARKE,
Chairman.

Mr. Starke moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

Mr. Speaker: Your committee on Judiciary to whom was referred:

Senate Bill No. 1:

A Bill for an Act to Amend and Re-Enact Section 800 of the Compiled Laws of the State of North Dakota for the Year 1913 as Amended by Chapter 70, Session Laws 1919, Relating to the Revocation or Suspension of an Attorney's Right to Practice.

Have had the same under consideration and recommend that the same do pass.

C. H. STARKE,
Chairman.

Mr. Starke moved that the report be adopted, which motion prevailed and the report was adopted.

MOTIONS AND RESOLUTIONS

Mr. Shipley moved that, as on account of ill health, Judge Robinson was unable to appear before the Joint Assembly this afternoon, that he be granted the privilege of appearing before the House after adjournment, Monday, February 7, 1921, which motion prevailed.

Mr. Maddock of Mountrail moved that the Speaker appoint a committee of three, to wait on the Senate and advise them that the House would be pleased to have them in Joint Assembly after adjournment this afternoon, which motion prevailed, and the Speaker appointed as such committee Messrs. Maddock of Mountrail, Sproul and Flom.

INTRODUCTION, FIRST AND SECOND READING OF HOUSE BILLS

Mr. Frandson introduced:

House Bill No. 101: A Bill for an Act Entitled. An Act Establishing a System of State Free Employment Service, Providing for the Maintenance Thereof, Defining the Duties of Such Department, Its Officers and Employees, and Appro-

priating Money for the Carrying Out of the Provisions of This Act.

Was read the first and second time and referred to the committee on Appropriations.

Mr. Olson of Ramsey introduced:

House Bill No. 103: A Bill for an Act to Amend and Re-enact Section 4059 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 71, Session Laws of 1915, and House Bill No. 192 of the Session Laws of 1917, Relating to the Powers of Park Commission.

Was read the first and second time and referred to the committee on Cities and Municipal Corporations.

Mr. Olson of Ramsey introduced:

House Bill No. 104: A Bill for an Act to Amend and Re-enact Chapter 59, Laws of North Dakota, 1917, and Chapter 220, Laws of North Dakota, 1919, Relating to the Classification of Property for Assessment.

Was read the first and second time and referred to the committee on Tax and Tax Laws.

Mr. Johnson of Ward introduced:

House Bill No. 105: A Bill for an Act to Amend and Re-enact Chapter 118 of the Session Laws of 1919, Which Amends and Re-enacts Section 890 of the Compiled Laws of North Dakota, for the Year 1913, Pertaining to the Selection of County and State Committeemen.

Was read the first and second time and referred to the committee on Elections and Election Privileges.

The Committee on Game and Fish introduced:

House Bill No. 106: A Bill for an Act to Amend and Re-enact Section 46 of Chapter 161 of the Laws of North Dakota for the Year 1915, as Amended by Chapter 63, of the Laws of North Dakota for the Year 1917, as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Prohibiting the Trapping, Catching, Killing, or Destroying of Beaver and Otter, for a Limited Period.

Was read the first and second time and referred to the committee on Game and Fish.

The Committee on Game and Fish introduced:

House Bill No. 107: A Bill for an Act to Amend and Re-enact Section 10298 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 162 of the Laws of North Dakota for the Year 1915, as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Relating to the Season for Killing Deer.

Was read the first and second time and referred to the committee on Game and Fish.

The Committee on Game and Fish introduced:

House Bill No. 108; A Bill for an Act to Amend and Re-enact Section 28 of Chapter 161 of the Laws of North Dakota

for the Year 1915 as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Relating to Trespassing on Lands Where Hunting is Prohibited.

Was read the first and second time and referred to the committee on Game and Fish.

Mr. Olsen of Billings introduced:

House Bill No. 109: A Bill for an Act Legalizing Certain Acts of City, Village and School District Officials.

Was read the first and second time and referred to the committee on Cities and Municipal Corporations.

Mr. Jardine introduced:

House Bill No. 110: A Bill for an Act to Amend and Re-enact Section 3012 of the Compiled Laws of the State of North Dakota for the Year 1913, Establishing Legal Weights For Bread and the Weight Units in Which Bread Shall be Sold, Manufactured for Sale, Offered or Exposed for Sale, and Providing a Penalty for the Violation Thereof.

Was read the first and second time and referred to the committee on Ways and Means.

Courtesies of the floor was extended to J. A. Dowe, W. Dickinson, Garland A. Bricker, O. A. Leach, R. J. Hughes, C. E. Lounsbury, E. H. Myhre, Charles J. Jacobson, Albert Larson, Oluf Hagen, M. J. Conley, F. V. Hutchinson, H. M. Soliah, John J. Kain, Ole Wedo, W. G. Childs, O. M. Heath, H. R. Freitag and J. F. Brickner.

THIRD READING OF HOUSE BILLS

House Bill No. 66: A Bill for an Act to Provide for the Payment of Non-Resident Tuition Fee in the High School Department of Standardized Graded and Standardized High Schools Receiving State Aid.

Was read the third time.

Mr. Maddock of Mountrail moved the House do now adjourn, which motion prevailed, and the House adjourned.

C. L. DAWSON,
Chief Clerk.

GENERAL ORDERS

House Bill No. 14: A Bill for an Act Entitled an Act Relating to Interfering With Rights of Employees.

House Bill No. 7:

A Bill for an Act Providing for the Appointment of County Brand Inspectors; Defining the Duties of Railways in the Shipment of Certain Stock; Penalty.

House Bill No. 16: A Bill for An Act Relative to Scaffoldings and Providing Safety Appliances in Construction Work.

House Bill No. 21: A Bill for An Act to Amend and Re-enact Section 5 of Chapter 162 of the Laws of North Dakota for 1919, Relating to Information Furnished by Employers to

the Workmen's Compensation Bureau of North Dakota and Penalty for Failure to Furnish Information Required.

House Bill No. 9: A Bill entitled, An Act to Protect Trade Mark of Workmen's Unions and the Wearing of Union Buttons.

House Bill No. 11: A Bill entitled, An Act to Amend Chapter 7567 of the Compiled Laws of North Dakota for the Year 1913, and Relating to Garnishments.

House Bill No. 28: A Bill for an Act to Amend and Re-enact Section 1136 of the General School Laws entitled Deputies. How Appointed. Salary.

House Bill No. 29: A Bill for an Act to Amend and Re-enact Section 1137 of the General School Laws Entitled Salary and Expenses.

House Bill No. 42: A Bill for an Act to Amend and Re-enact Section 3969 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Section 79 of the Session Laws of North Dakota for the Year 1919, Relating to Excluding Farm Lands From the Limits of City, Town and Villages.

House Bill No. 49: A Bill for an Act to Amend and Re-enact Section 814 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Jurors.

House Bill No. 51: A Bill for an Act to Prohibit the Use of Tobacco by Smoking in Certain Places and Providing Penalty.

House Bill No. 35: A Bill for an Act to Amend and Re-enact Section 33 of Chapter 161 of the Laws of North Dakota for the Year 1915 as Amended by Chapter 122 of the Laws of North Dakota for the Year 1917 as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Relating to Game Birds and Season for Killing.

THIRTY-FIRST DAY

House of Representatives,
Bismarck, North Dakota,
February 3, 1921.

The House convened at 2 P. M., pursuant to adjournment.
the Speaker presiding.

Prayer by the Chaplain, Rev. Postlethwaite.

Roll Call. All members present.

REVISION AND CORRECTION OF THE JOURNAL

The committee on revision and correction of the journal
made the following report:

Mr. Speaker: Your committee on revision and correction
of the journal have carefully examined the journal of the
30th day and recommend that the same be corrected as fol-
lows:

In line 17, page 3, after the word "the" insert the word
"majority." Line 15, page 3, strike out the initial "F" and in-
sert the initial "L."

And when so corrected recommend that the same be ap-
proved.

ANDREW JOHNSON,
Chairman.

PETITIONS AND COMMUNICATIONS

To the Seventeenth Legislative Assembly of the State of
North Dakota:

Pursuant to instructions received from Mjosen Lodge No.
78 of the Sons of Norway of Mayville, North Dakota, by a
vote unanimously passed at a meeting of its members, we
respectfully ask that the appropriations asked for by Presi-
dent Evjen of the State Normal School at Mayville, North
Dakota, be approved and made into law. We make this re-
quest for the reason that we deem it absolutely necessary
that every item mentioned in the request for appropriations
is needed in order to make use of the opportunities that this
school has. A shortage of teachers exists, and every effort
should be made to have the Mayville State Normal School
relieved as much as possible of that shortage.

Respectfully submitted,

I. O. FOSSE,
AND 2 OTHERS,

The committee on Agriculture made the following report:

Mr. Speaker: Your committee on Agriculture to whom was referred:

House Bill No. 81: A Bill for an Act to Establish a Uniform Egg Law, for Regulating and Preventing the Sale of Eggs unfit as Articles of Human Food, Requiring Eggs to be Canded, Requiring a License for Dealers in Eggs and Establishing a Penalty for Violation of this Act.

Have had the same under consideration and recommend that the same be amended as follows:

On line 3, page 5, Sec. 7, strike out the figures "1922" and insert in lieu thereof the figures "1921."

And when so amended recommend the same do pass.

VICTOR L. ANDERSON,
Chairman.

The committee on Public Printing made the following report:

Mr. Speaker: Your committee on Public Printing to whom was referred:

House Bill No. 79: A Bill for an Act to Amend and Re-enact Sections 48 and 49 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Public Printing and Binding.

Have had the same under consideration and recommend that the same be amended as follows:

Strike out everything after the word "A Bill" and insert in lieu thereof the following:

For an Act to Repeal Section 48 and to Amend and re-enact Section 49 and 59 of the Compiled Laws of the State of North Dakota for the year 1913, relating to public printing and binding.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF
THE STATE OF NORTH DAKOTA:

Section 1. That Section 48 of the Compiled Laws for the year 1913 is hereby repealed.

Section 2. That Section 49 of the Compiled Laws of the State of North Dakota for the year 1913 is hereby amended and re-enacted to read as follows:

Section 49. PAPER, QUALITY. All paper used for printing and binding of whatever nature shall be standard weights and grades and approved by the State Publication and Printing Commission.

Section 3. That Section 59 of the Compiled Laws of the State of North Dakota for the Year 1913, is hereby amended and re-enacted to read as follows:

Section 59. NUMBER OF VOLUMES TO BE PRINTED AND STYLE OF BINDING. Two thousand volumes of the laws required by this article to be printed shall be bound in Buckram. The volumes of executive documents provided for in Section 54 of this article shall be bound in half binding. Two hundred copies of the biennial reports of the state auditor, state treasurer, commissioner of insurance and superintendent of public instruction shall be bound in cloth, the remainder authorized by law, to be bound in pamphlet form, unless otherwise ordered by the commissioners of printing.

Section 4. EMERGENCY. Whereas, it is necessary that the laws enacted by the Seventeenth Legislative Assembly be published before July 1st, this act is hereby declared to be an emergency measure and shall become effective immediately upon its passage and approval.

And when so amended recommend the same do pass.

CLAUDE LACKEY,
Chairman.

Referred to Committee on Public Printing.

The committee on Public Printing made the following report:

Mr. Speaker: Your committee on Public Printing to whom was referred:

House Bill No. 87: A Bill for an Act Repealing Section 924, 925, 926, and 927 of the Compiled Laws of North Dakota for the Year 1913, Relating to Publicity Pamphlets.

Have had the same under consideration and recommend that the same be indefinitely postponed.

CLAUDE LACKEY,
Chairman.

Mr. Lackey moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on Public Printing made the following report:

Mr. Speaker: Your committee on Public Printing to whom was referred:

House Bill No. 55: A Bill for an Act to Amend and Re-enact Sections 1 and 2 of Chapter 173 of the Session Laws of 1919, Requiring the Label of the International Typographical Union to Be Placed Upon All Public Printing of the State of North Dakota and Providing Penalties for the Violation Thereof.

Have had the same under consideration and recommend that the same be indefinitely postponed.

CLAUDE LACKEY,
Chairman.

Mr. Lackey moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on Public Printing made the following report:

Mr. Speaker: Your committee on Public Printing to whom was referred:

House Bill No. 70: A Bill for an Act to Repeal Chapter One Hundred and Seventy-Three of the Session Laws of Nineteen Hundred and Nineteen, requiring Union Label on State Printing.

Have had the same under consideration and recommend that the same be indefinitely postponed.

CLAUDE LACKEY,
Chairman.

Mr. Lackey moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on Insurance made the following report:

Mr. Speaker: Your committee on Insurance to whom was referred:

House Bill No. 18: A Bill for an Act to Amend and Re-enact Section 2 of Chapter 162 of the Laws of North Dakota for the Year 1919, Defining Certain Words and Phrases in said Chapter.

Have had the same under consideration and recommend that the same be amended as follows:

In Section 2, line 5, strike out everything after the word "railroad" and all of line 6, inserting a period after the word "railroad" in line 5.

On page 2, in line 7, strike out the period after the last syllable of the word "employer," and insert in lieu thereof a comma, and add the following: "and excluding also any executive officer of a business concern who receives a salary of more than twenty-four hundred dollars (\$2400.00) per year."

And when so amended recommend the same do pass.

ROY JOHNSON,
Chairman.

The committee on State Affairs made the following report:

Mr. Speaker: Your committee on State Affairs to whom was referred:

A Concurrent Resolution petitioning Congress of the United States to take steps toward the Establishment of a National Park in Billings County, North Dakota, Embracing the wonderful petrified forest located therein, to be called Roosevelt Park.

Have had the same under consideration and recommend that the same be adopted.

MARTIN OLSEN,
Chairman.

Mr. Olsen moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on State Affairs made the following report:

Mr. Speaker: Your committee on State Affairs to whom was referred:

House Bill No. 100: A Bill for an Act Defining Criminal Syndicalism, Prohibiting the Advocacy Thereof and the Advocacy of Crime, Sabotage, Violence, or Other Unlawful Methods of Terrorism as a Means of Accomplishing Industrial Ends, and Assemblage for the Purpose of Such Advocacy; and Providing Penalties for the Violations of the Provisions Thereof.

Have had the same under consideration and recommend that the same be amended as follows:

Sec. 2, line 9, after the word "crime" insert the following words "and with the intent of advocating, advising or teaching." Sec. 3, line 5, after the word "voluntarily" insert the words "and knowingly;" same line after the word "therein" strike out the words "by his presence, aid or in" and insert in lieu thereof the following "or aiding or instigating the same."

And when so amended recommend the same do pass.

MARTIN OLSEN,
Chairman.

MOTIONS AND RESOLUTIONS

Mr. Lazier moved that House Bill No. 47 be withdrawn from the committee, which motion prevailed.

CONCURRENT RESOLUTION

Introduced by Mr. George Lakie.

WHEREAS, The service rendered the United States by the American Mother is the greatest source of the country's strength and inspiration; and

WHEREAS, We honor ourselves and the mothers of America when we do anything to give emphasis to the home as the fountain head of the State; and

WHEREAS, The American mother has done, and is doing, so much for good government, patriotism and humanity:

THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE STATE OF NORTH DAKOTA OF THE SEVENTEENTH LEGISLATIVE ASSEMBLY, THE SENATE CONCURRING THEREIN, That the Governor of this State is hereby authorized and requested to issue annually a proclamation calling upon the State Officials to display the United States flag on all state and school buildings, and the people of the State to display the flag at their homes, lodges, churches and places of business, and other suitable places, on the second Sunday in May, known as Mother's Day, founded by Anna Jarvis, as a public expression of love and reverence for the mothers of our state and the women serving it, and as an inspiration to better homes and closer ties between them and the State.

Mr. Lakie moved that the Resolution be adopted, which motion prevailed and the Resolution was adopted.

Mr. Olsen of Billings moved the adoption of Concurrent Resolution petitioning Congress of the United States to take steps toward the establishment of a National Park in Billings County, North Dakota, to be known as Roosevelt Park, which motion prevailed and the resolution was adopted.

INTRODUCTION, FIRST AND SECOND READING OF HOUSE BILLS

Mr. Ellingson introduced:

House Bill No. 111: A Bill for an Act to Require Railroad Companies to Install and Maintain Stock Scales in Railroad Stock Yards at All Stations or Points From Which an Average of Fifty Car Loads or More of Stock Were Shipped During the Three Years Next Preceding Such Application and Prescribing Penalties for Violations of This Act and Defining Powers of Railroad Commissioners.

Was read the first and second time and referred to the committee on Railroads.

Mr. Olsen of Billings introduced:

House Bill No. 112: A Bill for an Act to Amend and Re-enact Section 2955, 2956, of the Compiled Laws of the State of North Dakota for the Year 1913.

Was read the first and second time and referred to the committee on Public Health.

Mr. Boyd introduced:

House Bill No. 113: A Bill for an Act to Amend and Re-enact Section 2495 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Levy of Taxes for Interest for Drainage Purposes and Creating Sinking Fund.

Was read the first and second time and referred to the committee on Drainage and Irrigation.

THIRD READING OF HOUSE BILLS

House Bill No. 66: A Bill for an Act to Provide for the Payment of Non-resident Tuition Fee in the High School Department of Standardized Graded and Standardized High Schools Receiving State Aid.

Was read the third time.

Mr. Miller moved that the rules be suspended for the purpose of making an amendment to the Bill, which motion was lost.

Mr. Bauer made the following remarks, and asked the unanimous consent of the House to have it printed in the journal:

"I would like very much to support this measure, but find myself unable to do so in its present form. The main argument of the sponsors of this bill seems to be that there is an injustice operating at present on the high schools of North Dakota.

"I heartily agree with them in their contention. It is certainly a very great injustice to a school district having a high school to have pupils from a different district attending their high school without such high school district receiving recompense therefor.

"But I can't agree with the plan proposed in this bill, in attempting to remedy the existing injustice. It is a fact that every high school district in the State of North Dakota already receives state aid for their high school and with the plan as proposed in this bill, having the country district from which such high school pupils come, pay for such high school tuition, such country district would then under the law be compelled in addition to paying for such pupils' tuition, also pay their portion of the state aid already furnished such high school districts, which plan would make the burden on the majority of such country districts more than it would be possible for them to carry.

"I think a better plan would be to increase the state aid furnished such high schools to an amount sufficient to take care of the tuition for such pupils from country districts. I believe that even the sponsors of this bill will agree with me that this would be a better plan because I believe if this bill were to pass, in its present form, that it would result in school districts which are already burdened with a heavy tax, keeping their children out of the high school in other districts in order to avoid such additional expense to their district.

"Therefore, I, at this time, make a motion that this bill be referred back to the committee for amendment."

Which motion was lost.

The question being on the final passage of the bill, the roll was called and there were ayes 68, nays 44, absent and not voting 1.

Ayes: Allen, Anderson of Burleigh, Bilquist, Bjorgo, Bollinger, Boyd, Burkhart, Burns, Carlson, Cole, Durkee, Eckert, Ellingson, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Hartl, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lakie, Larson of Pierce, Lazier, Levin, McDowell, McGauvran, McManus, Mikkelson, Mouck, Ness, Nagel, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Reichert, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Weld of Wells, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Arduser, Babcock, Bauer, Bjerke, Botz, Brady, Bratsberg, Bryans, Cart, Doyle, Elmer, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hempel, Kamrath, Lackey, Larkin, Larson of Ransom, McLarty, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Nathan, Oberg, Olson of Barnes, Opland, Pat-

terson, Renauld, Sherman, Sims, Vogel, Weld of Kidder, Whitmer, Yeater.

Absent and not voting: Strain.

So the bill passed and the title was agreed to.

Mr. Burkhart asked the unanimous consent of the House to explain his vote and have it printed in the journal: "The committee in considering this bill tried to draw it in such a way that it would give justice to everybody. I realize that in passing most of this legislation we are trying to put through this house and in legislative assemblies we are working a hardship on someone. It is absolutely impossible to pass legislation that will not work a hardship on someone, and there may be an instance where there will be a hardship worked on someone in this case but the committee tried to find the best way out of this trouble, and we struck as an average \$54.00 per year as we thought that would be justifiable to everybody and work as little hardship as possible, and for that reason I vote 'aye.'"

Mr. Hempel asked the unanimous consent of the house to explain his vote and have it recorded in the journal. "As a member of the education committee there came before me a statement of one of these high schools that claimed they were taxed to death, and in that statement, the only statement that came before this committee, it shows out of 93 school districts——"

Mr. Watt: "I rise to a point of order. He is arguing on the bill instead of explaining his vote."

Mr. Hempel: "——In our county, out of 28 districts, 14 of these districts are paying a higher levy today than these high schools that claimed they were taxed to death. I vote 'no.'"

Mr. Kellogg rose to explain his vote and asked the unanimous consent of the house to have it recorded in the journal: "On account of the peculiar predicament that some of the schools of this state have gotten into, I am going to vote for this bill with the hope that it will be a starter at least toward better schools throughout the state than we have at present, but at the same time I dislike the procedure that is being used. I vote 'aye.'"

Mr. Miller asked permission to explain his vote and have it recorded in the journal: "I am in favor and shall always be in favor of any measure which will better the conditions of our schools, but it is my belief that there are many features about this bill that are unjust and unfair and therefore I am compelled to vote 'no.'"

Mr. Vogel asked unanimous consent of the house to explain his vote and have it recorded in the journal: "I do not wish to be misunderstood in my vote on this question. I am heartily in favor of this legislature coming to the assistance of the high schools of the state, but I am in favor of assistance that will cause the least possible friction between our various school units and I believe this can be best done by direct state aid to high schools. I vote 'no.'"

House Bill No. 45: A Bill for an Act to Amend and Re-enact Section 3967 of the Compiled Laws of North Dakota for the Year 1913, Relating to Errors and Deficiencies in City, Town or Village Plats.

Was read the third time.

Mr. Jardine asked the unanimous consent of the house to offer an amendment, which request was granted.

Mr. Jardine moved that the bill be amended as follows: In line 66, page 3, of the printed bill, after the word "recorded" insert the following: "in the office of the register of deeds and a blue print of the same with the county auditor."

Which motion prevailed and the bill was so amended.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 109, nays 0, absent and not voting 4.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelsen, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Sims, Slominski, Starke, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Cole, Shipley, Sproul, Strain.

So the bill passed and the title was agreed to.

House Bill No. 59: A Bill for an Act to Amend and Re-enact Section 3905 of the Compiled Laws of North Dakota for the Year 1913, Relating to the Building and Repairing of Side Walks by Villages, the Giving of Notices Thereof, the Duties of Real Property Owners, and the Powers of the Board of Trustees in Regard Thereto.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 104, nays 0, absent and not voting 9.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson,

Cart, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Bjorgo, Cole, Hanson of Benson, Johnson of Steele, Lakie, Maddock of Benson, Maddock of Mountrail, Peters, Strain.

So the bill passed and the title was agreed to.

House Bill No. 56: A Bill for an Act to Amend and Re-enact Section 7643 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Judgments, District and Supreme Courts to Direct.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 105, nays 3, absent and not voting 5.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Semling, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Cart, Erickson of Divide, Sherman.

Absent and not voting: Bjorgo, Hempel, Maddock of Mountrail, Sagen, Strain.

So the bill passed and the title was agreed to.

House Bill No. 91: A Bill for an Act Appropriating the Sum of Nine Thousand Fifty-One Dollars and Five Cents (\$9051.05), for the Use of the Office of the Attorney General of the State of North Dakota, and Repealing Chapter 20 of the Laws of the Special Legislative Session of North Dakota for the Year 1919, by Which Said Chapter an Appropriation was Made for the Payment of Salaries of Special Assistant Attorneys General, of Which said Appropriation the Sum of \$9051.05 is Still in the General Fund of the State Unexpended.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 58, nays 52, absent and not voting 3.

Ayes: Allen, Anderson of Burleigh, Bauer, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Brady, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Bjorgo, Bratsberg, Strain.

So the bill passed except emergency clause and the title was agreed to.

Mr. Hempel asked the consent of the House to explain his vote and have it recorded in the Journal. "My reason for voting no on this bill is because I know from what the Governor has sent us here and which is on record and in which he has said the funds we are trying to appropriate have been used up, and the people have three times elected him Governor and I do not doubt his word. I vote "no."

House Bill No. 74: A Bill for an Act to Amend and Re-enact Section 7660, Compiled Laws of 1913, Relating to Causes for a New Trial.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 109, Nays 1, absent and not voting 3.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson-Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Grangaard.

So the bill passed and the title was agreed to.

FIRST AND SECOND READING OF SENATE BILLS.

Senate Bill No. 35: A Bill for an Act Repealing Section 6972 of the Compiled Laws of the State of North Dakota for the Year 1913 Relating to Negotiable Instruments Made Payable at a Bank.

Was read the first and second time and referred to the committee on Judiciary.

Senate Bill No. 32: A Bill for an Act to Amend and Re-enact Sections 11114 and 11115, Compiled Laws of the State of North Dakota for 1913, Relating to the Admitting to Bail of Persons Charged with the Offense of Homicide.

Was read the first and second time and referred to the committee on Judiciary.

Senate Bill No. 24: A Bill for an Act to Amend and Re-enact Section 4400 of the Compiled Laws of North Dakota, 1913, Relating to Affirmative Proof Required in Divorce Actions.

Was read the first and second time and referred to the committee on Judiciary.

Senate Bill No. 27: A Bill for an Act to Amend and Re-enact Section 1045 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 148 of the Laws of North Dakota for the Year 1919, Relating to the Compensation of Election Officers.

Was read the first and second time and referred to the committee on Elections and Election privileges.

Senate Bill No. 29: An Act to Amend and Re-enact Section 1 of Chapter 4 of the Laws Passed by the Special Session of the Sixteenth Legislative Assembly of the State of North

Dakota, Begun and Held at Bismarck, the Capital of Said State, on Tuesday, the Twenty-fifth Day of November, A. D. 1919, and Concluding Thursday, December the Eleventh, 1919, Being an Act to appropriate \$225,000.00 for the Purpose of Aiding in the Construction of a Bridge Across the Missouri River From Burleigh County to Morton County in the State of North Dakota, and the Further Sum of \$35,000.00 for the Construction of a Bridge Across the Red River, at Pembina, Pembina County, and Kittson County, Minnesota, Under the Provisions of Chapter 73 of the Laws Passed at the Sixteenth Session of the Legislative Assembly of North Dakota, Approved March 5, 1919; and Such Appropriation be Made From the State Highway Fund; Which Act was Approved 9:00 A. M. December 12, 1919.

Was read the first and second time and referred to the committee on Appropriations.

Senate Bill No. 34: A Bill for an Act Legalizing and Validating all Notices and Publications Commenced in an Official Newspaper Prior to the 1st Day of January, 1921.

Was read the first and second time and referred to the committee on Public Printing.

Senate Bill No. 41: A Bill for an Act to Amend and Re-enact Section 4059 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 71, Session Laws of 1915, and Chapter 178, Session Laws of 1917, Relating to Powers of Park Commission, be Amended and Re-enacted to Read as Follows:

Was read the first and second time and referred to the committee on Cities and Municipal Corporations.

Senate Bill No. 46: A Bill for an Act to Amend and Re-enact Sections 48 and 49 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Public Printing and Binding.

Was read the first and second time and referred to the committee on Public Printing.

THIRD READING OF SENATE BILLS

Senate Bill No. 12: A bill for An Act to Amend and Re-enact the Concentrated Feeding Stuff Law of North Dakota the same Being Article 43, Sec. 2911-2921 of the Political Code of the Compiled Laws of North Dakota for 1913.

Was read the third time.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 108, nays 0, absent and not voting 5.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of

Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmmin, Shipley, Sims, Slominski, Sproul, Starke, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Bjorgo, Hanson of Grand Forks, Maddock of Benson, Maddock of Mountrail, Strain.

So the bill passed and the title was agreed to.

Senate Bill No. 15: A Bill for an Act to Amend and Re-enact Section 1340, Compiled Laws of North Dakota for 1913, Relating to Proposals for Building School Houses.

Was read the third time.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 110, nays 0, absent and not voting 3.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhardt, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shipley, Sims, Slominski, Sproul, Starke, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Borggo, Hanson of Grand Forks, Strain.

So the bill passed and the title was agreed to.

Senate Bill No. 8: A Bill for an Act to Repeal and Re-enact Section 1714 of the Compiled Laws of the State of North Dakota for th Year 1913, as Amended by Chapter 143 of the Session Laws of 1917.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 111, nays 0, absent and not voting 2.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Carl, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Trail, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Bjorgo, Strain.

So the bill passed and the title was agreed to.

Senate Bill No. 1:

A Bill for an Act to Amend and Re-enact Section 800 of the Compiled Laws of the State of North Dakota for the Year 1913 as Amended by Chapter 70, Session Laws 1919, Relating to the Revocation or Suspension of an Attorney's Right to Practice.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 108, nays 0, absent and not voting 5.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, son, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Trail, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley,

Sims, Slominski, Sproul, Starke, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Bjorgo, Cart, Hanson of Grand Forks, Miller, Strain.

So the bill passed and the title was agreed to.

GENERAL ORDERS.

Mr. Johnson, of Cass, moved that the house resolve itself into a committee of the whole for the consideration of general orders; which motion prevailed, and the house resolved itself into a committee of the whole.

The Speaker called Mr. Johnson, of Cass, to the chair.

When the committee arose it submitted the following report:

Mr. Speaker: The committee of the whole have had under consideration:

House Bill No. 14: A Bill entitled, An Act Relating to Interfering with Rights of Employees.

And recommend the same do pass as amended.

Also:

Mr. Speaker: The committee of the whole have had under consideration:

House Bill No. 7: A Bill for an Act Providing for the Appointment of County Brand Inspectors; Defining the Duties of Railways in the Shipment of Certain Stocks; Penalty.

And recommend that the same do pass as amended.

Section 6. Each County Brand Inspector, so appointed, as provided herein shall receive from the consignor requesting such inspection, the sum of fifteen cents per animal; provided that in no case shall such compensation be or exceed the total sum of fifteen dollars for each separate shipment or consignment by each individual shipper or consignor or less than Two Dollars from one consignor.

Section 10. Emergency. Whereas an emergency exists this act is hereby declared to be an emergency measure and shall take effect and be enforced from and immediately after its passage and approval.

And recommend that the same do pass as amended by the committee and on the floor of the House.

Also:

Mr. Speaker: The committee of the whole have had under consideration:

House Bill No. 16: A Bill for an Act Relative to Scaffoldings and Providing Safety Appliances in Construction Work.

And recommend that the same do pass as amended by the committee.

Also:

Mr. Speaker: Your committee of the whole have had under consideration:

House Bill No. 9: A Bill entitled An Act to Protect Trade Mark of Workmen's Unions and the Wearing of Union Buttons.

And recommend the same do pass as amended.

Also:

Mr. Speaker: The committee of the whole have had under consideration:

House Bill No. 11: A Bill Entitled, An Act to Amend Chapter 7567 of the Compiled Laws of North Dakota for the Year 1913, and Relating to Garnishments.

And recommend the same do pass as amended.

ROY JOHNSON,
Chairman.

Mr. Miller moved the report of the committee be adopted.

Mr. Jardine moved as an amendment that the report be adopted with the exception of the report on House Bill No. 14, which motion prevailed.

Mr. Sherman moved that the report of the committee be adopted, which motion prevailed and the report was adopted.

Courtesies of the floor were granted to M. J. Cowley, Chas. Morton, Gus Steenhome, B. S. Groath, Albert Moen, R. D. Ward, W. L. Richards, A. J. Palmer.

Mr. Sproul moved that the House do now adjourn, which motion prevailed and the House adjourned.

C. L. DAWSON,
Chief Clerk.

GENERAL ORDERS:

House Bill No. 21: A Bill for an Act to Amend an Re-enact Section 5 of Chapter 162 of the Laws of North Dakota for 1919, Relating to Information Furnished by Employers to the Workmen's Compensation Bureau of North Dakota and Penalty for Failure to Furnish Information Required.

House Bill No. 28: A Bill for an Act to Amend and Re-enact Section 1136 of the General School Laws entitled Deputies. How Appointed. Salary.

House Bill No. 29: A Bill For an Act to Amend and Re-enact Section 1137 of the General School Laws Entitled Salary and Expenses.

House Bill No. 42: A Bill for an Act to Amend and Re-enact Section 3969 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Section 79 of the Session Laws of North Dakota for the Year 1919, Relating to Excluding Farm Lands From the Limits of City, Town and Villages.

House Bill No. 49: A Bill for an Act to Amend and Re-enact Section 814 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Jurors.

House Bill No. 51: A Bill for an Act to Prohibit the Use of Tobacco by Smoking in Certain Places and Providing Penalty.

House Bill No. 35: A Bill for an Act to Amend and Re-enact Section 33 of Chapter 161 of the Laws of North Dakota for the Year 1915 as Amended by Chapter 122 of the Laws of North Dakota for the Year 1917 as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Relating to Game Birds and Season for Killing.

House Bill No. 81: A Bill for an Act to Establish a Uniform Egg Law, for Regulating and Preventing the Sale of Eggs unfit as Articles of Human Food, Requiring Eggs to be Canded, Requiring a License for Dealers in Eggs and Establishing a Penalty for Violation of this Act.

House Bill No. 79: A Bill for an Act to Amend and Re-enact Sections 48 and 49 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Public Printing and Binding.

House Bill No. 18: A Bill for an Act to Amend and Re-enact Section 2 of Chapter 162 of the Laws of North Dakota for the Year 1919, Defining Certain Words and Phrases in said Chapter.

House Bill No. 100: A Bill for an Act Defining Criminal Syndicalism, Prohibiting the Advocacy Thereof and the Advocacy of Crime, Sabotage, Violence, or Other Unlawful Methods of Terrorism as a Means of Accomplishing Industrial Ends, and Assemblage for the Purpose of Such Advocacy; and Providing Penalties for the Violations of the Provisions Thereof.

THIRTY-SECOND DAY

House of Representatives,
Bismarck, North Dakota,
February 4, 1921.

The House convened at 2 o'clock P. M., pursuant to adjournment.

Prayer by Chaplain, Rev. Dewhurst.

Roll Call: All members present.

REVISION AND CORRECTION OF THE JOURNAL

The committee on revision and correction of the journal made the following report:

Mr. Speaker: Your committee on revision and correction of the journal have carefully examined the Journal of the 31st day and recommend that the same be corrected as follows:

On page 8, line 3 from bottom, strike out the words "render the most possible assistance," and insert "cause the least possible friction between our various school units."

On page 11, line 8 from bottom, strike out the words "want to."

On page 3, strike out line 17, and insert after line 20 the following: "Referred to committee on Public Printing."

On page 4, after line 35, insert: "And when so amended recommend the same do pass."

On page 4 and 5, strike out the word "Director" after the name "Martin Olsen," and insert the word "Chairman."

On page 13, after line 36, insert "Third Reading of Senate Bills."

On page 16, after line 26, insert the following: "And recommend the same do pass as amended."

And when so amended recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

PETITIONS AND COMMUNICATIONS

To Hon. Roy Johnson, Representative 10th Dist., Cass County, N. D.:

We, the undersigned, are opposed to that certain bill which has been introduced, creating a County Assessor, believing that the present law relating to the assessing by township assessors, is practical.

J. B. AKESSON,
AND ABOUT 50 OTHERS.
Ellendale, N. D., Feb. 1st, 1921.

Hon. J. D. Root, Bismarck, N. D.

Dear Sir: We, the undersigned, as officers of the local W. C. T. U., and also as your constituents, do most respectfully petition you to use your influence in passing:

House Bill No. 5; Senate Bill No. 18; Senate Bill No. 16; House Bill No. 51.

With the greatest confidence, Rep. Root, we ask you to give these aforementioned bills your personal support.

Signed by:

MRS. H. E. MILLER, Cor. Sec.,
AND 7 OTHERS.

Resolutions adopted at the regular meeting of the Oakes Commercial Club on February 1, 1921:

WHEREAS, The present serious financial difficulties surrounding the high schools of the state constitute a grave menace to the maintenance of these schools; and

WHEREAS, A great portion of the financial difficulties arise from the present laws compelling classified high schools to accept without tuition charge any pupil from any district in the state; and

WHEREAS, The number of such non-resident pupils has grown until it constitutes approximately half of the enrollment in many high schools (44.4 per cent in our own):

BE IT RESOLVED, By the Oakes Commercial Club that House Bill 66 is hereby endorsed, since it will in some measure alleviate the financial crisis confronting the high schools of the state.

BE IT FURTHER RESOLVED, That a copy of this resolution be transmitted to our senator and each of our representatives in the legislature, with our earnest request that they do all in their several powers to secure the enactment of House Bill 66 into a law, and if possible to have the amount of the tuition* stated in the bill raised from \$1.50 per week per pupil as now provided to \$2.50 per week per pupil in order to more nearly equal the cost of providing high school education for such non-resident pupils.

Respectfully submitted,

GLENN V. DILL,

Secretary Oakes Commercial Club.

REPORTS OF STANDING COMMITTEES

The committee on Insurance made the following report:

Mr. Speaker: Your committee on Insurance to whom was referred:

House Bill No. 19: A Bill for an Act to Amend and Re-enact Section 4 of Chapter 162 of the Session Laws of the State of North Dakota for the Year 1919, as Amended by Chapter 73 of the Laws Passed at the Special Session of the

Sixteenth Legislative Assembly in December, 1919, Relating to the Creation of the Workmen's Compensation Bureau of North Dakota, the Appointment and Removal of the Commissioners Thereof, the Salary of such Commissioners and the Powers and Duties of such Bureau.

Have had the same under consideration and recommend that the same be amended as follows:

In Section 4, paragraph A., line 7 on page 2, strike out everything after the "period," following the word "Bureau" all of lines 8, 9, 10, 11, 12, 13, 14, 15, 16 and 17, and everything in line 18 preceding the word "one," and insert in lieu thereof the following: "At the expiration of each of the terms of the members of the bureau as legally constituted, their successors shall be appointed for a term of 5 years." Capitalize the word "One" in line 18. In line 4, paragraph F., page 4, strike out the "period" after the word "remains," and insert in lieu thereof a "comma," and add the following: "but the representatives of the employers and the employees respectively shall constitute a part of such majority."

The committee recommends the referring of the bill to the appropriations committee for action on the salary allowance and operating expense.

ROY JOHNSON,
Chairman.

Referred to the Appropriations Committee.

The committee on State Affairs made the following report:

Mr. Speaker: Your committee on State Affairs to whom was referred:

House Bill No. 80: A Bill for an Act Relating to the Inspection of Steam Boilers and the Licensing of Steam and Operating Engineers in the State of North Dakota.

Have had the same under consideration and recommend that the same be indefinitely postponed.

MARTIN OLSEN,
Chairman.

Mr. Olsen moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on Game & Fish made the following report:

Mr. Speaker: Your committee on Game & Fish to whom was referred:

House Bill No. 107: A Bill for an Act to Amend and Re-enact Section 10298 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 162 of the Laws of North Dakota for the Year 1915, as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Relating to the Season for Killing Deer.

Have had the same under consideration and recommend that the same do pass.

WM. BAUER,
Chairman..

Mr. Bauer moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on Game & Fish made the following report:

Mr. Speaker: Your committee on Game & Fish to whom was referred:

House Bill No. 108: A Bill for an Act to Amend and Re-enact Section 28 of Chapter 161 of the Laws of North Dakota for the Year 1915 as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Relating to Trespassing on Lands Where Hunting is Prohibited.

Have had the same under consideration and recommend that the same do pass.

WM. BAUER,
Chairman.

Mr. Bauer moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on Education made the following substitute report:

Mr. Chairman: Your committee on Education to whom was re-referred:

House Bill No. 36: A Bill for an Act to Provide for the Standardization of the One-Room Rural Schools, the Graded Schools and the High Schools of the State.

Have had the same under consideration and recommend that the same be amended as follows:

In the printed bill strike out title and substitute this title: "A Bill for An Act to Provide for the Standardization of One-room Rural Schools, Graded Schools and High Schools of the State; Providing for School Inspectors, Their Terms of Office, Salaries and Duties; Providing for Aid for Transportation of Pupils of Consolidated Schools and Defining Such Consolidated Schools and Repealing All Acts or Parts of Acts in Conflict Herewith."

In the printed bill, on page 2, in Section 2, line 2, change the word "course" to "courses."

In the printed bill, on page 5, Section 5, line 3, strike out the words "next preceding that."

In the printed bill, on page 6, under "Salary and Expenses" in line 1, change the word "inspector" to "inspectors," and in line 2, change the words "twenty-five hundred" to "twenty-two hundred."

On page 10, Section 10, as amended by the Committee on Appropriations, strike out lines 1, 2, 3, 4, 5, 6, and the first three words in line 7. Transfer balance of Section 10 to Section 8 and insert said balance of said Section 10 in between lines 19 and 1 on page 9.

On page 11, change line 1 reading "Section 11" to read "Section 10."

On page 11, strike out all of Section 12.

And when so amended recommend the same do pass.

MR. KITCHEN,
Chairman.

Also:

The committee on Education made the following report:

Mr. Speaker: Your committee on Education to whom was referred:

House Bill No. 86: A Bill for an Act to Amend and Re-enact Section 1240 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 196 of the Session Laws of 1919, Relating to Adjacent Territory in Special School Districts.

Have had the same under consideration and recommend that the same be indefinitely postponed.

MR. KITCHEN,
Chairman.

Mr. Kitchen moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

The committee on Education made the following report:

Mr. Speaker: Your committee on Education to whom was referred:

House Bill No. 102: A Bill for an Act to Amend and Re-enact Section 1 of Chapter 142 of the Session Laws of North Dakota for the Year 1915, Relating to the Payment of Tuition for Attendance at Any Model High or Graded Elementary School Which is Operated, Maintained or in Any Manner Connected With the State University, Any Normal School or Any Educational Institution of Higher Learning.

Have had the same under consideration and recommend that the same be indefinitely postponed.

MR. KITCHEN,
Chairman.

Mr. Kitchen moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on Counties made the following report:

Mr. Speaker: Your committee on Counties to whom was referred:

House Bill No. 50: A Bill for an Act to Amend and Re-enact Section 1146 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 213 of the Session Laws of 1917, Relating to Changing of School District Boundaries.

Have had the same under consideration and recommend that the same do pass.

MR. PATTERSON,
Chairman.

Mr. McGauvran moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on Counties made the following report:

Mr. Speaker: Your committee on Counties to whom was referred:

House Bill No. 89: A Bill for an Act to Amend and Re-enact Section 2014 of the Compiled Laws of North Dakota for the Year 1913.

Have had the same under consideration and recommend that the same be indefinitely postponed.

MR. PATTERSON,
Chairman.

Mr. Kitchen moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on Drainage and Irrigation made the following report:

Mr. Speaker: Your committee on Drainage and Irrigation to whom was referred:

House Bill No. 67: A Bill for an Act to Amend and Re-enact Sections 2462, 2463, 2466, 2487, 2489, 2490 Compiled

In Section 8, line 4, after the word "office," insert the words "which shall be chargeable to the drain or drains on which the time was spent."

And when so amended recommend the same do pass.

C. NESS,
Chairman.

The committee on Judiciary made the following report:

Mr. Speaker: Your committee on Judiciary to whom was referred:

House Bill No. 63: A Bill for an Act to Amend and Re-enact Section 7644 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 1 of the Session Laws for the Year 1919, (Regular Session), Relating to Change of Judges in Civil and Criminal Actions in the District Court, for Prejudice or Bias of Judge Thereof; Providing for the Calling in of Another Judge of Another Judicial District, and the Payment of His Expenses, and the Discharge of Jurors Therein.

Have had the same under consideration and recommend that the same be amended as follows:

Section 1. That the letters "rial," in line 7 of Section 1 be stricken out and in lieu thereof inserted the following: Laws 1913, Relating to Drains.

Have had the same under consideration and recommend that the same be amended as follows:

In Section 2, line 21, after the word "compensation" change ";" to "." Cut out balance of lines 21, 22, 23, 24, 25, and 26.

"trial." That the word "befor," at the end of line 7 in Section 1 be stricken out and in lieu thereof inserted the following word: "before." That the period at the end of line 10 of Section 1 be stricken out and in lieu thereof inserted a semicolon. That immediately following the semicolon in line 10 of Section 1 the following be added, "provided that where the information in a criminal action is filed in term time such affidavit may be filed at any time before trial."

And when so amended recommend the same do pass.

C. H. STARKE,
Chairman.

The committee on Judiciary made the following report:

Mr. Speaker: Your committee on Judiciary to whom was referred:

House Bill No. 6:

A Bill for an Act to Amend and Re-enact Section 7949 of North Dakota, 1913, Relating to Continuances of Cases.

Have had the same under consideration and recommend that the same be amended as follows:

Section 1. That lines five (5), six (6), seven (7), eight (8), nine (9), ten (10), eleven (11), twelve (12), thirteen (13), fourteen (14), and fifteen (15), in section one (1), be stricken out and in lieu thereof inserted the following: "by affidavit of any Attorney of Record, that either party to said action applying for such continuance or the Attorney has been the Attorney of Record of either party since the commencement of such action or suit or for more than fifteen days prior to filing such affidavit, and is a member of either House of the Legislature, and is then or will be at the beginning of the term of said Court in which said action is pending, actually engaged in the performance of his duties at the said session of the Legislature, and that the attendance of such party or the Attorney of Record is necessary to the fair and proper trial of said action. Notice of motion, together with a copy of the affidavit, shall be served upon the other party to the action, at least ten days prior to the opening of said term of Court at which said action is pending, if said action is pending in such Court at the opening of the term.

Section 2. That the figure "2" in line 1 of Section 2 be stricken out and in lieu thereof inserted the figure "3."

That after Section 1 and preceding Section 3 as amended, the following be inserted, "Section 2. Upon the proof of service of such notice and affidavit the case shall be continued over to the next succeeding term, and shall not be tried over the objection of the party within ten days after the adjournment of the legislature.

Section 3. That the figure "3" in line one (1) of Section three (3) be stricken out and in lieu thereof inserted the figure "4."

And when so amended recommend the same do pass.

C. H. STARKE,
Chairman.

The Committee on State Affairs made the following report:

Mr. Speaker: Your committee on State Affairs to whom was referred:

House Bill No. 43: A Bill to Create an Act Entitled an Act Providing for the Creation and Establishment of a State Engineering Examiners, Granting Certain Powers to and Prescribing the Duties of Said Board; Providing for the Examination and Registration of Land Surveyors and Professional Engineers. Regulating the Practice of Engineering in the State of North Dakota, Providing Penalties for the Violation of This Act and Repealing all Acts or Parts of Acts in Conflict Therewith.

Have had the same under consideration and recommend that the same be amended as follows:

'Section 1, line 1, after the word "property" insert a "comma," and strike out the word "after;" Section 1, line 4, after the words "engineering or" strike out the word "land." Section 1, line 6, after the word "registered" strike out the word "land;" Section 3, line 13, after the word "engineering," strike out the words "structure or utilities" and insert in lieu thereof the words "work or works;" In Section 3, line 15, after the word "constructed" strike out the word "by" and insert in lieu thereof the word "for;" In Section 4, line 4, strike out the word "three" and insert in lieu thereof the word "two;" In line 5, after the word "mining," insert the word "engineer;" In line 5, strike out the word "or" and insert in lieu thereof the words "one and." Strike out lines 6, 7 and 8 as far as the words "North Dakota." Section 4, line 26, after the "period" strike out the words "the members" and insert in lieu thereof the words "each member." In line 28, strike out the capital "T" and insert prior thereto the following words: "In addition to his expenses;" Line 30, before the word "office," strike out the word "the" and insert in lieu thereof the word "his;" in the same line, after the word "shall," strike out the words "he receive" and insert in lieu thereof the words: "such additional sum be;" in Section 5, line 7, strike out the word "office" and insert in lieu thereof the word "official;" in section 8, line 6, strike out the word "professional;" line 7, strike out the word "land;" line 8, insert a "comma" after the word "work" and after the word "assistant;" in line 12, strike out the word "professional" and the word "land." Section 9, line 2, after the word "regular" insert the word "or;" Section 10, line 9, 13, 15, 17, strike out the word "land" before the word "surveyor." Section 11, line 5, line 9, strike out the word "land" before the word "surveying;" line 7, strike out the word "immediate" and insert in lieu the word "immediately." Section 13, line 2, and line 5, strike out the word "land" before the word "surveyor;" line 14, strike out the words "or to produce" and insert in lieu thereof "and to summon." Section 14, line 1, strike out the word "land." Section 17, line 3, strike out the word "land." Section 18, line 2, strike out the word "land." Section 18, line 4, strike out the word "to" after the word "attempt" and insert in lieu thereof the word "or;" line 6 and 9, strike out the word "land;" line 11, strike out the words "to exceed five hundred Dollars" and insert

in lieu thereof the words "less than fifty Dollars nor more than three hundred Dollars;" in line 11, after the word "imprisonment," insert the words "in the county jail;" line 12, strike out the words "to exceed three months" and insert in lieu thereof the words "less than ten days nor more than thirty days." Section 19, line 2, 3, 4 and 5, after the words "professional engineer," insert the words "or surveyor." Section 21, line 1 and 2, strike out the words "license to practice professional engineering in this State" and insert in lieu thereof the word "registered;" in line 5, strike out the word "any;" in line 6, strike out the word "structures" and insert in lieu thereof the words "engineering work or works." Strike out all of Section 22 and 23 and insert as Section 22: "all acts or parts of acts in conflict herewith are hereby repealed."

And when so amended recommend the same do pass.

MARTIN OLSEN,
Chairman.

MAJORITY REPORT

The committee on Appropriations made the following report:

Mr. Speaker: Your committee on Appropriations to whom was referred:

House Bill No. 2 and Senate Bill No. 6:

Both of which said bills are bills for an Act appropriating money to cover deficit in the office of the Attorney General.

Have had the same under consideration and recommend that:

Senate Bill No. 6 be substituted for House Bill No. 2, and when so substituted, recommend that Senate Bill No. 6 be indefinitely postponed.

WM. WATT,
Chairman.

Mr. Watt moved that the majority report be adopted.

MINORITY REPORT

The committee on Appropriations made the following report:

Mr. Speaker: Your committee on Appropriations to whom was referred:

Senate Bill No. 6:

A Bill for an Act Appropriating Twelve Thousand (\$12,000) Dollars to Cover a Deficit and for the Immediate Use of the Attorney General.

Have had the same under consideration and recommend that the same be amended as follows:

In Section 1, in line 7, strike out the words; "Assistant At-

torney Generals," and insert in lieu thereof the words "Three Assistant Attorneys General."

And when so amended recommend the same do pass.

CHAS. M. WHITMER,
A. L. MAXWELL,
FRED E. SIMS,
GEO. LAKIE,
L. O. FREDRICKSON.

Mr. Maddock of Benson moved as an amendment that the word "minority" be substituted for the word "majority."

Roll call demanded.

The question being on the amendment of Mr. Maddock of Benson, the roll was called and there were ayes 55, nays 56, absent and not voting 2.

Ayes: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Brady, Bratsberg, Bryans, Burkhart, Cart, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Kopp, Lakie, Lar-kin, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Mar-tin of Bottineau, Martin of Slope, Maxwell, Morton, Nathan, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Nays: Allen, Anderson of Burleigh, Bauer, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Lackey, Larson of Pierce, Mc-Dowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Olafson, Ols-gard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Ship-ley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Absent and not voting: Doyle, Miller.

So the motion was lost.

Mr. Maddock of Benson asked the unanimous consent of the House to explain his vote: "I believe the indefinite post-ponement of this bill will make it impossible for the State of North Dakota to win the rate case now pending before the Interstate Commerce Commission, which is saving the people of this state nearly two millions of dollars per year. I vote 'aye.'"

The question being on the motion to adopt the majority re-
port.

Mr. Patterson moved that a call of the House be had, which motion prevailed.

On roll call all members being present.

Mr. Patterson moved that the call be dispensed with, which motion prevailed.

The question being on the motion of Mr. Watt, the roll was called and there were ayes 57, nays 56, absent and not voting 0.

Ayes: Allen, Anderson of Burleigh, Bauer, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmis, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Kopp, Lokie, Larkin, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

So the motion prevailed.

Mr. Maddock of Mountrail asked the unanimous consent of the house to explain his vote and have it recorded in the journal. "I am compelled to vote 'no' on the indefinite postponement of this bill, or else assume one of two positions: that I want to cripple the Attorney General's office and not allow that office to protect the interests of this state in the cases mentioned on the floor of this house yesterday, or I must assume that the officers of this state, who have stated plainly in communications to the house the conditions of funds in their offices, I must assume they were lying when they submitted those figures to this house. Therefore I vote 'no' against the indefinite postponement."

The committee on Enrollment and Engrossment made the following report:

Mr. Speaker: Your committee on Enrollment and Engrossment have examined the following bills:

House Bill No. 45: A Bill for an Act to Amend and Re-enact Section 3967 of the Compiled Laws of North Dakota for the Year 1913, Relating to Errors and Deficiencies in City, Town or Village Plats.

House Bill No. 66: A Bill for an Act to Provide for the Payment of Non-resident Tuition Fee in the High School Department of Standardized Graded and Standardized High Schools Receiving State Aid.

House Bill No. 91: A Bill for an Act Appropriating the Sum of Nine Thousand Fifty-One Dollars and Five Cents (\$9051.05), for the use of the office of the Attorney General

of the State of North Dakota, and Repealing Chapter 20 of the Laws of the Special Legislative Session of North Dakota for the Year 1919, by which said Chapter on Appropriation was Made for the Payment of Salaries of Special Assistant Attorneys General, of Which said Appropriation the Sum of \$9051.05 is Still in the General Fund of the State Unexpended.

House Bill No. 59: A Bill for an Act to Amend and Re-enact Section 3905 of the Compiled Laws of North Dakota for the Year 1913, Relating to the Building and Repairing of Sidewalks by Villages, the Giving of Notices Thereof, the Duties of Real Property Owners, and the Powers of the Board of Trustees in Regard Thereto.

House Bill No. 56: A Bill for an Act to Amend and Re-enact Section 7643 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Judgments, District and Supreme Courts to Direct.

House Bill No. 74: A Bill for an Act to Amend and Re-enact Section 7660, Compiled Laws of 1913, Relating to Causes for a New Trial.

And find the same correctly engrossed.

ADAM PRESZLER,
Chairman.

Mr. Preszler moved that the report be adopted, which motion prevailed and the report was adopted.

MESSAGE FROM THE SENATE

Bismarck, N. D., Feb. 2, 1921.

Mr. Speaker: I have the honor to transmit herewith the following bills:

Senate Bill No. 42: A Bill for an Act to Amend and Re-enact Section 314 of the Compiled Laws of North Dakota for the Year 1913 Relating to the Qualifications of Jurors.

Senate Bill No. 56: A Bill for an Act Providing for the Cancellation of Mortgages by Order of the District Court Judges of the State of North Dakota.

Senate Bill No. 37: A Bill for an Act Entitled, an Act to Cure Defects in the Title of Real Estate Caused by Failure of Foreign Corporations to Comply with Section 5238 Compiled Laws 1913.

Senate Bill No. 55: A Bill for an Act to Amend and Re-enact Sections 9014 and 9015, Compiled Laws of North Dakota for the Year 1913, Relating to the Depositing of Official Dockets and Papers of Justices of the Peace.

Senate Bill No. 44: A Bill for an Act to Amend and Re-enact Section 4 of Chapter 187 of the Session Laws of North Dakota for the Year 1919.

Senate Bill No. 49: A Bill for an Act Amending Section 10298 of the Compiled Laws of the State of North Dakota for the Year 1913 as Amended by Chapter 162 of the Laws of North Dakota for the Year 1915, as Amended by Chapter 134,

Section 9, of the Laws of North Dakota for the Year 1919, Relating to the Season for Killing Deer and Providing a Penalty Therefor.

Senate Bill No. 57: A Concurrent Resolution for an Amendment to the Constitution Relating to the Residence Required of an Elector.

Which the Senate has passed and your favorable consideration is respectfully requested.

Very respectfully,
W. J. PRATER,
Secretary.

MOTIONS AND RESOLUTIONS

CONCURRENT RESOLUTION

Introduced by Mr. C. A. Sagen.

Be it Resolved by the House of Representatives of the State of North Dakota, the Senate Concurring:

WHEREAS, The basic industry of the State of North Dakota is agriculture; and

WHEREAS, The products of that industry, in seeking a market to make them of value to the producer, are required to pass over transportation systems, which at the present time, result in repeated loadings and unloadings on the way to tidewater; and

WHEREAS, By reason thereof, there is placed upon the producer of grain in this state a burden, conservatively estimated at six cents per bushel, or a total of several million dollars annually in normal years; and

WHEREAS, Engineers have repeatedly declared that it is both possible and practical to relieve the farmers of the northwest of this burden by the construction of dams and the making of other changes and improvements in the St. Lawrence River, between Lake Ontario and Montreal, in Canada, which would eliminate forty miles of rapids in that river and make direct shipment possible from Duluth, Milwaukee, Chicago, and other ports on the Great Lakes; and

WHEREAS, Such engineers have also declared that the construction of such dams and other improvements would produce water power which could be sold, and the sale of which would in a very short time return sufficient revenue to pay for the improvements made; and

WHEREAS, It is necessary, in order to make possible the direct shipment of our farm products by way of the Great Lakes, that the Congress of the United States co-operate with the Dominion Government in the carrying out of this work:

NOW, THEREFORE, BE IT RESOLVED, By the House of Representatives of the Seventeenth Legislative Assembly of the State of North Dakota, the Senate concurring, that we do hereby memorialize the Congress of the United States, and respectfully urge, that Congress join with the Dominion Gov-

ernment in taking such steps as will result in the early completion of a Great Lakes-St. Lawrence Tidewater Project.

BE IT FURTHER RESOLVED, That a copy of this resolution be sent to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, and also to the members of Congress from this State.

Mr. Sagen moved the adoption of the Concurrent Resolution, which motion prevailed, and the Concurrent Resolution was adopted.

INTRODUCTION, FIRST AND SECOND READING OF HOUSE BILLS

The Judiciary Committee introduced:

House Bill No. 114: A Bill for an Act to Amend and Re-enact Chapter 171 of the Session Laws of North Dakota for the Year 1919, Limiting the Power of Courts to Grand Injunctions and Prohibiting the Issuing of Restraining Orders and Injunctions in Certain Labor Matters.

Was read the first and second time and referred to the committee on Judiciary.

Messrs. Sagen and Larson of Pierce introduced:

House Bill No. 115: A Bill for an Act to Amend and Re-enact Section 6854 of the Compiled Laws of North Dakota for the Year 1913, Relating to Thresher's Liens and Who May Have.

Was read the first and second time and referred to the committee on State Affairs.

Messrs. Sagen and Larson of Pierce introduced:

House Bill No. 116: A Bill for an Act Providing for the Furnishing by the Register of Deeds of Each County to Elevators Making Application and Paying the Fee Provided Therefor, of an Abstract of All Mortgages and Liens Upon Grain Grown During Each Year, and Filed in the Office of the Register of Deeds.

Was read the first and second time and referred to the committee on State Affairs.

Mr. Carlson introduced:

House Bill No. 117: A Bill for an Act Prohibiting the Manufacture, Sale, Barter, Exchange or Giving Away of Cigarettes, Cigarette Papers, Cigarette Wrappers, or any Paper Made or Prepared for the Purpose of Being Filled With Tobacco for Smoking, Except by Duly Licensed Persons, Firms, Associations, Partnerships or Corporations; Fixing Fee for Said License; Providing for the Issuance Thereof; Prohibiting the Use of Cigarettes by Minors and the Sale of Cigarettes, Cigarette Papers or Wrappers to Minors; Providing Penalties for the Violation of the Provisions of this Act, and for the Repeal of Sections 10184 and 10185 of the Compiled Laws of North Dakota for 1913, and all Acts or Parts of Acts in Conflict Herewith.

Was read the first and second time and referred to the committee on Judiciary.

Mr. Roy Johnson introduced:

House Bill No. 118: A Bill for an Act to Amend and Re-enact Sections 624 and 625 of the Compiled Laws of North Dakota for the Year 1913 as Amended by Chapter 252 of the Laws of North Dakota for the Year 1917 and by Chapter 25 of the Laws Passed by the Special Session of the Legislative Assembly of North Dakota in 1919, Relative to the Commissioner of Noxious Weeds.

Was read the first and second time and referred to the committee on Agriculture.

Mr. Roy Johnson introduced:

House Bill No. 119: A Bill for an Act Declaring Sow Thistle to be a Noxious Weed, Providing for Its Destruction and Providing for the Payment of Its Destruction.

Was read the first and second time and referred to the committee on Agriculture.

Mr. Allen introduced:

House Bill No. 120: A Bill for an Act Relating to a Trial by Jury in Certain Court Cases.

Was read the first and second time and referred to the committee on Judiciary.

Mr. Freeman introduced:

House Bill No. 121: A Bill for an Act to Amend and Re-enact Section 4926, Compiled Laws 1913, Relating to Resident and Non-resident Insurance Agents.

Was read the first and second time and referred to the committee on Insurance.

Mr. Preszler, by request, introduced:

House Bill No. 122: A Bill for an Act to Amend and Re-enact Section 3460 of the Compiled Laws of the State of North Dakota for 1913, Relating to Power of County Commissioners, in Letting of Contracts.

Was read the first and second time and referred to the committee on Ways and Means.

Mr. Jardine introduced:

House Bill No. 123: A Bill for an Act to Amend and Re-enact Section 6877 of the Compiled Laws of North Dakota for 1913, as Amended by Chapter 182 of the Session Laws of North Dakota for Year 1917, Providing for Liens for Repairs on Personality.

Was read the first and second time and referred to the committee on Judiciary.

Mr. Paul Johnson introduced:

House Bill No. 124: A Bill for an Act to Amend and Re-enact Chapter 205 of the Session Laws of the State of North Dakota for the Year 1919 Prohibiting the Sale of Any New Draft Sleds Within the State of Which the Runners Measure Less Than Four Feet Six Inches from Center to Center and Making the Sale of Same a Misdemeanor and Providing for the Revocation of the License of Any Foreign Corporation to do Business in the State Which Fails to Comply With the Terms of This Act.

Was read the first and second time and referred to the committee on Agriculture.

Messrs. Mouck and Burkhart introduced:

House Bill No. 125: A Bill for an Act to Amend and Re-enact Section 2681 of the Compiled Laws of the State of North Dakota for 1913, Compensation for Members of State Live Stock Sanitary Board.

Was read the first and second time and referred to the committee on Live Stock.

Mr. Mouck introduced:

House Bill No. 126: A Bill for an Act Relating to the Application of the Tuberculin Test and Eradication of Bovine Tuberculosis in Townships in Counties in North Dakota under Direction of the State Live Stock Sanitary Board by Petition of a Majority of Freeholders in Such Township.

Was read the first and second time and referred to the committee on Live Stock.

Mr. Mouck introduced:

House Bill No. 127: A Bill for an Act to Amend and Re-enact Section 2702 of the Compiled Laws of the State of North Dakota for 1913 as Amended by Chapter 263, Session Laws of North Dakota for the Year 1915, and Amending and Re-enacting Section 2706 of the Compiled Laws of the State of North Dakota for 1913, Relating to the Reimbursement of Owners of Tubercular Cattle.

Was read the first and second time and referred to the committee on Live Stock.

Mr. Bauer, by request, introduced:

House Bill No. 128: A Bill for an Act to Amend and Re-enact Section 2110 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 221 of the Session Laws of 1919, Relating to the Listing of Property of Corporations, Joint-Stock Companies or Associations for Taxation.

Was read the first and second time and referred to the committee on Taxes and Tax Laws.

THIRD READING OF HOUSE BILLS

House Bill No. 14: A Bill for an Act Entitled an Act Relating to Interfering With Rights of Employees.

Was read the third time.

Mr. Watt moved that House Bill No. 14 be re-referred to the committee, which motion prevailed.

House Bill No. 7:

A Bill for an Act Providing for the Appointment of County Brand Inspectors; Defining the Duties of Railways in the Shipment of Certain Stock; Penalty.

Was read the third time.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 106, nays 4, absent and not voting 2, 1 passed.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Boyd, Brady, Bratsberg, Bryans, Burkhardt, Burns, Carlson, Cart. Cole, Doyle, Durkee, Eckert, Ellingson, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Ols-gard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays. Botz, Elmer, Heaton, Kopp.

Absent and not voting: McLarty, Maddock of Mountrail.

Mr. Johnson of Sargent passed.

So the bill passed and the title was agreed to.

House Bill No. 16: A Bill for An Act Relative to Scaffoldings and Providing Safety Appliances in Construction Work.

Was read the third time.

Mr. Peters moved that House Bill No. 16 be re-referred to the committee, which motion prevailed.

House Bill No. 9: A Bill entitled, An Act to Protect Trade Mark of Workmen's Unions and the Wearing of Union Buttons.

Was read the third time.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 109, nays 1, absent and not voting 3.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhardt, Burns, Carl-

son, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Johnson of Sargent.

Absent and not voting: Johnson of Steele, Maddock of Mountrail, Martin of Bottineau.

So the bill passed and the title was agreed to.

House Bill No. 11: A Bill entitled, An Act to Amend Chapter 7567 of the Compiled Laws of North Dakota for the Year 1913, and Relating to Garnishments.

Was read the third time.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 109, nays 0, absent and not voting 4.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olsgard, Olson of Barnes, Olsen of Billings, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Wood, Yeater, Mr. Speaker.

Absent and not voting: Maddock of Mountrail, Olafson, Olson of Ramsey, Whitmer.

So the bill passed and the title was agreed to.

FRIDAY, FEBRUARY 4, 1921

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MESSAGES FROM THE SENATE

Bismarck, N. D., Feb. 4, 1921.

Mr. Speaker: I have the honor to return herewith the following bills:

House Bill No. 3: For an Act Restricting the Form and Liability Upon Obligations in Writing Given in Payment of Any Speculative Security.

Which the Senate has indefinitely postponed.

Very respectfully,
W. J. PRATER,
Secretary.

Bismarck, N. D., Feb. 4, 1921.

Mr. Speaker: I have the honor to inform you that the Senate has concurred in the House concurrent resolution relating to the observance of Mother's Day.

Very respectfully,
W. J. PRATER,
Secretary.

Bismarck, N. D., Feb. 4, 1921.

Mr. Speaker: I have the honor to transmit the following concurrent resolution:

CONCURRENT RESOLUTION

Introduced by P. O. Thorson.

WHEREAS, It is proposed to make such improvements in the St. Lawrence as to make the Great Lakes accessible to ocean going commerce; and

WHEREAS, As this improvement will in effect bring the state of North Dakota hundreds of miles nearer the world's markets; and

WHEREAS, As there are within the state great resources that lie wholly undeveloped while the production of all things is diminished or retarded by distance from markets; and

WHEREAS, Because our producers and the consuming public have alike suffered enormous losses in the last year by transportation shortage and failure; and

WHEREAS, Because by reason of these conditions the transportation situation constitutes an emergent need; and

WHEREAS, As a number of states have joined in the Great Lakes-St. Lawrence Tidewater Ass'n., having as its object the early undertaking and completion of this improvement;

THEREFORE, BE IT RESOLVED, By the Senate and House of Representatives of the State of North Dakota that the State of North Dakota is properly associated in the above named organization with its neighboring commonwealths in

pressing to advance this undertaking and that the action of the Governor in so declaring is hereby approved and confirmed and the participation of this State by the Governor and those who represent him in the Council of these States is approved.

RESOLVED, That the representative of this State in the Congress of the United States be requested to facilitate and expedite in every possible way the prosecution of this undertaking for the economic freedom of a landlocked continent.

Which the Senate adopted and your favorable consideration is respectfully requested.

Very respectfully,
W. J. PRATER,
Secretary.

Bismarck, N. D., Feb. 4, 1921.

Mr. Speaker: I have the honor to inform you that the Senate declines to concur in the House amendment to Senate Bill No. 15, and the President has appointed Senators Fraser, Rusch and Ettestad as members of a conference committee.

Very respectfully,
W. J. PRATER,
Secretary.

CONSIDERATION OF MESSAGES FROM THE SENATE

Mr. Weld of Wells moved that the House defer action on Concurrent Resolution relating to the improvement of the St. Lawrence River, until the Senate acts on similar House resolution messaged to the Senate, which motion prevailed.

The Speaker appointed as a conference committee to confer with the committee of the Senate on Senate Bill No. 15, Messrs. Kelly, Sproul, and Mouck.

FIRST AND SECOND READING OF SENATE BILLS

Senate Bill No. 55: A Bill for an Act to Amend and Re-enact Sections 9014 and 9015, Compiled Laws of North Dakota for the Year 1913, Relating to the Depositing of Official Dockets and Papers of Justices of the Peace.

Was read the first and second time and referred to the committee on Judiciary.

Senate Bill No. 44: A Bill for an Act to Amend and Re-enact Section 4 of Chapter 187 of the Session Laws of North Dakota for the Year 1919.

Was read the first and second time and referred to the committee on Public Printing.

Senate Bill No. 42: A Bill for an Act to Amend and Re-enact Section 814 of the Compiled Laws of North Dakota for the Year 1913, Relating to the Qualifications of Jurors.

Was read the first and second time and referred to the committee on Judiciary.

Senate Bill No. 56: A Bill for an Act Providing for the Cancellation of Mortgages by Order of the District Court Judges of the State of North Dakota.

Was read the first and second time and referred to the committee on Judiciary.

Senate Bill No. 37: A Bill for an Act Entitled, an Act to Cure Defects in the Title of Real Estate Caused by Failure of Foreign Corporations to Comply with Section 5238 Compiled Laws 1913.

Was read the first and second time and referred to the committee on Ways and Means.

Senate Bill No. 57: A Bill: Concurrent Resolution for an Amendment to the Constitution Relating to the Residence Required of an Elector.

Was read the first and second time and referred to the committee on Elections and Election Privileges.

Senate Bill No. 49: A Bill for an Act Amending Section 10298 of the Compiled Laws of the State of North Dakota for the Year 1913 as Amended by Chapter 162 of the Laws of North Dakota for the Year 1915, as Amended by Chapter 134, Section 9, of the Laws of North Dakota for the Year 1919, Relating to the Season for Killing Deer and Providing a Penalty Therefor.

Was read the first and second time and referred to the committee on Game and Fish.

GENERAL ORDERS

Mr. Miller of Bottineau moved that the house resolve itself into a committee of the whole for the consideration of general orders; which motion prevailed, and the house resolved itself into a committee of the whole.

The Speaker called Mr. Miller of Bottineau to the chair.

When the committee arose it submitted the following report:

Mr. Speaker: The committee of the whole have had under consideration:

House Bill No. 21: A Bill for An Act to Amend and Re-enact Section 5 of Chapter 162 of the Laws of North Dakota for 1919, Relating to Information Furnished by Employers to the Workmen's Compensation Bureau of North Dakota and Penalty for Failure to Furnish Information Required.

And recommend the same be amended as follows:

In line 8 of the printed bill after the words "prima facie" insert the words "but not conclusive"; and recommend the same do pass as amended by the committee and on the floor of the house.

Also:

Mr. Speaker: The committee of the whole have had under consideration:

House Bill No. 28: A Bill for an Act Relating to the Storing and Re-delivering of Grain by Public Warehousemen.

And recommend that the same be amended as follows:

In line 10 after the word "teachers" insert "or major fraction thereof"

And recommend the same do pass as amended by the committee and on the floor of the house.

Also:

Mr. Speaker: The committee of the whole have had under consideration:

House Bill No. 29: A Bill For an Act to Amend and Re-enact Section 1137 of the General School Laws Entitled Salary and Expenses.

And recommend the same do pass as amended by the committee.

Also:

Mr. Speaker: The committee of the whole have had under consideration:

House Bill No. 42: A Bill for an Act to Amend and Re-enact Section 3969 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Section 79 of the Session Laws of North Dakota for the Year 1919, Relating to Excluding Farm Lands From the Limits of City, Town and Villages.

And recommend the same do pass as amended by the committee.

Also:

Mr. Speaker: The committee of the whole have had under consideration:

House Bill No. 49: A Bill for an Act to Amend and Re-enact Section 814 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Jurors.

And recommend the same be re-referred to the Judiciary committee.

Also:

Mr. Speaker: The committee of the whole have had under consideration:

House Bill No. 51: A Bill for an Act to Prohibit the Use of Tobacco by Smoking in Certain Places and Providing Penalty.

And recommend the same do pass as amended by the committee.

J. C. MILLER,
Chairman.

Mr. Boyd moved that the report of the committee be adopted except as to House Bill No. 51, which motion prevailed.

Mr. Bryans moved that the report of the committee on House Bill No. 51 be adopted.

Mr. Ness moved as an amendment that House Bill No. 51 be re-referred to the committee, which motion was lost.

The question being on the motion to adopt the report of the committee on House Bill No. 51, the motion prevailed and the report was adopted.

The courtesies of the floor were extended to Fred J. Traynor, S. T. Way, Frank B. Streeter, Ralph Andrew, E. R. Wright, J. R. Poupore, T. C. Hockridge, Frank Heimes, Geo. Montewach, E. B. McCutcheon, R. W. Austin.

Mr. Miller moved that the House do now recess until one o'clock P. M., February 5, 1921, which motion prevailed.

C. L. DAWSON,
Chief Clerk.

CALENDAR.

House Bill No. 107: A Bill for an Act to Amend and Re-enact Section 10298 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 162 of the Laws of North Dakota for the Year 1915, as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Relating to the Season for Killing Deer.

House Bill No. 108: A Bill for an Act to Amend and Re-enact Section 28 of Chapter 161 of the Laws of North Dakota for the Year 1915 as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Relating to Trespassing on Lands Where Hunting is Prohibited.

House Bill No. 50: A Bill for an Act to Amend and Re-enact Section 1146 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 213 of the Session Laws of 1917, Relating to Changing of School District Boundaries.

House Bill No. 21: A Bill for an Act to Amend and Re-enact Section 5 of Chapter 162 of the Laws of North Dakota for 1919, Relating to Information Furnished by Employers to the oWrkmen's Compensation Bureau of North Dakota and Penalty for Failure to Furnish Information Required.

House Bill No. 28: A Bill for an Act to Amend and Re-enact Section 1136 of the General School Laws entitled Deputies. How Appointed. Salary.

House Bill No. 29: A Bill For an Act to Amend and Re-enact Section 1137 of the General School Laws Entitled Salary and Expenses.

House Bill No. 42: A Bill for an Act to Amend and Re-enact Section 3969 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Section 79 of the Session Laws of North Dakota for the Year 1919, Relating to Excluding Farm Lands from the Limits of City, Town and Villages.

House Bill No. 51: A Bill for an Act to Prohibit the Use of Tobacco by Smoking in Certain Places and Providing Penalty.

GENERAL ORDERS.

House Bill No. 35: A Bill for an Act to Amend and Re-enact Section 33 of Chapter 161 of the Laws of North Dakota for the Year 1915 as Amended by Chapter 122 of the Laws of North Dakota for the Year 1917 as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Relating to Game Birds and Season for Killing.

- House Bill No. 81: A Bill for an Act to Establish a Uniform Egg Law; for Regulating and Preventing the Sale of Eggs Unfit as Articles of human Food, Requiring Eggs to be Canded, Requiring a License for Dealers in Eggs and Establishing a Penalty for Violation of this Act.

House Bill No. 79: A Bill for an Act to Amend and Re-enact Sections 48 and 49 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Public Printing and Binding.

House Bill No. 18: A Bill for an Act to Amend and Re-enact Section 2 of Chapter 162 of the Laws of North Dakota for the Year 1919, Defining Certain Words and Phrases in said Chapter.

House Bill No. 100: A Bill for an Act Defining Criminal Syndicalism, Prohibiting the Advocacy Thereof and the Advocacy of Crime, Sabotage, Violence, or Other Unlawful Methods of Terrorism as a Means of Accomplishing Industrial Ends, and Assemblage for the Purpose of Such Advocacy; and Providing Penalties for the Violations of the Provisions Thereof.

House Bill No. 36: A Bill for an Act to Provide for the Standardization of the One-Room Rural Schools, the Graded Schools and the High Schools of the State.

House Bill No. 67: A Bill for an Act to Amend and Re-enact Sections 2462, 2463, 2466, 2487, 2489, 2490 Compiled Laws 1913, Relating to Drains.

House Bill No. 63: A Bill for an Act to Amend and Re-enact Section 7644 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 1 of the Session Laws for the Year 1919, (Regular Session), Relating to Change of Judges in Civil and Criminal Actions in the District Court, for Prejudice or Bias of Judge Thereof; Providing for the Calling in of Another Judge of Another Judicial District, and the Payment of His Expenses, and the Discharge of Jurors Therein.

House Bill No. 6:

A Bill for an Act to Amend and Re-enact Section 7949 of North Dakota, 1913, Relating to Continuances of Cases.

House Bill No. 43: A Bill to Create an Act Entitled an Act Providing for the Creation and Establishment of a State Engineering Examiners, Granting Certain Powers to and Prescribing the Duties of Said Board; Providing for the Examination and Registration of Land Surveyors and Professional Engineers. Regulating the Practice of Engineering in the State of North Dakota, Providing Penalties for the Violation of This Act and Repealing all Acts or Parts of Acts in Conflict Therewith.

THIRTY-SECOND DAY AFTER RECESS AND THIRTY-
THIRD DAY

House of Representatives,
Bismarck, North Dakota,
February 5, 1921.

The House convened at 1 o'clock P. M., pursuant to recess taken, the Speaker presiding.

GENERAL ORDERS

Mr. Shipley moved that the house resolve itself into a committee of the whole for the consideration of general orders; which motion prevailed, and the house resolved itself into a committee of the whole.

The Speaker called Mr. Shipley to the chair.

When the committee arose it submitted the following report:

Mr. Speaker: Your committee of the whole have had under consideration:

House Bill No. 35: A Bill for an Act to Amend and Re-enact Section 33 of Chapter 161 of the Laws of North Dakota for the Year 1915 as Amended by Chapter 122 of the Laws of North Dakota for the Year 1917 as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Relating to Game Birds and Season for Killing.

D. E. SHIPLEY,
Chairman.

Mr. Olsgard moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Maddock of Mountrail moved that the House do now adjourn, which motion prevailed, and the House adjourned.

C. L. DAWSON,
Chief Clerk.

THIRTY-THIRD DAY

House of Representatives,
Bismarck, North Dakota,
February 5, 1921.

The House convened at 2 o'clock P. M., the Speaker presiding.

Prayer by Chaplain, Rev. Dewhurst.

Roll Call: All members present, except Mr. Bratsberg.

REVISION AND CORRECTION OF THE JOURNAL

The committee on revision and correction of the journal made the following report:

Mr. Speaker: Your committee on revision and correction of the journal have carefully examined the Journal of the 32nd day and recommend that the same be corrected as follows:

Page 5, after line 6, add the word "also."

And when so corrected recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted.

PRESENTATION OF PETITIONS AND COMMUNICATIONS

Several communications were received from various localities asking for the passage of Senate Bill No. 18.

Jamestown, North Dakota, Feb. 3, 1921.

S. O. Allen, Bismarck, N. D.

Dear Sir: I am writing you urging your support of the following bills: Senate Bills No. 18 and No. 16, and House Bill No. 51. As members of the W. C. T. U. of Jamestown, 140 of your townswomen, we are interested in the passage of these measures and respectfully ask for your support.

Yours sincerely,
MRS. NECIA E. BUCK,
Pres., W. C. T. U.

Rock Lake, North Dakota, Feb. 2, 1921.

Rep. A. J. McLarty, Bismarck, N. D.

Dear Mr. McLarty: We, the teachers of Rock Lake Schools, being convinced that the educational bill relative to the establishing of a minimum wage for teachers based upon experience and qualification is just and for the benefit of the schools of North Dakota, do hereby ask you as our Representative to use your influence for the passing of said bill.

Yours respectfully,
M. A. RYGH,
AND 6 OTHERS.

Jamestown, N. D., February 4th, 1921.

Hon. S. O. Allen, Hon. A. I. Quade, Hon. D. C. Wood, Hon. Adam Preszler, House of Representatives, Bismarck, N. D.:
Gentlemen: One copy of this letter goes to each of you.

My attention has just been called to Senate Bill No. 18, relating to regulating licensing and inspecting pool halls and so forth, and I am reliably advised that Mr. Watkins (in whom I have a great deal of confidence) approves of this bill and

is anxious to have it passed into law. This bill passed the Senate recently.

I have not had opportunity to read this bill myself, but I note that Senator Steel voted for same in the Senate, and anything that my friend Watkins approves of, and Senator Steel votes for, is surely good enough for me.

I am convinced, from my twenty-five years experience traveling around North Dakota, that there is a great need for an efficient law in connection with the lines of business covered by the bill in question. I am thoroughly satisfied (for the reasons given above) that this is a meritorious bill, and I am glad to add my endorsement to it and state that it will be appreciated by me and many other of the people here in this county of similar views, if the same can be supported by you gentlemen. I hope that the bill pass your house and become law.

With kindest regards to each one of you, I remain,
Yours sincerely,
W. B. DeNAULT.

February 5, 1921.

To the Members of the State Legislature, Bismarck, North Dakota:

Gentlemen: As required by the statutes, I transmit herewith reports as follows:

Missouri Slope Agriculture & Fair Ass'n.:

Financial Report, for year ending Dec. 16, 1919.

Financial Report, for year ending Dec. 27, 1920.

N. D. State Poultry Association:

Report for 1919, and Report for 1920.

N. D. State Fair Association for Grand Forks:

Receipts from Nov. 21, 1917 to Nov. 18, 1919. Premium Checks issued and paid, July 15-19, 1919. Report for 1920.

Inter-state Fair, Fargo:

Receipts for 1919.

N. D. State and Cass Co. Fair Association for Fargo:

Financial Report, Nov. 1, 1919, to Oct. 31, 1920.

Financial Report, Nov. 1, 1918, to Oct. 31, 1919.

Yours very truly,
LYNN J. FRAZIER,
Governor.

To the Seventeenth Legislative Assembly of the State of North Dakota:

Gentlemen: We, the undersigned, do most respectfully petition your honorable body to pass the following measures: House Bill No. 5, Senate Bill No. 18, Senate Bill No. 16, and House Bill No. 51.

Adopted by a rising vote of the members of the Drayton
W. C. T. U.

MRS. HUGH HAMILTON,
President.

Lundsvally, N. D., Feb. 2, 1921.

To Honorable Walter J. Maddock, Bismarck, N. D.:

We, the undersigned, citizens of North Dakota and of the county of Mountrail, believing that the moral conditions of the people is of paramount importance, hereby express our pleasure in the splendid endorsement so far given to House Bill No. Five, and also the honorable endorsement given thus far to Senate Bill No. Eighteen.

We most earnestly look to you and all high-minded members of the Senate to do all in your power privately and publicly, in committee rooms and on the floor of the Senate, and in your possible contact with the members of the House of Representatives, to secure by as large a majority as possible the enactment into law the bills referred to.

We also ask that you use all honorable means open to you to defeat promptly every effort on the part of the American Tobacco Trust, and on the part of selfish or thoughtless dealers to weaken or repeal our present anti-cigarette law.

Yours for good citizenship,
JOHN UGSTAD,
AND 50 OTHERS.

Grand Forks, N. Dak., Feb. 4, 1921.

Rep. Lawrence Bjorgo, State Capitol, Bismarck, N. Dak.:

We urge that you oppose Senate Bill Eighteen and recommend support of such measures as would reconstitute cities with the authority to control institutions involved.

COMMERCIAL CLUB OF GRAND FORKS.
H. M. STANTON, Sec'y.

MESSAGE FROM THE SENATE

Bismarck, N. D., Feb. 5, 1921.

Mr. Speaker: I have the honor to return herewith the following bills:

House Bill No. 48: A Bill for an Act to Amend and Re-enact Section 9997 of the Compiled Laws of North Dakota for the Year 1913, Relating to Butchers' Reports of Branded Animals Killed.

Which the Senate has passed unchanged.

Very respectfully,
W. J. PRATER,
Secretary.

Bismarck, N. D., Feb. 4, 1921.

Mr. Speaker: I have the honor to return herewith the following bills:

House Bill No. 27: A Bill for an Act to Amend Section

1383 of the Compiled Laws of North Dakota for 1913, Relating to Branches to be Taught in Public Schools.

Which the Senate has indefinitely postponed.

Very respectfully,
W. J. PRATER,
Secretary.

Bismarck, N. D., Feb. 4, 1921.

Mr. Speaker: I have the honor to transmit herewith the following bills:

Senate Bill No. 96: A Bill for an Act to Amend and Re-enact Section 3550 of the Compiled Laws of the State of North Dakota of 1913, Relating to the Appointment of District Court Bailiff's and Compensation Thereof.

Senate Bill No. 33: A Bill for an Act to Amend and Re-enact Section 2625, Compiled Laws of North Dakota for 1913, Relating to Trespass of Animals.

Senate Bill No. 54: A Bill for an Act to Appropriate Money to Take Care of the Deficit in the Maintenance Account of the Hail Insurance Department for the Year Beginning January 1st, 1920, and Ending December 31st, 1920.

Senate Bill No. 80: A Bill for an Act to Prevent the Adulteration and Deception in Varnishes and Varnish Substitutes and Providing for the Proper Labeling of the Same.

Which the Senate has passed and your favorable consideration is respectfully requested.

Very respectfully,
W. J. PRATER,
Secretary.

Bismarck, N. D., Feb. 5, 1921.

Mr. Speaker: I have the honor to transmit the following concurrent resolution:

Introduced by Van Camp and Baird.

Which the Senate adopted and your favorable consideration is respectfully requested.

Very respectfully,
W. J. PRATER,
Secretary.

REPORT OF STANDING COMMITTEES

MAJORITY REPORT

The committee on Appropriations made the following report:

Mr. Speaker: Your committee on Appropriations to whom was referred:

House Bill No. 58: A Bill for an Act Entitled "An Act Making an Appropriation for Immigration for the Biennial Period Beginning July 1st, 1921, and Ending June 30th, 1923."

Have had the same under consideration and recommend that the same be indefinitely postponed.

WM. WATT,
Chairman.

MINORITY REPORT

The committee on Appropriations made the following report:

Mr. Speaker: Your committee on Appropriations to whom was referred:

House Bill No. 58: A Bill for an Act Entitled "An Act Making an Appropriation for Immigration for the Biennial Period Beginning July 1st, 1921, and Ending June 30th, 1923."

Have had the same under consideration and recommend that the same be amended as follows:

After the word "of" in the fifth line, strike out the words "Two Hundred Thousand;" in the sixth line, strike out the figures "\$200,000.00" and the word "Dollars," and insert in lieu thereof, "One Hundred Thousand Dollars."

And when so amended recommend the same do pass.

WM. WATT,
Chairman.

Mr. Watt moved the adoption of the majority report of the committee.

Mr. Maddock of Benson moved, as an amendment, that further action on the bill be deferred until Wednesday under the same order of business, which motion was lost.

Mr. Maddock of Benson moved, as an amendment, that the word "minority" be substituted for the word "majority."

Roll call demanded.

The question being on the adoption of the minority report, the roll was called and there were ayes 54, nays 58, absent and not voting 1.

Ayes: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Nays: Allen, Anderson of Burleigh, Bauer, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Trisill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Na-

than, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Absent and not voting: Martin of Bottineau.

So the motion was lost.

Mr. Maddock of Mountrail moved as an amendment that the bill be rereferred to the committee, which motion was lost.

The question being on the adoption of the majority report, the roll was called and there were ayes 59, nays 52, absent and not voting 2.

Ayes: Allen, Anderson of Burleigh, Bauer, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sims, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Martin of Bottineau, Strain.

So the motion prevailed and the report was adopted.

Mr. Patterson asked the unanimous consent of the house to explain his vote and have it recorded in the journal: "I vote 'no' in the action taken on this bill for the reason that the bill, if passed, would make provision whereby a collective body can work to help build up the state in general regardless of politics, nationality or religion and help every man, woman and child in every avenue that was legitimate. I vote 'no.'"

Mr. Watt moved that the vote by which the majority report was adopted, be reconsidered and the motion to reconsider be laid on the table.

Roll call demanded.

The question being on the motion to reconsider, the roll was called and there were ayes 58, nays 54, absent and not voting 1.

Ayes: Allen, Anderson of Burleigh, Bauer, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larkin, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgaard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimm, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Grangaard, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Strain.

So the motion prevailed.

Moved by Mr. Larson that the House do now recess for ten minutes, which motion prevailed, and the House recessed for ten minutes.

AFTER RECESS

The House convened pursuant to recess taken.

REPORTS OF STANDING COMMITTEES

The committee on Appropriations made the following report:

Mr. Speaker: Your committee on Appropriations to whom was referred:

Senate Concurrent Resolution: Appropriating \$25,000.00 for the expenses of the members of the 17th Legislative Assembly.

Have had the same under consideration and return same to the House herewith, without recommendation.

WM. WATT,
Chairman.

The committee on Enrollment and Engrossment made the following report:

Mr. Speaker: Your committee on Enrollment and Engrossment have examined the following bills:

House Bill No. 7: A Bill for an Act Providing for the Appointment of County Brand Inspectors; Defining the Duties of Railways in the Shipment of Certain Stock; Penalty.

House Bill No. 9: A Bill Entitled, an Act to Protect Trade Mark of Workmen's Unions and the Wearing of Union Buttons.

House Bill No. 11: A Bill Entitled, an Act to Amend Chapter 7567 of the Compiled Laws of North Dakota for the Year 1913, and Relating to Garnishments.

And find the same correctly engrossed.

ADAM PRESZLER,
Chairman.

Mr. Preszler moved that the report be adopted, which motion prevailed and the report was adopted.

INTRODUCTION, FIRST AND SECOND READING OF HOUSE BILLS

Mr. Bjorgo, by request, introduced:

House Bill No. 129: A Bill for an Act to Empower Cities, Villages, and Towns to purchase, Construct, Rent, Lease, Extend, Connect, or Erect, High Tension Electric Transmission Lines and Electrical Equipment, Within and Without the Corporate Limits, and Necessary Secondary Transmission Lines and Distribution Systems Within the Corporate Limits, for the Purpose of Securing Light, Power and Electric Energy for Municipal and Commercial Use; and to Assess the Property Within the Corporate Limits, and to Provide for the Method of Such Assessment and the Collection Thereof, and to Provide for the Issuance of Bonds.

Was read the first and second time and referred to the committee on Cities and Municipal Corporations.

Mr. Doyle introduced:

House Bill No. 130: A Bill for an Act Providing for Increased Pay for School Officers in Large and Unorganized School Districts.

Was read the first and second time and referred to the committee on Ways and Means.

Mr. Miller introduced:

House Bill No. 131: A Bill for an Act Providing for the Care of Graves in Cemeteries.

Was read the first and second time and referred to the committee on Cities and Municipal Corporations.

Messrs. Miller and Halcrow introduced:

House Bill No. 132: A Bill for an Act Relating to Motion Picture Films, Reels, and Views, Providing a System of Examination, Approval and Regulation Thereof, and of the Banners, Posters and Other Advertising Matter Used in Connection Therewith; Creating a Bureau of Inspectors of Motion Pictures and Providing Penalties for the Violation of this Act.

Was read the first and second time and referred to the committee on State Affairs.

Mr. Olsgard, by request, introduced:

House Bill No. 133: A Bill for an Act Entitled, an Act to Regulate Exchange Charges, to Prohibit Notaries From Protesting Unpaid Items; to Prevent Embarrassment of the State Banks and Declaring an Emergency.

Was read the first and second time and referred to the committee on Banking.

Mr. Semling, by request, introduced:

House Bill No. 134: A Bill for an Act to Amend and Re-enact Sub-division 70 of Section 3818, Compiled Laws of North Dakota for 1913, Relating to the Purchase and Acquisition by a City of Any System or Part of System of Water Works.

Was read the first and second time and referred to the committee on Cities and Municipal Corporations.

Mr. Semling, by request, introduced:

House Bill No. 135: A Bill for an Act Amending and Re-enacting Section 8074 of Chapter 30, of the Code of Civil Procedure of the Compiled Laws of North Dakota for 1913, Relating to the Foreclosure of Mortgages, Liens and Contracts.

Was read the first and second time and referred to the committee on Judiciary,

Mr. Semling, by request, introduced:

House Bill No. 136: A Bill for an Act to Amend and Re-enact Section S205, Compiled Laws of North Dakota for 1913, Defining the Private Property Which May be Taken by Eminent Domain.

Was read the first and second time and referred to the committee on Judiciary.

Mr. Semling, by request, introduced:

House Bill No. 137: A Bill for an Act Amending and Re-enacting Section 5742, Compiled Laws of North Dakota for 1913, Relating to the Application of the Provisions of Article 20, Compiled Laws of 1913, to Water Main and Water Works Systems, and to the Purchase Thereof.

Was read the first and second time and referred to the committee on Cities and Municipal Corporations.

Mr. Ness introduced:

House Bill No. 138: A Bill for an Act to Amend and Re-enact Section 432 of the Compiled Laws of North Dakota for the Year 1913.

Was read the first and second time and referred to the committee on Temperance.

Mr. Freeman introduced:

House Bill No. 139: A Bill for an Act to Amend and Re-enact Section 3296 of the Compiled Laws of North Dakota for the Year 1913, Relating to County Commissioners' Powers and Duties With Respect to Contracts Let on Competitive Bids.

Was read the first and second time and referred to the committee on Counties.

Mr. Renauld introduced:

House Bill No. 140: A Bill for an Act to Amend and Re-enact Chapter 271 of the Session Laws of North Dakota for the Year 1915, Relating to Qualifications of Signers on Petition of County Commissioners.

Was read the first and second time and referred to the committee on State Affairs.

Mr. Hanson of Grand Forks, by request, introduced:

House Bill No. 141: A Bill for an Act to Amend and Re-enact Section 2185 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 67 of the Special Session Laws of the Sixteenth Legislative Assembly, Relating to the Time When Real Estate Taxes Become Due and Delinquent.

Was read the first and second time and referred to the committee on Taxes and Tax Laws.

Mr. Jardine introduced:

House Bill No. 142: A Bill for an Act to Amend and Re-enact Section 10380 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to the Disposition of Fines, Forfeitures and Penalties.

Was read the first and second time and referred to the committee on Judiciary.

Mr. Jardine introduced:

House Bill No. 143: A Bill for an Act to Amend and Re-enact Section 2190 of the Compiled Laws of North Dakota for the Year 1913, Relating to the Disposition of Penalty and Interest.

Was read the first and second time and referred to the committee on Taxes and Tax Laws.

Mr. Allen introduced:

House Bill No. 144: A Bill for an Act to Amend and Re-enact Section 988 of the Compiled Laws of North Dakota for the Year 1913, Relating to Disability of Elector and Providing a Penalty for Violation Thereof.

Was read the first and second time and referred to the committee on State Affairs.

Mr. Bauer introduced:

House Bill No. 145: A Bill for an Act to Amend and Re-enact Section 3471 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Section 1 of Chapter 13 of the Laws of the Special Session of the State of North Dakota for the Year 1918, as Amended by Chapter 54 of the Laws of North Dakota Passed by the Special Session of the Sixteenth Legislative Assembly in 1919, Relating to the Issuance of Bonds for Seed Grain and Feed.

Was read the first and second time and referred to the committee on Ways and Means.

Mr. Sproul introduced:

House Bill No. 146: A Bill for an Act to Amend and Re-

enact Section 3533 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 104 of the Session Laws of 1915, Relating to the Compensation and Office Hours of County Commissioners.

Was read the first and second time and referred to the committee on Ways and Means.

Committee on Banking introduced:

House Bill No. 147: A Bill for an Act to Amend and Re-enact Section 5179 of the Compiled Laws of 1913 as Amended and re-enacted by Chapter 55 of the Session Laws of 1915, Relating to the Department of the State Examiner.

Was read the first and second time and referred to the committee on Banking.

Committee on Banking introduced:

House Bill No. 148: A Bill for an Act Making it a Felony for Any Person to Enter Any Room Wherein, in Whole or in Part, a General Banking Business is Carried on, or Wherein in Whole or in Part, a Business of Receiving Securities, Evidence of Debts or Any Other Valuable Papers on Deposit or for Safe Keeping, in Which There is at the Time a Human Being, With Intent to Commit a Felony Therein by Means of Threats, Force or Violence, and Prescribing the Punishment Therefor.

Was read the first and second time and referred to the committee on Judiciary.

Committee on Banking introduced:

House Bill No. 149: A Bill for an Act Providing for the Supervision of Liquidation of Insolvent Banks by the Depositors' Guaranty Fund Commission, the Appointment of a Supervisor of Receivers and Compensation and Expenses Thereof to be Paid Out of the Depositors' Guaranty Fund.

Was read the first and second time and referred to the committee on Banking.

Committee on Banking introduced:

House Bill No. 150: A Bill for an Act to Amend and Re-enact Section 7 of Chapter 126 of the Laws of North Dakota for the Year 1917, Relating to the Guarantee of Bank Deposits.

Was read the first and second time and referred to the committee on Banking.

Committee on Banking introduced:

House Bill No. 151: A Bill for an Act to Amend and Re-enact Section 1 of Chapter 126 of the Laws of North Dakota for the Year 1917 as Amended and Re-enacted by Chapter 110 of the Laws of North Dakota for 1919, Relative to the Guarantee of Bank Deposits.

Was read the first and second time and referred to the committee on Banking.

Committee on Banking introduced:

House Bill No. 152: A Bill for an Act to Amend and Re-enact Section 8 of Chapter 126 of the Laws of North Dakota

for the Year 1917, Relating to the Guarantee of Bank Deposits.

Was read the first and second time and referred to the committee on Banking.

Mr. Lackey introduced:

House Bill No. 153: A Bill for an Act to Amend and Re-enact Section 1185 of the Compiled Laws of the State of North Dakota for 1913, Relating to School Elections.

Was read the first and second time and referred to the committee on Education.

Mr. Halcrow introduced:

House Bill No. 154: A Bill for an Act to Amend and Re-enact Section 10184 and 10185 of the Compiled Laws of North Dakota for 1913, Prohibiting the Manufacture, Sale, Disposing of, Giving Away, and Soliciting Orders for Cigarettes, or Cigarette Papers and Providing Penalty.

Was read the first and second time and referred to the committee on Judiciary.

Mr. Olsen of Billings introduced:

House Bill No. 155: A Bill for an Act to Amend and Re-enact Section 4624 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Conveyances and Mortgages of Railroad Corporations, so as to Provide the Manner of Execution and Manner and Place of Record of Every Conveyance or Lease, Deed of Trust, Mortgage or Assignment, or Satisfaction Thereof, Made by Any Railroad, Telegraph or Telephone Corporation.

Was read the first and second time and referred to the committee on Judiciary.

Mr. Maddock presented:

House Bill No. 156:

Same was referred to the committee on Delayed Bills.

THIRD READING OF HOUSE BILLS

House Bill No. 107: A Bill for an Act to Amend and Re-enact Section 10298 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 162 of the Laws of North Dakota for the Year 1915, as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Relating to the Season for Killing Deer.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 102, nays 8, absent and not voting 3.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhardt, Burns, Carlson, Cart, Cole, Doyle, Durkee, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Ben-

son, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Mouck, Nagel, Nathan, Oberg, Olsgard, Olson of Barnes, Opland, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Eckert, Morton, Ness, Olafson, Olsen of Billings, Olson of Ramsey, Sagen, Ulland.

Absent and not voting: Hanson of Grand Forks, Lackey, Maddock of Mountrail.

So the bill passed and the title was agreed to.

House Bill No. 108: A Bill for an Act to Amend and Re-enact Section 28 of Chapter 161 of the Laws of North Dakota for the Year 1915 as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Relating to Trespassing on Lands Where Hunting is Prohibited.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 93, nays 12, absent and not voting 8.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Eckert, Ellingson, Elmer, Erickson of Walsh, Freeman, Fredrickson, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Mouck, Ness, Oberg, Olafson, Olsgard, Olsen of Billings, Opland, Opland, Patterson, Peters, Plath, Quade, Renauld, Root, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Vogel, Watt, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Flom, Frandson, Grangaard, Johnson of Sargent, Morton, Nagel, Nathan, Olson of Barnes, Olson of Ramsey, Sagen, Semling, Weld of Kidder.

Absent and not voting: Durkee, Erickson of Divide, Hanson of Grand Forks, Lackey, Preszler, Reichert, Ulland, Maddock of Mountrail.

So the bill passed and the title was agreed to.

House Bill No. 50: A Bill for an Act to Amend and Re-enact Section 1146 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 213 of the Session Laws of 1917, Relating to Changing of School District Boundaries.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 109, nays 1, absent and not voting 3.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Strain.

Absent and not voting: Hanson of Grand Forks, Maddock of Benson, Sherman.

So the bill passed and the title was agreed to.

House Bill No. 21: A Bill for An Act to Amend and Re-enact Section 5 of Chapter 162 of the Laws of North Dakota for 1919, Relating to Information Furnished by Employers to the Workmen's Compensation Bureau of North Dakota and Penalty for Failure to Furnish Information Required.

Was read the third time.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 111, nays 0, absent and not voting 2.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie,

Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Hanson of Grand Forks, Reichert.

So the bill passed and the title was agreed to.

House Bill No. 28: A Bill for an Act to Amend and Re-enact Section 1136 of the General School Laws entitled Deputies. How Appointed. Salary.

Was read the third time.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 91, nays 20, absent and not voting 2.

Ayes: Allen, Anderson of Burleigh, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Boyd, Brady, Bratsberg, Bryans, Burkhardt, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, McDowell, McGauvran, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Mikkelson, Mouck, Ness, Oberg, Olsgard, Olson of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Arduser, Babcock, Botz, Elmer, Hempel, Heaton, Levin, McLarty, Maxwell, Morton, Nagel, Nathan, Olafson, Olson of Barnes, Sherman, Sims, Strain, Whitmer, Yeater.

Absent and not voting: Hanson of Grand Forks, Miller.

So the bill passed and the title was agreed to.

House Bill No. 29: A Bill For an Act to Amend and Re-enact Section 1137 of the General School Laws Entitled Salary and Expenses.

Was read the third time.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 106, nays 6, absent and not voting 1.

Ayes: Allen, Anderson of Burleigh, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger.

Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlsson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson son of Benson, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Johnson of Sargent, Martin of Slope, Sherman, Ulland, Wood.

Absent and not voting: Hanson of Grand Forks.

So the bill passed and the title was agreed to.

House Bill No. 42: A Bill for an Act to Amend and Re-enact Section 3969 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Section 79 of the Session Laws of North Dakota for the Year 1919, Relating to Excluding Farm Lands from the Limits of City, Town and Villages.

Was read the third time.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 106, Nays 4, absent and not voting 3.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Botz, Boyd, Brady, Bryans, Burkhart, Burns, Carlsson, Cart, Cole, Doyle, Durkee, Eckert, Elmer, Erickson of Walsh, Flom, Freman, Fredrickson, Frandson, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Bratsberg, Ellingson, Erickson of Divide, Ness.

Absent and not voting: Bollinger, Grangaard, Hanson of Grand Forks.

So the bill passed and the title was agreed to.

House Bill No. 51: A Bill for an Act to Prohibit the Use of Tobacco by Smoking in Certain Places and Providing Penalty.

Was read the third time.

Mr. Ness asked the unanimous consent of the House to amend House Bill No. 51, which request was denied.

Mr. Ness moved that House Bill No. 51 be indefinitely postponed.

Roll call demanded.

The question being on the motion to indefinitely postpone House Bill No. 51, the roll was called and there were ayes 32, nays 76, absent and not voting 5.

Ayes: Boyd, Carlson, Durkee, Ellingson, Elmer, Erickson of Walsh, Hall, Hartl, Jardine, Johnson of Ward, Kelly, Kjos, Lackey, McDowell, Maddock, of Benson, Mikkelson, Mouck, Olsgard, Olsen of Billings, Ophaug, Preszler, Sagen, Semling Shipley, Sims, Slominski, Starke, Strain, Ulland, Weld of Wells, Yeater, Mr. Speaker.

Nays: Allen, Anderson of Burleigh, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Botz, Brady, Bratsberg, Bryans, Burkhart, Burns, Cart, Cole, Doyle, Eckert, Erickson of Divide, Flom, Fredrickson, Frandson, Hagelbarger, Halcrow, Hanson of Benson, Harding, Hempel, Heaton, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Kamrath, Kellogg, Kitchen, Kopp, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McGauvran, McLarty, McManus, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Ness, Nagel, Nathan, Oberg, Olafson, Olson of Barnes, Olson of Ramsey, Opland, Patterson, Peters, Plath, Quade, Reichert, Renauld, Root, Sherman, Shimmin, Sproul, Vogel, Watt, Weld of Kidder, Whitmer, Wood.

Absent and not voting: Anderson of Griggs, Bollinger, Grandaard, Hanson of Grand Forks, Olson of Ramsey.

So the motion was lost.

Mr. Shipley moved that the House do now adjourn, which motion was lost.

Mr. Miller moved the previous question.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 78, nays 30, absent and not voting 5.

Ayes: Allen, Anderson of Burleigh, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Botz, Brady, Bratsberg, Burkhart, Bryans, Burns, Cart, Cole, Doyle, Durkee, Eckert, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Hagel-

barger, Halcrow, Hanson of Benson, Hall, Harding, Hempel, Heaton, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steels, Johnson of Træill, Kamrath, Kellogg, Kitchen, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Nagel, Nathan, Oberg, Olafson, Olson of Barnes, Opland, Patterson, Peters, Plath, Quade, Reichert, Renauld, Root, Sagen, Sherman, Shimmin, Sproul, Ulland, Vogel, Watt, Weld of Kidder, Wood.

Nays: Arduser, Boyd, Carlson, Ellingson, Elmer, Hartl, Jardine, Johnson of Ward, Kelly, Kjos, Kopp, Lackey, McDowell, Mikkelson, Mouck, Ness, Olsgard, Olsen of Billings, Ophaug, Preszler, Semling, Shipley, Sims, Stominski, Starke, Strain, Weld of Wells, Whitmer, Yeater. Mr. Speaker.

Absent and not voting: Anderson of Griggs, Bollinger, Grangaard, Hanson of Grand Forks, Olson of Ramsey.

So the bill passed and the title was agreed to.

Mr. Kellogg asked the unanimous consent of the House to explain his vote and have it recorded in the Journal. "I am going to vote for this measure, yet at the same time I feel that it will work a sort of a hardship on some of the smaller cities where the hotel facilities are not equal to what they are in the city of Bismarck. I am not worrying as to what the effect may be on strangers who come to the state of North Dakota. As a matter of fact the laws of the State of North Dakota are subject to change from time to time, yet at the same time I will vote for this bill.

Mr. Reichert asked the consent of the House to explain his vote and have it printed in the Journal: "Every citizen has influence in the community in which he lives, and I believe there is no better place than this legislative assembly to establish a good influence for the rising generation. I therefore vote "aye."

At the request of Mr. Ness the House returned to the seventh order of business.

MOTIONS AND RESOLUTIONS

Mr. Ness moved that House Bill No. 67 be re-referred to the committee on Irrigation and Drainage, which motion prevailed.

The courtesies of the floor were extended to M. J. Forkner, Hon. J. D. Wilde, Ralph Hunt, Christ Bietler, J. R. Poupore, J. B. J. Lohner, Conrad Madson, Truman Rost, C. A. Grady, C. A. Lawson, N. O. Lundaar, G. H. Garnett, T. C. Hockridge, Frank Heimer, W. J. Ray.

Mr. Shipley moved that the House do now adjourn, which motion prevailed and the House adjourned:

C. L. DAWSON,
Chief Clerk.

GENERAL ORDERS

House Bill No. 35: A Bill for an Act to Amend and Re-enact Section 33 of Chapter 161 of the Laws of North Dakota for the Year 1915 as Amended by Chapter 122 of the Laws of North Dakota for the Year 1917 as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Relating to Game Birds and Season for Killing.

House Bill No. 81: A Bill for an Act to Establish a Uniform Egg Law, for Regulating and Preventing the Sale of Eggs unfit as Articles of Human Food, Requiring Eggs to be Canded, Requiring a License for Dealers in Eggs and Establishing a Penalty for Violation of this Act.

House Bill No. 79: A Bill for an Act to Amend and Re-enact Sections 48 and 49 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Public Printing and Binding.

House Bill No. 18: A Bill for an Act to Amend and Re-enact Section 2 of Chapter 162 of the Laws of North Dakota for the Year 1919, Defining Certain Words and Phrases in said Chapter.

House Bill No. 100: A Bill for an Act Defining Criminal Syndicalism, Prohibiting the Advocacy Thereof and the Advocacy of Crime, Sabotage, Violence, or Other Unlawful Methods of Terrorism as a Means of Accomplishing Industrial Ends, and Assemblage for the Purpose of Such Advocacy; and Providing Penalties for the Violations of the Provisions Thereof.

House Bill No. 36: A Bill for an Act to Provide for the Standardization of the One-Room Rural Schools, the Graded Schools and the High Schools of the State.

House Bill No. 67: A Bill for an Act to Amend and Re-enact Sections 2462, 2463, 2466, 2487, 2489, 2490 Compiled Laws 1913, Relating to Drains.

House Bill No. 63: A Bill for an Act to Amend and Re-enact Section 7644 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 1 of the Session Laws for the Year 1919, (Regular Session), Relating to Change of Judges in Civil and Criminal Actions in the District Court, for Prejudice or Bias of Judge Thereof; Providing for the Calling in of Another Judge of Another Judicial District, and the Payment of His Expenses, and the Discharge of Jurors Therein.

House Bill No. 6: •

A Bill for an Act to Amend and Re-enact Section 7949 of North Dakota, 1913, Relating to Continuances of Cases.

House Bill No. 43: A Bill to Create an Act Entitled an Act Providing for the Creation and Establishment of a State Engineering Examiners, Granting Certain Powers to and Prescribing the Duties of Said Board; Providing for the Examination and Registration of Land Surveyors and Professional Engineers. Regulating the Practice of Engineering in the State of North Dakota, Providing Penalties for the Violation of This Act and Repealing all Acts or Parts of Acts in Conflict Therewith.

THIRTY-FIFTH DAY.

House of Representatives,
Bismarck, North Dakota,
February 7, 1921

The House convened at 2 o'clock P M., pursuant to adjournment, the Speaker presiding.

Prayer by the Chaplain. Rev. Quigley.

Roll call: All members present except Messrs. Maddock of Mountrail and Root who were excused.

REVISION AND CORRECTION OF THE JOURNAL.

The committee on revision and correction of the Journal made the following report:

Mr. Speaker: Your committee on revision and correction of the Journal have carefully examined the Journal of the thirty-second day and recommend that the same be corrected as follows:

On page 19, 16th line from the bottom, change the word "no" to "aye."

And when so corrected recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted.

REPORTS OF STANDING COMMITTEES.

The committee on Game and Fish made the following report:

Mr. Speaker: Your committee on Game and Fish to whom was referred:

Senate Bill No. 49: A Bill for an Act Amending Section 19298 of the Compiled Laws of the State of North Dakota for the Year 1913 as Amended by Chapter 162 of the Laws of North Dakota for the Year 1915, as Amended by Chapter 134-Section 9, of the Laws of North Dakota for the Year 1919 Relating to the Season for Killing Deer and Providing a Penalty Therefor.

Have had the same under consideration and recommend that the same be indefinitely postponed.

W. BAUER,
Chairman.

Mr. Bauer moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

Mr. Speaker: Your committee on Game and Fish to whom was referred:

House Bill No. 106: A Bill for an Act to Amend and Re-enact Section 46 of Chapter 161 of the Laws of North Dakota for the Year 1915, as Amended by Chapter 63, of the Laws of North Dakota for the Year 1917, as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Prohibiting the Trapping, Catching, Killing, or Destroying of Beaver and Otter, for a Limited Period.

Have had the same under consideration and recommend that the same be amended as follows:

In the title of the Act after the word "beaver" insert a comma and the word "muskrat", and after the period following the word "period" in the title of the act strike out the period and insert the following: "or the destruction of houses, mounds and dams thereof. In line 1 of section 46 strike out the period after the word "otter" and insert the words "and muskrat". In line 2 strike out the word "or" after the word "trap", also the words "or dynamite" after the word "destroy" also strike out the word "or" after "beaver and insert in lieu thereof a comma; after the word "otter" insert the words "or muskrat." In line 4 of Section 46, strike out the period after the numerals 1924 and insert the following: "However at no time shall it be lawful to cut into, destroy, dynamite or molest, any beaver dam, beaver or muskrat house or mound." In line 5 of Section 46 after the word "beaver" insert the following words, "and muskrat, but never by shooting." In line 7 of Section 46 after the word "year," strike out the period, and insert the word "thereafter" followed by a period. In line 14 of Section 46, strike out the word "or" and insert in lieu thereof a comma, and after the word owners, insert a comma and the words "lessee or lessees." In line 15, Section 46, after the word "beaver, insert the words, "or muskrat". In line 16 Section 46, after the word "shall" insert the word "thereupon. In line 17, section 46, after the word "beaver" insert the words "or muskrat". In line 18, Section 46, after the word "owners" insert "or lessees". In line 19, Section 46, after the word "beaver" insert the words "or muskrat".

And when so amended recommend the same do pass.

W. BAUER,
Chairman.

Mr. Speaker: Your committee on Delayed Bills have had under consideration House Bill No. 156 and unanimously recommend that the same be permitted to be introduced.

JOHN G. PLATH,
Chairman.

Mr. Plath moved that the report be adopted, which motion prevailed and the report was adopted.

The Committee on State Affairs made the following report:

Mr. Speaker: Your Committee on State Affairs to whom was referred:

House Bill No. 34: A Bill for an Act to Fix the Salaries of Certain County Officers, to Provide for the Payment Thereof, for the Employment and Payment of Deputies and Clerk Hire in Such Offices, the Collection and Deposit of Fees, and the Repeal of Certain Laws.

Have had the same under consideration and recommend that the same be amended as follows:

Strike out everything after the words A BILL and insert in lieu thereof the following: For an Act to Amend and Re-enact Chapter 112 of the Session Laws of 1915, Providing for Salaries of County Auditors, County Treasurers, County Superintendent of Schools, Registers of Deeds, County Judges, States Attorneys and Assistants, Clerks of the District Court and Sheriffs and Repealing all acts or parts of Acts in conflict therewith.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE STATE OF NORTH DAKOTA:

Section 1. COUNTY AUDITOR'S SALARY. The salary of the County Auditor shall be regulated by the population in his county according to the last preceding official state or federal census as follows: Provided, that no County Auditor shall receive more than Fifteen Hundred Dollars for his personal and official services in any one year in counties having a population of less than seven thousand; eighteen hundred dollars in counties having a population exceeding seven thousand and not exceeding twelve thousand; two thousand dollars in counties having a population exceeding twelve thousand and not exceeding twenty thousand; two thousand two hundred dollars in counties having a population exceeding twenty thousand and not exceeding twenty-five thousand; two thousand four hundred dollars in counties having a population exceeding twenty-five thousand and not exceeding thirty-five thousand; two thousand eight hundred dollars and no more, in counties having a population exceeding thirty-five thousand; which salary shall be paid monthly from the general county fund on the warrant of the County Auditor.

All moneys received as fees of every nature, kind or description in his official capacity, or commissions and compensation for services on boards created by law, shall be paid by the County Auditor at the end of each month into the general fund of the county.

Section 2. COUNTY TREASURER'S SALARY. The salary of the County Treasurer shall be the same as that of the County Auditor, which salary shall be paid monthly from the general county fund on the warrant of the County Auditor. All moneys received as fees of every nature, kind, or description in his official capacity, or commissions and compensation for services on boards created by law, shall be

paid by the County Treasurer at the end of each month into the general fund of the county.

Section 3. SALARY OF REGISTER OF DEEDS AND THE CLERK OF THE DISTRICT COURT. The salary of the Register of Deeds shall be regulated by the population in his county according to the last preceding official state or federal census, as follows: Provided, that no Register of Deeds and the Clerk of the District Court shall receive more than fifteen hundred dollars for his personal services in any one year in counties having a population of less than seven thousand; one thousand seven hundred dollars in counties having a population exceeding seven thousand and not exceeding ten thousand; one thousand eight hundred dollars in counties having a population exceeding ten thousand and not exceeding twenty thousand; two thousand dollars and no more, in counties having a population exceeding twenty thousand, which salary shall be paid monthly from the general fund on the warrant of the County Auditor.

All moneys received as fees of every nature, kind or description in his official capacity, or commissions and compensation for services on boards created by law, shall be paid by the Register of Deeds and the Clerk of the District Court at the end of each month into the general fund of the county, providing that this shall not apply to Clerks of District Courts in counties having increased jurisdiction.

Section 4. SALARY AND EXPENSES OF THE COUNTY SUPERINTENDENT OF SCHOOLS. The County Superintendent of Schools shall receive an annual salary equal to that paid to the Register of Deeds of his county, which salary shall be paid monthly on a warrant of the County Auditor on the County Treasurer, and in addition thereto he shall receive ten cents per mile for the distance actually and necessarily traveled by him or his field deputy in the discharge of his duties within the county and in attendance at meetings of County Superintendents, called by the Superintendent of Public Instruction, as provided by law. He shall at the end of every three months, make and furnish to the County Commissioners, an itemized statement, subscribed and sworn to, of the distance so traveled in the discharge of his duties, which shall be audited and ordered paid by the Board of County Commissioners.

All moneys received as fees of every nature, kind or description, in his official capacity, or commissions and compensation for services on boards created by law, shall be paid by the Superintendent of Schools at the end of each month, into the general fund of the county.

Section 5. SALARY OF THE COUNTY JUDGE. The salary of the County Judge shall be regulated by the population in his county according to the last preceding official state or federal census, as follows: Provided, that no County Judge shall receive more than one thousand five hundred dollars for his personal services in any one year in counties having a population of less than eleven thousand; seventeen hundred dollars in counties having a population exceeding eleven thousand and not exceeding fifteen thousand; eighteen hundred and fifty dollars in counties having a population ex-

ceeding fifteen thousand and not exceeding nineteen thousand; two thousand dollars and no more, in counties having a population exceeding nineteen thousand, which salary shall be paid monthly from the general county fund on the warrant of the County Auditor; providing, that the salary of the County Judge in counties having increased jurisdiction shall not be effected by the provisions of this Article; provided, further, that the maximum salary of County Judges in counties having increased jurisdiction shall be limited to two thousand five hundred dollars as provided by Section 8973 of the Compiled Laws of 1913.

All moneys as fees, of every nature, kind or description in his official capacity, or commissions and compensation for services on boards created by law, shall be paid by the County Judge at the end of each month into the general fund of the county.

Section 6. SALARY OF SHERIFF. The salary of the Sheriff shall be regulated by the population in his county according to the last preceding official state or federal census, as follows: Provided, that no Sheriff shall receive more than fifteen hundred dollars for his personal services in any one year in counties having a population of less than seven thousand; sixteen hundred and fifty dollars in counties having a population of seven thousand and not exceeding nine thousand; one thousand eight hundred dollars in counties having a population exceeding nine thousand and not exceeding eleven thousand; one thousand nine hundred dollars in counties having a population exceeding eleven thousand and not exceeding thirteen thousand; two thousand dollars in counties having a population exceeding thirteen thousand and not exceeding fifteen thousand; two thousand one hundred dollars in counties having a population exceeding fifteen thousand and not exceeding seventeen thousand; two thousand two hundred dollars in counties having a population exceeding seventeen thousand and not exceeding nineteen thousand; two thousand three hundred dollars in counties having a population exceeding nineteen thousand and not exceeding twenty-three thousand; two thousand four hundred dollars in counties having a population exceeding twenty-three thousand and not exceeding twenty-four thousand; two thousand five hundred dollars in counties having a population exceeding twenty-four thousand and not exceeding twenty-five thousand; two thousand six hundred dollars in counties having a population exceeding twenty-five thousand and not exceeding twenty-six thousand; two thousand seven hundred dollars in counties having a population exceeding twenty-six thousand and not exceeding twenty-seven thousand; two thousand eight hundred dollars in counties having a population exceeding twenty-seven thousand and not exceeding twenty-eight thousand; two thousand nine hundred dollars in counties having a population exceeding twenty-nine thousand; three thousand dollars and no more, in counties having a population exceeding twenty-nine thousand; which salary shall be paid monthly from the general county fund on the warrant of the County Auditor.

All moneys received as fees of every nature, kind or description in his official capacity, or commissions and compensation for services on boards created by law, excepting mile-

age and livery, shall be paid by the Sheriff at the end of each month into the general fund of the county.

Section 7. SALARY OF STATE'S ATTORNEY, ASSISTANT AND CLERK. The salary of the State's Attorney shall be regulated by the population in his county according to the last preceding official state or federal census, as follows: Provided, that no State's Attorney shall receive more than fifteen hundred dollars for his personal services in any one year in counties having a population of less than ten thousand; one thousand six hundred dollars in counties having a population exceeding ten thousand and not exceeding twelve thousand; one thousand seven hundred dollars in counties having a population exceeding twelve thousand and not exceeding fourteen thousand; one thousand eight hundred dollars in counties having a population exceeding fourteen thousand and not exceeding sixteen thousand; two thousand dollars and no more, in counties having a population exceeding sixteen thousand; provided, that in counties having a population exceeding nineteen thousand an Assistant State's Attorney shall be appointed by the State's Attorney, who shall receive a salary fixed by the County Commissioners; provided, however, such salary shall not be less than six hundred dollars per annum, payable monthly; and in counties having a population exceeding twenty thousand the County Commissioners may, whenever they deem it necessary, and for such time as they deem necessary, by resolution, authorize the State's Attorney to appoint a clerk who shall be subject to discharge by the State's Attorney and whose salary shall be fixed by the County Commissioners and paid by the county. In counties having a population of less than nineteen thousand the salary of the Assistant State's Attorney, if one is allowed by the County Commissioners, shall be fixed by the County Commissioners, and in such counties, having a population of less than nineteen thousand, the County Commissioners may, whenever they deem it necessary, and for such time as they deem necessary, by resolution, authorize the State's Attorney to appoint a clerk in lieu of an Assistant State's Attorney, which clerk shall be subject to discharge at any time by the State's Attorney and whose salary shall be fixed by the County Commissioners and paid by the county, which salary shall be paid monthly from the general fund on the warrant of the County Auditor. All moneys received as fees of every nature, kind and description, in his official capacity, or commissions and compensation for services on boards created by law shall be paid by the State's Attorney at the end of each month into the general fund of the county.

Section 8. All Acts and parts of Acts in so far as they are in conflict with this Act are hereby repealed.

And when so amended recommend that the same do pass.

MARTIN OLSEN,
Chairman.

The committee on State Affairs made the following report:

Mr. Speaker: Your committee on State Affairs to whom was referred:

House Bill No. 116: A Bill for an Act Providing for the Furnishing by the Register of Deeds of Each County to Elevators Making Application and Paying the Fee Provided Therefor, of an Abstract of All Mortgages and Liens Upon Grain Grown During Each Year, and Filed in the Office of the Register of Deeds.

Have had the same under consideration and recommend that the same be amended as follows:

Sec. 1, line 6, after the figures '\$5.00' strike out the comma and insert a period; strike out the balance of the section.

And when so amended recommend the same do pass.

MARTIN OLSEN,
Chairman.

Also:

Mr. Speaker: Your committee on State Affairs to whom was referred:

House Bill No. 115: A Bill for an Act to Amend and Re-enact Section 6854 of the Compiled Laws of North Dakota for the Year 1913, Relating to Thresher's Liens and Who May Have.

Have had the same under consideration and recommend that the same do pass.

MARTIN OLSEN,
Chairman.

Mr. Olsen moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on Ways and Means made the following report:

Mr. Speaker: Your committee on Ways and Means to whom was referred:

House Bill No. 122: A Bill for an Act to Amend and Re-enact Section 3460 of the Compiled Laws of the State of North Dakota for 1913, Relating to Power of County Commissioners, in Letting of Contracts.

Have had the same under consideration and recommend that the same be indefinitely postponed.

M. W. KELLY,
Chairman.

Mr. Kelly moved that the report be adopted, which motion prevailed and the report of the committee was adopted.

Also:

Mr. Speaker: Your committee on Ways and Means to whom was referred:

House Bill No. 110: A Bill for an Act to Amend and Re-enact Section 3012 of the Compiled Laws of the State of North Dakota for the Year 1913, Establishing Legal Weights for Bread and the Weight Units in Which Bread Shall be Sold, Manufactured for Sale, Offered or Exposed for Sale, and Providing a Penalty for the Violation Thereof.

Have had the same under consideration and recommend that the same be indefinitely postponed.

M. W. KELLY,
Chairman.

Mr. Kelly moved that the report be adopted, which motion prevailed and the report of the committee was adopted.

The committee on Drainage and Irrigation made the following report:

Mr. Speaker: Your committee on Drainage and Irrigation to whom was referred:

House Bill No. 113: A Bill for an Act to Amend and Re-enact Section 2495 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Levy of Taxes for Interest for Drainage Purposes and Creating Sinking Fund.

Have had the same under consideration and recommend that the same do pass.

C. NESS,
Chairman.

Mr. Ness moved that the report be adopted, which motion prevailed and the report was adopted.

REPORTS OF SELECT COMMITTEES

Mr. Speaker: Your conference committee to whom was referred Senate Bill No. 15, An Act to Amend and Re-enact Section 1340, Compiled Laws of North Dakota for 1913, Relating to proposal for building School Houses.

Have had the same under consideration and recommend that the House recede from its amendments to Senate Bill No. 15.

R. L. FRASER,
A. J. RUSCH,
OLE ETTESTAD,
Senate Committee.

M. W. KELLY,
R. M. SPROUL,
B. B. MOUCK,
House Committee.

Mr. Kelly moved that the report be adopted, which motion prevailed and the report was adopted.

MOTIONS AND RESOLUTIONS.

Mr. Johnson of Steele made the following motion:

Mr. Speaker: As one of the members of the House Audit committee, I have tried to perform the duties devolving upon a member of such committee.

I have waited patiently for something that would indicate a fair and impartial examination of the audit of the Bishop-Brissman Company, but up to the present time I have not seen anything pointing to such examination, but to the con-

trary the majority of said committee have blocked every effort of the minority to arrange for such examination. From the first the minority have been denied the assistance of an attorney of their choice, or any voice in the selection of the investigator.

The proceedings have at all times shown an attempt to tear down the state industries to so examine the witnesses brought before the committee as to conceal real facts, leave false impressions, and hereby mislead the public.

We believe that the object of the committee is to promote political propaganda rather than to arrive at a fair and impartial decision as to the accuracy of the Bishop-Brisman Company's audit.

I therefore, hereby tender my resignation as a member of said committee and do hereby move you that said committee be dissolved, and said investigation be conducted publicly before this house, will full permission to any member of this house, or any witness summoned by the house or any member produced by the Industrial Commission to be represented and examined by counsel and to produce any evidence pertinent to the subject matter under investigation.

Mr. Weld of Wells moved that the resignation of Mr. Johnson as a member of the audit committee be accepted, and that the committee be dissolved which motion was seconded.

Mr. Watt moved that the motion be divided, and that the House first vote on the resignation of Mr. Johnson, which motion prevailed.

Mr. Watt moved that the House recess for ten minutes, which motion prevailed.

AFTER RECESS.

The House reassembled pursuant to recess taken, the Speaker presiding.

The question being on the resignation of Mr. Johnson as a member of the audit committee.

Roll call demanded.

Call of the House demanded, and roll call showed all members present except Mr. Lazier.

On motion call of the House was suspended.

The roll was called and there were ayes 54, nays 57, absent and not voting 1, one passed.

Ayes: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Botz, Brady, Bratsberg, Bryans, Burkhardt, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagerbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrall, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes,

Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Nays: Allen, Anderson of Burleigh, Bauer, Bollinger, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelsen, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Absent and not voting: Lazier.

Mr. Johnson of Steele passed.

So the motion was lost

Mr. Hempel asked permission of the House to explain his vote and have it recorded in the Journal. "On this important question before us I vote aye because having been personally present in the court room where this investigation is being held, this investigation to my mind is unfair, and I myself would not want to act as a member of this committee, and I want to give the members of this committee the privilege of withdrawing, therefore I vote aye."

Mr. Kitchen asked permission of the House to explain his vote and have it recorded in the Journal. "Mr Speaker, we have been upon this resolution nearly three hours. It seems to me there is a disposition among the minority of this House to kill time, and that is demonstrated by this resolution of Mr. Johnson's today, and I vote no on this question, Mr. Speaker, because to permit any member to withdraw from a committee would disconcert the business of the house."

Mr. Patterson asked permission of the house to explain his vote and have it recorded in the Journal. "There is no provision in our constitution, and there is no provision in the rules under which this house is organized to transact business whereby any member or any body of members of this house can be compelled individually to serve on a committee, and the attitude that is being taken now is further demonstration and further going on record as further demonstration that they do not intend to be fair, as they claim to be fair, as they say they claim to be fair, it is a tendency to show grounds on record for the statement of the gentleman from Sioux if they couldnt make them take it in a decent way they would make them take it anyhow. I vote aye.

Mr. Watt: I desire to explain my vote.

Mr. Speaker: Do you want it recorded in the Journal?

Mr. Watt: I do not.

Mr. Patterson: I want his remarks taken down.

Mr. Watt: I regard this as just one more effort on the part of the minority to block this audit report getting before the people, therefore, Mr. Speaker, I vote no."

The question being on the motion of Mr Johnson that the audit committee be dissolved, the motion was lost.

Mr. Vogel moved that the rules governing the practice and procedure of the House Audit Committee be printed in the Journal, which motion prevailed.

RULES GOVERNING THE PRACTICE AND PROCEDURE OF THE HOUSE AUDIT COMMITTEE

The following are the rules governing the practice and procedure before the House Audit Committee of the House of Representatives of the State of North Dakota, Seventeenth Session, appointed to investigate the affairs of the Bank of North Dakota and other State industries:

RULE I.

The hour of the day at which the House Audit Committee shall sit upon this investigation shall be at 9:30 o'clock A. M., and when the hour shall arrive the Chairman of said Committee shall so announce, and, thereupon, the business of the investigation shall proceed.

RULE II.

The Secretary of this Committee shall keep a full and complete record of all proceedings had in this investigation, including all motions made by members of said Committee and the vote thereon and a verbatim report of all testimony taken on said investigation, including all papers, documents and records which may be offered in connection therewith; provided, however, that all testimony may be taken in shorthand by a reporter, duly appointed and sworn for that purpose, and by him transcribed.

The oath taken by the reporter shall be substantially in the following form:

State of North Dakota,
County of Burleigh—ss.

I,, do solemnly swear that I will support the Constitution of the United States of America, and the Constitution of the State of North Dakota; that I will perform the duties of the office of Reporter of the investigation before the House Audit Committee of the House of Representatives of the State of North Dakota, 17th Session, to the best of my ability. So help me God.

Subscribed and sworn to before me this day of A. D. 1921.

Notary Public, State of North Dakota.

RULE III.

Upon the application of any Committeeman to the Chairman of this Committee, or of Counsel appointed to aid in this

Investigation subpoenas shall be issued by the Chairman of the Committee, attested by the Secretary thereof, and such subpoenas shall state the time and the place at which the same shall be returnable, and shall be substantially in the following form:

State of North Dakota,
County of Burleigh—ss.

Before the House Audit Committee of the House of Representatives of the State of North Dakota, 17th Session, appointed to consider the audit and investigate the affairs of the Bank of North Dakota and other State industries.

THE STATE OF NORTH DAKOTA TO GREETING:

You, and each of you, are hereby commanded to appear before the House Audit Committee of the House of Representatives of the State of North Dakota, 17th Session, sitting to investigate and consider the audit of the affairs of the Bank of North Dakota and other State industries, on the day of, 1921, at the Court House in the City of Bismarck, County of Burleigh and State of North Dakota, then and there to testify your knowledge in the matter which is before said committee, to-wit; the investigation and consideration of the audit and affairs of the Bank of North Dakota and other State industries, and you are required to bring with you the following:

.....
.....

Hereof fail not.
Attest:
Chairman of House Audit Committee.

.....
Secretary of House Audit Committee.

RULE IV.

All witnesses subpoenaed as above shall immediately report to the Secretary of said Committee, and upon discharge of such duties of witnesses they shall present to said Secretary their said subpoena, and he shall thereupon certify thereon the mileage and per diem of such witnesses, which certificate shall be accepted as evidence thereof.

RULE V.

The form of direction for the service of such subpoena shall appear upon the subpoena, and shall be subsequently as follows:

The State of North Dakota:

To the Sergeant at Arms of the House of Representatives of the State of North Dakota, or any of his assistants, or any Special Officer appointed by the House Audit Committee, or to any Sheriff, Constable, Marshal, or Police Officer within the State of North Dakota:

You are hereby commanded to forthwith serve and return the within subpoena according to law.

Dated at Bismarck, N. D., this day of, 1921.

.....
Secretary of House Audit Committee.

Proof of service of such subpoena shall be governed by the provisions of Section 7436, Civil Code, Compiled Laws of 1913.

RULE VI.

Each witness shall be sworn in the following manner:

You do solemnly swear (affirm) that the evidence you will give in the matter of the investigation and consideration of the audit of the affairs of the Bank of North Dakota, and other State Industries, now before this House Audit Committee, shall be the truth, the whole truth, and nothing but the truth, so help you God.

Which oath shall be administered by the Chairman of this House Audit Committee.

RULE VII.

The hearings shall be open to the public, provided, however, that upon the motion of any member of this Committee, or at the discretion of the Chairman thereof, the Committee may go into executive session, whereupon all persons shall be excluded from said hearing, save and except the members of said Committee, counsel employed by said Committee, the necessary accountants and other employees, and the person under examination.

RULE VIII.

This proceeding being in the nature of an investigation, and the controversies incident to the average trial being absent, the Counsel for the Committee are directed to the examination of witnesses by the question and answer method, and, without reference to the formal rules of evidence, elicit from the witnesses, as expeditiously as the circumstances will permit, the ultimate and essential facts to be by each witness disclosed.

RULE IX.

This proceeding being in the nature of an inquiry and investigation and not a trial, no witness or other person shall be permitted to appear or be represented before this House Audit Committee at any hearing by agent, representing attorney, counsellor, or in any other manner than in person.

RULE X.

The Chairman of this House Audit Committee shall direct all necessary preparation for the hearings before said Committee, and upon the hearing shall direct all forms of proceedings not otherwise specifically provided for herein.

RULE XI.

When no rule is herein provided for the governing of the practice and procedure of this House Audit Committee, the Chairman thereof shall announce the rule, subject to the right of any member of said Committee to appeal therefrom to the whole Committee.

RULE XII.

Witnesses shall be examined by counsel employed by this Committee, provided, however, that if a member of the Committee wishes to question a witness permission shall first be

given by the Chairman of said Committee, and, provided further, that if it shall appear to the Chairman that such question or questions are not propounded in good faith, he shall refuse to permit same to be asked unless directed so to do by a majority of the whole Committee.

RULE XIII.

The parliamentary rules adopted by the House of Representatives of the State of North Dakota, 17th Session, so far as the same may be applicable and not inconsistent with the specific rules adopted by this Committee, shall govern the proceedings upon this investigation.

RULE XIV.

In the event of any witness failing to appear before this Committee in answer to a subpoena, upon such fact being found by this Committee the Chairman hereof shall prepare a statement thereof showing the following facts:

- (1) The issuance of the subpoena and the date thereof.
- (2) The service thereof upon such person, including the time and place of such service.
- (3) A statement of the time and place when and where such witness was by such subpoena directed to appear.
- (4) The fact of the failure or refusal of such witness to so appear.

Such statement shall be signed and certified by the Chairman of this Committee and attested by the Secretary hereof, and shall be filed with the Speaker of the House of Representatives of the State of North Dakota for such proceedings in said House for Contempt as may be in accordance with the rules of said House of Representatives.

RULE XV.

In the event of any witness refusing to answer a question or questions propounded to him by counsel for this Committee, upon such fact being found by this Committee the Chairman hereof shall prepare a statement showing the following facts:

- (1) The issuance of the subpoena and the date thereof.
- (2) The service thereof upon such person, including the time and place of such service.
- (3) A statement of the time and place when and where such witness was by such subpoena directed to appear.
- (4) The fact of his refusal to answer questions propounded.

Such statement shall be signed and certified by the Chairman of this Committee and attested by the Secretary hereof, and shall be filed with the Speaker of the House of Representatives of the State of North Dakota for such proceedings in said House for contempt as may be in accordance with the rules of said House of Representatives.

RULE XVI½

In the event of the failure of any witness, duly subpoenaed, to appear and bring with him any books, papers, documents or records, and upon such fact being found by the Committee,

the Chairman shall prepare a statement showing the following facts:

(1) The issuance of the subpoena and the date thereof, together with a description of the books, papers, documents or records.

(2) Service thereof upon such person, including the time and place of such service.

(3) A statement of the time and place when and where such witness was by such subpoena directed to appear and produce such books, papers, documents or records.

(4) The fact of his refusal to produce such books, papers, documents and records.

Such statement shall be signed by and certified by the Chairman and attested by the Secretary of the Committee, and shall be filed with the Speaker of the House of Representatives of the State of North Dakota for such proceedings before said House for contempt as may be in accord with the rules of such House of Representatives.

RULE XVI

Upon the final completion of this investigation the Chairman of this Committee shall direct the stenographer or stenographers taking the testimony thereof to make a full, complete and verbatim transcript of all such testimony and to affirm the same under oath and there may be annexed thereto any and all papers, documents or exhibits offered or received in connection therewith, or certified copies thereof, duly certified to by the Chairman of this Committee, which said verbatim report of such testimony, together with such papers, documents and exhibits as shall be deemed necessary to a proper understanding of the report, shall be annexed and attached to the report of the House Audit Committee and filed with the House of Representatives of the State of North Dakota.

RULE XVII.

All documents, papers and exhibits offered and received in this investigation shall immediately be filed with and kept in the custody of the Secretary of this Committee until the same shall be annexed to the report of this Committee and filed with the House of Representatives.

MESSAGE FROM THE SENATE

Bismarck, N. D., Feb. 5, 1921.

Mr. Speaker: I have the honor to transmit herewith the following bills:

Senate Bill No. 81: A Bill for an Act Declaring the Purpose of the State of North Dakota to Engage in the Business of Mining Lignite Coal for Use in its State Institutions, to be Operated by the State, and Making an Appropriation therefor.

Which the Senate has passed and your favorable consideration is respectfully requested.

Very respectfully,

W. J. PRATER,
Secretary.

Bismarck, N. D., Feb. 7, 1921.

Mr. Speaker: I have the honor to transmit the following concurrent resolution:

SENATE CONCURRENT RESOLUTION

Introduced by Mr. McNair, by request.

A Concurrent Resolution Beseeching Congress to Request the Joint International Commission to Take Action Looking to the Solution of the Problem of Controlling Floods in the Valley of the Red River in the United States and Canada.

WHEREAS, There are vast problems in flood control and drainage affecting the 110,000 square miles comprising the valley of the Red River in Canada and the United States which cannot be solved without co-operation and joint action of these two countries.

BE IT RESOLVED, by the Senate of the State of North Dakota and the House of Representatives Concurring: That we respectfully and urgently petition Congress to request the Joint International Commission to call a conference at some city near the international boundary and follow same with such action as will enable the two countries to continue and perfect the necessary, desired action relating to the control of the floods of the Red River.

Which the Senate adopted and your favorable consideration is respectfully requested.

Very Respectfully,

W. J. PRATER,
Secretary.

Bismarck, N. D., Feb. 7, 1921.

Mr. Speaker: I have the honor to transmit the following concurrent resolution:

A CONCURRENT RESOLUTION.

Introduced by Mr. Mees.

HERETOFORE, certain portions of the public domain have been set aside as and for National Parks. Among the National Parks, so created, is the Yellowstone National Park, which has within its borders a body of water of unusual beauty, known as Yellowstone Lake. In the Act creating Yellowstone National Park, it was specifically provided that the territory embraced within the boundaries of said park should and it was 'dedicated and set apart as a public park or pleasure ground for the benefit of the people.' and

WHEREAS, it appears that certain interests are seeking to have legislation enacted by congress permitting the waters in Yellowstone Lake to be dammed up, with the result that objects of beauty and interest would be impaired or destroyed:

BE IT THEREFORE RESOLVED That the people of the State of North Dakota, speaking through their representatives in the Senate and House of Representatives, do hereby protest against the use of any portion of the Yellowstone National Park, or any of our National Parks for any purposes

except those for which they were originally dedicated and set aside. We consider legislation seeking to utilize such parks for other purposes a betrayal of a trust, and request the North Dakota Senators and Members of Congress to use their best efforts to defeat such legislation to the end that our National Parks may be preserved in all their integrity and beauty for Americans throughout the ages.

BE IT FURTHER RESOLVED, That the Secretary of State be and he hereby is directed to send copies of this resolution to each of the North Dakota Senators and Members of Congress and to the President of the United States.

Which the Senate adopted and your favorable consideration is respectfully requested.

Very Respectfully,

W. J. PRATER,
Secretary.

Bismarck, N. D., January 31, 1921.

Mr. Speaker: I have the honor to return:
House Bill No. 5.

A Bill for an Act to prohibit intoxicating liquors and beverages with exceptions for nonbeverage and sacramental purposes and provide for its enforcement and the repeal of laws in conflict therewith.

Which the Senate has amended as follows:

On line 18 of the engrossed bill in Section 1 after the word "is" add the words "pasteurized and". And in line 19 of said section 1, after the word "from" cut out the word "such" and add the word "hermetically". And after the word "bottles" in the same line change the comma to a period and cut out the word "casks". Also cut out all of line 20.

Very Respectfully,

W. J. PRATER,
Secretary.

Courtesies of the floor were extended to C. S. Baley, P. V. Delaney, Henry O'Keefe, R. W. Haggardine, E. B. McCutcheon, Supt. J. T. Simley, G. W. Haggart, Karl J. Hoffman, R. H. Walker, Louis Crite, B. Stanley Hall, James Hinds

Mr. Bauer moved that the House do now recess until one o'clock February 8, 1921, which motion prevailed.

C. L. DAWSON,
Chief Clerk.

GENERAL ORDERS.

House Bill No. 35: A Bill for an Act to Amend and Re-enact Section 33 of Chapter 161 of the Laws of North Dakota for the Year 1915 as Amended by Chapter 122 of the Laws of North Dakota for the Year 1917 as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Relating to Game Birds and Season for Killing.

House Bill No. 81: A Bill for an Act to Establish a Uniform Egg Law, for Regulating and Preventing the Sale of

Eggs unfit as Articles of Human Food, Requiring Eggs to be Candled, Requiring a License for Dealers in Eggs and Establishing a Penalty for Violation of this Act.

House Bill No. 79: A Bill for an Act to Amend and Re-enact Sections 48 and 49 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Public Printing and Binding.

House Bill No. 18: A Bill for an Act to Amend and Re-enact Section 2 of Chapter 162 of the Laws of North Dakota for the Year 1919, Defining Certain Words and Phrases in said Chapter.

House Bill No. 100: A Bill for an Act Defining Criminal Syndicalism, Prohibiting the Advocacy Thereof and the Advocacy of Crime, Sabotage, Violence, or Other Unlawful Methods of Terrorism as a Means of Accomplishing Industrial Ends, and Assemblage for the Purpose of Such Advocacy; and Providing Penalties for the Violations of the Provisions Thereof.

House Bill No. 36: A Bill for an Act to Provide for the Standardization of the One-Room Rural Schools, the Graded Schools and the High Schools of the State.

House Bill No. 67: A Bill for an Act to Amend and Re-enact Sections 2462, 2463, 2466, 2487, 2489, 2490 Compiled Laws 1913, Relating to Drains.

House Bill No. 63: A Bill for an Act to Amend and Re-enact Section 7644 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 1 of the Session Laws for the Year 1919, (Regular Session), Relating to

TUESDAY, FEBRUARY 8, 1921

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THIRTY-FIFTH DAY AFTER RECESS AND
THIRTY-SIXTH DAY.

House of Representatives,
Bismarck, North Dakota,
February 8, 1921.

The House convened at 1 o'clock P. M. pursuant to recess taken, the Speaker presiding.

CONSIDERATION OF MESSAGES FROM THE SENATE.

Mr. Peters moved that the House do now concur in Senate Concurrent Resolution beseeching Congress to request the Joint International Commission to take action looking to the solution of the problem of controlling floods in the valley of the Red River in the United States and Canada, which motion prevailed.

Mr. Stark moved that the House refuse to concur in the amendment of the Senate to House Bill No. 5, and that the Speaker appoint a conference committee on House Bill No. 5, which motion prevailed and the Speaker appointed as such committee Messrs. Stark, Mouck and Sherman.

Mr. Olsen of Billings moved that the House do now concur in Senate Concurrent Resolution to Congress protesting against the use of our National Parks for any purpose except for which they were originally intended, which motion prevailed.

On motion the House returned to the 9th order of business.

INTRODUCTION, FIRST AND SECOND READING OF
HOUSE BILLS.

Mr. Walter Maddock introduced:

House Bill No. 156: A Bill for an Act Entitled, an Act to Meet an Emergency in the Operating of the Schools Located on the Fort Berthold Reservation in Mountrail County, North Dakota.

Was read the first and second time and referred to the committee on Appropriations.

Mr. Durkee introduced:

House Bill No. 157: A Bill for an Act to Amend and Re-enact Section 2078, Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 223, Session Laws of 1919, Relating to the Exemption of Property From Taxation.

Was read the first and second time and referred to the committee on Taxes and Tax Laws.

Mr. Carl E. Johnson introduced:

House Bill No. 158: A Bill for an Act to Amend and Re-enact Sections 948 and 968 of the Compiled Laws of 1913, and to Repeal Section 991 of the Compiled Laws of 1913, Relating to Elections.

Was read the first and second time and referred to the committee on Elections and Election Privileges.

The committee on Game and Fish introduced:

House Bill No. 159: A Bill for an Act to Amend and Re-enact Section 26 of Chapter 161 of the Session Laws of 1915, Relating to Hours for Shooting.

Was read the first and second time and referred to the committee on Game and Fish.

The committee on Game and Fish introduced:

House Bill No. 160: A Bill for an Act to Amend and Re-enact Section 52 of Chapter 161 of the Session Laws of North Dakota for the Year 1915, as Amended by Section 52 of Chapter 122 of the Session Laws for the Year 1917, Relating to Bag Limit of Game Birds.

Was read the first and second time and referred to the committee on Game and Fish.

Mr. Paul Johnson introduced:

House Bill No. 161: A Bill for an Act Providing that Chapter 174 of the Session Laws of North Dakota for the Year 1919 Shall not Apply in Cities, Villages, and Towns, Having a Population of Five Thousand (5000) or Less; and Repealing All Acts and Parts of Acts in Conflict Therewith.

Was read the first and second time and referred to the committee on Cities and Municipal Corporations.

Mr. Erickson of Walsh introduced:

House Bill No. 162: A Bill for an Act to Amend and Re-enact Section 13b and Section 43 of Chapter 225, Laws of North Dakota, 1919, Relating to the Taxation of Transfers of Property by Will, Gift or by Intestate Law.

Was read the first and second time and referred to the committee on Taxes and Tax Laws.

Mr. Cole, by request, introduced:

House Bill No. 163: A Bill for an Act to Amend and Re-enact Section Ten (10) of Chapter 174 of the Session Laws of North Dakota for the Year 1919, Relating to Appeals From the Decision of Minimum Wage Commission, and Providing the Procedure for Such Appeals.

Was read the first and second time and referred to the committee on Judiciary.

Mr. Flom introduced:

House Bill No. 164: A Bill for an Act to Amend and Re-enact Section 4, Chapter 61 of the Laws Passed by the Spe-

cial Session of the Sixteenth Legislative Assembly, 1919, Relating to the Debt Limit of Any County or Political Subdivision Thereof, or of Any Town or Village.

Was read the first and second time and referred to the committee on Cities and Municipal Corporations.

Mr. Patterson introduced:

House Bill No. 165: A Bill for an Act to Revise the Method of Taxation of Railway Companies; Providing for the Collection of Such Taxes by the State Treasurer and Providing a Method of Apportionment and Distribution Thereof.

Was read the first and second time and referred to the committee on Taxes and Tax Laws.

Also, House Bills Nos. 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, were introduced.

Mr. Mikkelson moved that the House do now adjourn, which motion prevailed and the House adjourned.

C. L. DAWSON,
Chief Clerk.

THIRTY-SIXTH DAY.

House of Representatives,
Bismarck, North Dakota,
February 8, 1921.

The House convened at 2 o'clock P. M., the Speaker presiding.

Prayer by the Chaplain, Rev. Quigley.

Roll call, all members present.

REVISION AND CORRECTION OF THE JOURNAL.

The committee on revision and correction of the Journal made the following report:

Mr. Speaker: Your committee on revision and correction of the Journal have carefully examined the Journal of the Thirty-fifth Day and found the same correct.

And recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted.

PETITIONS AND COMMUNICATIONS.

To the Honorable Senators and Representatives of the 17th Legislative Assembly:

We, the undersigned residents of the State of North Dakota hereby urge your earnest consideration of the Senate Bill No. 2, introduced by Senator Whitman, being a concurrent resolution for an amendment to the Constitution, establishing a trunk highway system for the State of North Da-

kota; we endorse the general plan in such resolution contained and recommend the presentation of the said resolution with such minor amendments which may be deemed by you advisable.

Signed by: GILBERT THOMPSON,
And Forty-Six Others.

February 4, 1921.

To the Senator and Representatives of Stutsman County:

We, the undersigned residents of Stutsman County, North Dakota, respectfully urge you to vote against any and all bills which have for their purpose the abolishment of the State Normal and Industrial School at Ellendale.

We believe that more people will secure educational privileges with the schools as now constituted rather than if centralized.

SIGNED BY 200 PERSONS.

A similar petition was received from LaMoure County signed by 110 persons and from Logan County signed by 80 persons.

REPORTS OF STANDING COMMITTEES

The committee on Ways and Means made the following report:

Mr. Speaker: Your committee on Ways and Means to whom was referred:

House Bill No. 145: A Bill for an Act to Amend and Re-enact Section 3471 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Section 1 of Chapter 13 of the Laws of the Special Session of the State of North Dakota for the Year 1918, as Amended by Chapter 54 of the Laws of North Dakota Passed by the Special Session of the Sixteenth Legislative Assembly in 1919, Relating to the Issuance of Bonds for Seed Grain and Feed.

Have had the same under consideration and recommend that the same be indefinitely postponed.

M. W. KELLY,
Chairman.

Mr. Kelly moved that the report be adopted, which motion prevailed and the report of the committee was adopted.

Also:

Mr. Speaker: Your committee on Ways and Means to whom was referred:

House Bill No. 146: A Bill for an Act to Amend and Re-enact Section 3533 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 104 of the Session Laws of 1915, Relating to the Compensation and Office Hours of County Commissioners.

Have had the same under consideration and recommend that the same do pass.

M. W. KELLY,
Chairman.

Mr. Kelly moved that the report be adopted, which motion prevailed and the report of the committee was adopted.

The committee on Agriculture made the following report:

Mr. Speaker: Your committee on Agriculture to whom was referred:

House Bill No. 88: A Bill for an Act to Amend and Re-enact Sections 624, 625, 626, and 627 of the Compiled Laws of North Dakota for the Year 1913; as Amended and Re-enacted by Chapter 252 of the Session Laws of North Dakota for the Year 1917, and Chapter 25 of the Special Session Laws for Year 1919, Providing for a Commissioner of Noxious Weeds, Appointment and Duties.

Have had the same under consideration and recommend that the same be indefinitely postponed.

VICTOR L. ANDERSON,
Chairman.

Mr. Anderson moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

Mr. Speaker: Your committee on Agriculture to whom was referred:

House Bill No. 118: A Bill for an Act to Amend and Re-enact Sections 624 and 625 of the Compiled Laws of North Dakota for the Year 1913 as Amended by Chapter 252 of the Laws of North Dakota for the Year 1917 and by Chapter 25 of the Laws Passed by the Special Session of the Legislative Assembly of North Dakota in 1919, Relative to the Commissioner of Noxious Weeds.

Have had the same under consideration and recommend that the same be amended as follows:

In Section 624, line 3, strike out the word "voters" and insert in lieu thereof the word "freeholders".

And when so amended recommend the same do pass.

VICTOR L. ANDERSON,
Chairman.

Also:

Mr. Speaker: Your committee on Agriculture to whom was referred:

House Bill No. 119: A Bill for an Act Declaring Sow Thistles to be a Noxious Weed, Prohibiting for Its Destruction and Providing for the Payment of the Expense of Its Destruction.

Have had the same under consideration and recommend that the same do pass.

VICTOR L. ANDERSON,
Chairman.

Mr. Anderson moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on State Affairs made the following report:

Mr. Speaker: Your committee on State Affairs to whom was referred:

Senate Bill No. 18: A Bill for an Act to Amend and Re-enact Chapter Six, Session Laws 1919, as Amended by Special Session Laws 1919 Relating to the Licensing, Regulating and Supervising the Licensing and Inspection of Pool and Billiard Rooms, Ball and Pin Alleys, Dance Halls, Theaters, Moving Picture Shows, Taxicab or Auto Livery, Places where Soft Drinks are Manufactured or Sold or where Cigars and Tobacco are Sold, or Public Hall, owned Privately and Used for Public Purposes; Providing Fees therefor, Inspectors, Office Help and Supplies Thereof; Defining Powers and Duties and Repealing all Acts and Parts of Acts Inconsistent Therewith.

Have had the same under consideration and recommend that the same be amended as follows:

In line 6 of the title of the printed bill strike out the words "Manufacturer or", at the beginning of such line.

In lines 8 and 9 of the title of the printed bill strike out the words "Inspectors, Office Help and Supplies thereof; defining Powers and Duties".

Strike out all of the bill after the word "License" at the beginning of Section One and substitute therefor "No pool hall, Billiard room, ball alley or pin alley, dance hall, theatre, moving picture show, taxicab or auto livery, or place where soft drinks are sold, or place, other than grocery stores, where cigars or tobacco are sold, or public hall, owned privately and used for public purposes, shall be opened, maintained, operated, or conducted within any city or village within this state, unless the owner, proprietor or managing agent thereof shall first secure a license so to do in the manner herein prescribed."

Section 2. LICENSE, HOW SECURED. On or before July 1st of each year every such owner, proprietor or managing agent desiring to operate, conduct, maintain such place as mentioned in Section One of this Act, shall make application for an annual license therefor to the City Auditor of the city, or the clerk of the village, or township, within which such business is desired to be conducted. Such application shall state the name of the owner, manager and proprietor of the place desired to be licensed, the nature and kind of business to be carried on; a general description of the building, its size, character, location and capacity; and shall particularly contain the description of the provisions made to safeguard the life and limb of persons who may be therein and the sanitary conditions thereof. It shall state that such place will be operated, if licensed by the City Council, City Commission or Board of Trustees, or Board of Township Supervisors, as the case may be, in accordance with the laws of this state, and of the ordinances of such city or village, if in a city or village, that if a violation of

the laws of this state or of any ordinance of such city or village, occurs in the operation of such place, the City Council, City Commission, Board of Trustees or Board of Township supervisors, as the case may be, shall be authorized to cancel the license issued. There shall also be contained a statement in the license that no immoral or improper practices, gambling, nor the sale or permission to drink upon said premises any intoxicating liquors, or sale of cigarets, will be allowed. This application shall be made upon a blank authorized and issued by the City Auditor, Village Clerk, or Township Clerk as the case may be, and such application shall be accompanied by the license fee hereinafter specifically prescribed.

Section 3. DUTIES OF CITY COUNCIL, CITY COMMISSION, BOARD OF TRUSTEES OR BOARD TOWNSHIP SUPERVISORS. The City Council, City Commission, Board of Trustees or Township Supervisors, as the case may be, shall examine, or cause to be examined, into the qualification of every applicant seeking to be licensed and into the fitness and suitability of the place and person desired to be licensed, and shall, upon application properly filed, and finding the place and person proper to be licensed, and upon the payment of the license fee prescribed, issue the license herein mentioned for a period of one year, for the conducting of a public place of business for operating a pool hall, billiard room, ball alley or pin alley, theatre, moving picture show, place where soft drinks are sold, or place, except grocery stores, where tobacco and cigars are sold, taxicab and auto livery, public hall or dance hall, and shall cause such place to be inspected and all laws properly enforced with respect to the conducting thereof.

Section 4. REFUSAL OR REVOCATION OF LICENSE. Such City Council, City Commission, Board of Trustees or Board of Township Supervisors, may after hearing had thereon, refuse to issue a license to any person for any place where it is made to appear that the applicant is an improper person to be so licensed, or that the place is improperly provided with sanitary equipment, or is an improper place to be licensed, or is an unsuitable building to protect the life and limb of the public who may visit the same, or that there exists unsuitable appliances to protect the public in case of fire, and such City Council, City Commission, or Board of Trustees, shall be authorized, upon the violation of any of the laws of this state, or of any ordinance of such city or village, to revoke any license granted pursuant to the provisions of this act, after a hearing had thereon; provided, however, that after the person licensed has pleaded guilty to or has been convicted of violating any law the second time, such city council, city commission, board of trustees or board of township supervisors shall revoke his license and such person may not thereafter be licensed, or any place he may have any financial interest in, be licensed for the same or similar purpose, within a period of one year thereafter within this state. A notice of such revocation of the license of any person shall be forthwith, upon such revocation being made, mailed to the Secretary of State at Bismarck; and a record

of all such revocations shall be kept by the Secretary of State, and it shall be the duty of any City Council, City Commission, Board of Trustees or Board of Township Supervisors of any city or village or township as the case may be, to ascertain from the office of the Secretary of State whether any prior license held by any applicant for a license, has been cancelled.

Section 5. LICENSE FEE. HOW DISPOSED OF. All license fees herein prescribed to be paid shall be paid to the city, village or township treasurer, as the case may be, and shall be by such treasurer deposited in the general fund of such city or village.

Section 6. LICENSE FEE. The annual license fee for such places herein described are hereby established and fixed as follows:

Any owner, manager, or proprietor of a pool hall or billiard room, \$5 per table per year; for ball alleys and pin alleys, \$5 per alley per year; for dance halls, \$15 per year; for theater or moving picture show, \$5 where there are not more than fifty (50) seats, \$10 where there are not more than seventy-five (75) seats, \$15 where there are not more than one hundred (100) seats, and \$4 for each one hundred (100) seats thereafter or fraction thereof; for taxicab or auto livery, \$15 for the first car and \$10 for each car thereafter; for places where soft drinks are sold, \$5 per year; for places, except grocery stores, where tobacco or cigars are sold, \$5 per year; For public hall, privately owned and used for public purposes, \$5 where there are not more than seventy-five (75) seats, \$10 where there are not more than one hundred fifty (150) seats and \$15 where there are more than one hundred fifty (150) seats, per year; provided, that where a dance hall, theatre, or moving picture show are operated in one building under the same management, one license shall be sufficient, in which case the larger of the three licenses shall be paid. Provided, further, that where cigars and tobacco are sold in the same place where soft drinks are sold under the same management, one license shall be sufficient.

Section 7. OFFICERS. This act shall not be construed to relieve any state, county, city, village or township officer or official, or any police official, from any duty now or hereafter enjoined upon him by law, or from the keeping of the peace in all public places named in this act; and any such official or officer shall be subject to removal from office in the manner by law provided, for any failure to enforce any statute or ordinance, required by law to be by such officer enforced.

Section 8. INVALID. If any section, or provision of this act, shall be held to be invalid it is hereby provided that all other provisions of this act which are not expressly held to be invalid, shall continue in full force and effect.

Section 9. REPEAL. All Acts and parts of Acts, vesting powers to license, regulate, control and supervise the licensing and inspecting of all such places named in this act and in conflict herewith are hereby repealed.

Section 10. PENALTY. Any person who shall violate any of the provisions of this act shall be guilty of a misdemeanor and upon conviction thereof shall be fined any sum not to exceed One Hundred Dollars (\$100.); or be confined in the county jail not to exceed ninety days; or shall be punished by both such fine and imprisonment.

Section 11. EMERGENCY. This act is hereby declared to be an emergency and shall take effect and be in force from and after its passage and approval.

And when so amended recommend the same do pass.

MARTIN OLSEN,
Chairman.

Mr. Speaker: A minority of your committee on State Affairs to whom was referred:

Senate Bill No. 18: A Bill for an Act to Amend and Re-enact Chapter Six, Session Laws 1919, as Amended by Special Session Laws 1919 Relating to the Licensing, Regulating and Supervising the Licensing and Inspection of Pool and Billiard Rooms, Ball and Pin Alleys, Dance Halls, Theaters, Moving Picture Shows, Taxicab or Auto Livery, Places where Soft Drinks are Manufactured or Sold or where Cigars and Tobacco are Sold, or Public Hall, owned Privately and Used for Public Purposes; Providing Fees therefor, Inspectors, Office Help and Supplies Thereof; Defining Powers and Duties and Repealing all Acts and Parts of Acts Inconsistent Therewith.

Have had the same under consideration and recommend that the same do pass.

J. H. BURKHART,
E. E. BRYANS,
THEO. HANSEN,
FRED ECKERT,
J. J. STRAIN,
WILLIAM KAMRATH,
WALTER MADDOCK,

Mr. Olson of Ramsey moved that the majority report be adopted, which motion was seconded.

Mr. Burkhardt moved that the motion be amended by substituting the word "minority" for the word "majority" which motion was seconded.

Roll call demanded.

The roll was called and there were ayes 54, nays 55, absent and not voting 4.

Ayes: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Brady, Bratsberg, Bryans, Burkhardt, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Hempel Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg.

Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Nays: Anderson of Burleigh, Bauer, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembine, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvrau, Mikkelson, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Ulland, Watt, Wood, Mr. Speaker.

Absent and not voting: Lazier, Mouck, Sherman, Stark.

So the motion was lost.

The committee on State Affairs made the following report:

Mr. Speaker: Your committee on State Affairs to whom was referred:

House Bill No. 14: A Bill for an Act Entitled an Act Relating to Interfering With Rights of Employees.

Have had the same under consideration and recommend that the same be amended as follows:

Strike out all of the bill following the word "directing" in line six of the printed bill and insert in lieu thereof the following:

"the political activities or affiliations of such employee, or any of them, or to coerce such employees, or any of them, through or by means of threats of discharge or loss of employment, to adopt or follow, or to restrain them from adopting or following any particular course of political action or political activities.

(b) It shall be unlawful for any person, association, company or corporation, or any agent, officer or employee thereof, to coerce any person or persons to enter into any agreement, written or verbal, to join or not to join, remain or not to remain, a member or members of any lawful labor, religious, charitable, political or fraternal organization or association, as a condition to securing or retaining employment of such person, firm or corporation. It shall be unlawful for any two or more persons, associations, corporations or employers to combine, or agree to combine, or confer together, for the purpose of maliciously interfering with any person in procuring, or preventing him from procuring, employment, or to maliciously procure the discharge of any employee by threats, promises, circulating black lists, or any other means whatsoever.

(c) It shall be unlawful for any person, association, company or corporation, or any agent or employee thereof, to blacklist any discharged employee, or by word or writing, maliciously seek to prevent, hinder, or restrain a discharged

employee, or one who has voluntarily left its employ, from obtaining employment elsewhere. Any person, association or corporation violating any of the provisions of this act shall be guilty of a misdemeanor and upon conviction thereof shall be punishable by imprisonment in the county jail for a term of not to exceed six months, or by a fine of not to exceed Five Hundred Dollars (\$500.00), or by both such fine and imprisonment.

(d) Nothing herein shall be construed to preclude the injured employee from recovering damages from his employer for injuries that are due to the violation of this act.

(e) "Employer of labor" shall mean any person, firm or corporation having one or more persons in its employ.

And when so amended recommend the same do pass.

Martin Olsen,
Chairman.

The committee on Banking made the following report:

Mr. Speaker: Your committee on Banking to whom was referred:

House Bill No. 147: A Bill for an Act to Amend and Re-enact Section 5179 of the Compiled Laws of 1913 as Amended and Re-enacted by Chapter 55 of the Session Laws of 1915, Relating to the Department of the State Examiner.

Have had the same under consideration and recommend that the same do pass.

M. O. Grangaard,
Chairman.

Mr. Grangaard moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

Mr. Speaker: Your committee on Banking to whom was referred:

House Bill No. 148: A Bill for an Act Making it a Felony for Any Person to Enter Any Room Wherein, in Whole or in Part, a General Banking Business is Carried on, or Wherein in Whole or in Part, a Business of Receiving Securities, Evidence of Debts or Any Other Valuable Papers on Deposit or for Safe Keeping, in Which There is at the Time a Human Being, With Intent to Commit a Felony Therein by Means of Threats, Force or Violence, and Prescribing the Punishment Therefor.

Have had the same under consideration and recommend that the same do pass.

M. O. Grangaard,
Chairman.

Mr. Grangaard moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

Mr. Speaker: Your committee on Banking to whom was referred:

House Bill No. 149: A Bill for an Act Providing for the Supervision of Liquidation of Insolvent Banks by the Depositors' Guaranty Fund Commission, the Appointment of a Supervisor of Receivers and Compensation and Expenses Thereof to be Paid Out of the Depositors' Guaranty Fund.

Have had the same under consideration and recommend that the same do pass.

M. O. Grangaard,
Chairman.

Mr. Grangaard moved that the report be adopted, which motion prevailed, and the report was adopted.

Also:

Mr. Speaker: Your committee on Banking to whom was referred:

House Bill No. 150: A Bill for an Act to Amend and Re-enact Section 7 of Chapter 126 of the Laws of North Dakota for the Year 1917, Relating to the Guarantee of Bank Deposits.

Have had the same under consideration and recommend that the same do pass.

M. O. Grangaard,
Chairman.

Mr. Grangaard moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

Mr. Speaker: Your committee on Banking to whom was referred:

House Bill No. 151: A Bill for an Act to Amend and Re-enact Section 1 of Chapter 126 of the Laws of North Dakota for the Year 1917 as Amended and Re-enacted by Chapter 110 of the Laws of North Dakota for 1919, Relative to the Guarantee of Bank Deposits.

Have had the same under consideration and recommend that the same do pass.

M. O. Grangaard,
Chairman.

Mr. Grangaard moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

Mr. Speaker: Your committee on Banking to whom was referred:

House Bill No. 152: A Bill for an Act to Amend and Re-enact Section 8 of Chapter 126 of the Laws of North Dakota for the Year 1917, Relating to the Guarantee of Bank Deposits.

Have had the same under consideration and recommend that the same do pass.

M. O. Grangaard,
Chairman.

Mr. Grangaard moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on Judiciary made the following report:

Mr. Speaker: Your committee on Judiciary to whom was referred:

House Bill No. 99: A Bill for an Act to Amend and Re-enact Section 3529 of the Compiled Laws of North Dakota for the Year 1913, Relating to Fees of Notaries Public.

Have had the same under consideration and recommend that the same do pass.

C. H. Starke,
Chairman.

Mr. Starke moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

Mr. Speaker: Your committee on Judiciary to whom was referred:

House Bill No. 123: A Bill for an Act to Amend and Re-enact Section 6877 of the Compiled Laws of North Dakota for 1913, as Amended by Chapter 182 of the Session Laws of North Dakota for Year 1917, Providing for Liens for Repairs on Personality.

Have had the same under consideration and recommend that the same be indefinitely postponed.

C. H. Starke,
Chairman.

Mr. Starke moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

Mr. Speaker: Your committee on Judiciary to whom was referred:

House Bill No. 135: A Bill for an Act Amending and Re-enacting Section 8074 of Chapter 30, of the Code of Civil Procedure of the Compiled Laws of North Dakota for 1913, Relating to the Foreclosure of Mortgages, Liens and Contracts.

Have had the same under consideration and recommend that the same be indefinitely postponed.

C. H. Starke,
Chairman.

Mr. Starke moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

Mr. Speaker: Your committee on Judiciary to whom was referred:

House Bill No. 136: A Bill for an Act to Amend and Re-enact Section 8205, Compiled Laws of North Dakota for 1913,

Defining the Private Property Which May be Taken by Eminent Domain.

Have had the same under consideration and recommend that the same be amended as follows:

Strike out all of lines 22-23-24.

Strike out the number six (6) at the beginning of line 25 and insert in lieu thereof the number five (5).

Strike out the number seven (7) at the beginning of line 34 and insert in lieu thereof the number six (6).

Strike out all of section two (2).

And when so amended recommend the same do pass.

C. H. Starke,
Chairman.

Also:

Mr. Speaker: Your committee on Judiciary to whom was referred:

Senate Bill No. 24: A Bill for an Act to Amend and Re-enact Section 4400 of the Compiled Laws of North Dakota, 1913, Relating to Affirmative Proof Required in Divorce Actions.

Have had the same under consideration and recommend that the same do pass.

C. H. Starke,
Chairman.

Mr. Starke moved that the report be adopted which motion prevailed and the report was adopted.

Also:

Mr. Speaker: Your committee on Judiciary to whom was referred:

House Bill No. 142: A Bill for an Act to Amend and Re-enact Section 10380 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to the Disposition of Fines, Forfeitures and Penalties.

Have had the same under consideration and recommend that the same be indefinitely postponed.

C. H. Starke,
Chairman.

Mr. Starke moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

Mr. Speaker: Your committee on Judiciary to whom was referred:

House Bill No. 120: A Bill for an Act Relating to a Trial by Jury in Certain Court Cases.

Have had the same under consideration and recommend that the same be indefinitely postponed.

C. H. Starke,
Chairman.

Mr. Starke moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on Enrollment and Engrossment made the following report:

Mr. Speaker: Your committee on Enrollment and Engrossment have examined the following bills:

House Bill No. 108: A Bill for an Act to Amend and Re-enact Section 28 of Chapter 161 of the Laws of North Dakota for the Year 1915 as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Relating to Trespassing on Lands Where Hunting is Prohibited.

House Bill No. 107: A Bill for an Act to Amend and Re-enact Section 10298 of the Compiled Laws of North Dakota for the Year 1913 as Amended by Chapter 162 of the Laws of North Dakota for the Year 1915, as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Relating to the Season for Killing Deer.

House Bill No. 29: A Bill for an Act to Amend and Re-enact Section 1137 of the General School Laws Entitled Salary and Expenses.

House Bill No. 28: A Bill for an Act to Amend and Re-enact Section 1136 of the General School Laws entitled Deputies. How Appointed. Salary.

House Bill No. 21: A Bill for An Act to Amend and Re-enact Section 5 of Chapter 162 of the Laws of North Dakota for 1919, Relating to Information Furnished by Employers to the Workmen's Compensation Bureau of North Dakota and Penalty for Failure to Furnish Information Required.

House Bill No. 50: A Bill for an Act to Amend and Re-enact Section 1146 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 213 of the Session Laws of 1917, Relating to Changing of School District Boundaries.

House Bill No. 51: A Bill for an Act to Prohibit the Use of Tobacco by Smoking in Certain Places and Providing Penalty.

House Bill No. 42: A Bill for an Act to Amend and Re-enact Section 3969 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Section 79 of the Session Laws of North Dakota for the Year 1919, Relating to Excluding Farm Lands from the Limits of City, Town and Villages.

And find the same correctly engrossed.

ADAM PRESZLER,
Chairman.

Mr. Preszler moved that the report be adopted, which motion prevailed and the report was adopted.

MOTIONS AND RESOLUTIONS.

Mr. Grangaard moved that the vote by which committee report on House Bill No. 148 be reconsidered and that the bill be referred to the committee on judiciary, which motion prevailed.

UNFINISHED BUSINESS.

Mr. Peters moved that senate concurrent resolution providing for \$25,000.00 additional pay for members of this legislature be indefinitely postponed, which motion was seconded by Mr. Mikkelson.

Mr. Johnson of Steele, moved the previous question, which motion prevailed.

The question being on the adoption of the motion to indefinitely postpone the resolution, which motion prevailed and the resolution was indefinitely postponed.

FIRST AND SECOND READING OF HOUSE BILLS

Mr. Kitchen introduced:

House Bill No. 166: A Bill for an Act Empowering the State Land Department of the State of North Dakota to Grant Certain Permits for the Sinking of Oil Wells on School Lands.

Was read the first and second time and referred to the committee on State Affairs.

Mr. Kitchen and Walter Maddock introduced:

House Bill No. 167: A Bill for an Act Authorizing Cities and Organized Villages in the State of North Dakota to Pass Ordinances Regulating and Censoring the Exhibition of Moving Pictures.

Was read the first and second time and referred to the committee on Ways and Means.

Mr. McGauvran introduced:

House Bill No. 168: A Bill for an Act to Amend and Re-enact Section 287 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 241 of the Session Laws of 1915, and as Amended by Chapter 204 of the Session Laws of 1917, and as Amended by Chapter 198 of the Session Laws of 1919, Relating to the Investment of University and School Land Funds.

Was read the first and second time and referred to the committee on State Affairs.

Mr. Whitmer introduced:

House Bill No. 169: A Bill for an Act to Amend and Re-enact Section 4671 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to the Size and Construction of Caboose Cars.

Was read the first and second time and referred to the committee on Railroads.

Mr. Starke introduced:

House Bill No. 170: A Bill for an Act to Amend and Re-enact Section 7633 of the Compiled Laws of the State of

North Dakota for the Year 1913, Relating to When Special Verdicts Directed to Special Findings, How Prepared and Judgment Entered Thereon.

Was read the first and second time and referred to the committee on Judiciary.

Mr. Kopp introduced:

House Bill No. 171: A Bill for an Act Authorizing the Board of Administration to Create a Students Loaning Fund in State Normal Schools.

Was read the first and second time and referred to the committee on Judiciary.

Mr. Olson of Ramsey introduced:

House Bill No. 172: A Bill for a Concurrent Resolution to Amend and Re-enact Section 173 of the Constitution of the State of North Dakota, Relating to County Officers.

Was read the first and second time and referred to the committee on State Affairs.

Mr. Bratsberg introduced:

House Bill No. 173: A Bill for an Act to Amend and Re-enact Section 2846 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 104 of the Laws of North Dakota for the Year 1917, Relating to Price Discrimination in Purchasing Dairy Products.

Was read the first and second time and referred to the committee on Agriculture.

Mr. Lackey introduced:

House Bill No. 174: A Bill for an Act to Amend and Re-enact Section 1190 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 199 of the Laws of North Dakota for the Year 1919, as Amended by Chapter 53 of the Laws of North Dakota, Special Session of the Year 1919, Relating to the Consolidation of Schools; and Contracting for the Transportation of Pupils to and From Said Schools; and Providing for a Board of Arbitration.

Was read the first and second time and referred to the committee on Education.

Mr. Freeman introduced:

House Bill No. 175: A Bill for an Act to Authorize Congressional Townships to Levy a Special Tax for the Support of High Schools.

Was read the first and second time and referred to the committee on Taxes and Tax Laws.

Mr. Shipley, by request, introduced:

House Bill No. 176: A Bill for an Act to Amend and Re-enact Section 2078, Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 223, Session Laws of 1919, Relating to the Exemption of Property From Taxation.

Was read the first and second time and referred to the committee on Taxes and Tax Laws.

Mr. Olson of Ramsey introduced:

House Bill No. 177: A Bill for an Act to Amend and Re-enact Section 27 of Chapter 161 of the Laws of North Dakota for the Year 1915, as Amended by Chapter 134 of the Laws of North Dakota of the Year 1919, Relating to the Use of Hunting Dogs.

Was read the first and second time and referred to the committee on Game and Fish.

Mr. Mouck introduced:

House Bill No. 178: A Bill for an Act to Amend and Re-enact Chapter 155 of the Session Laws of 1917, Relating to Glaring Head Lights and Spotlights and Prescribing Penalty for Violation.

Was read the first and second time and referred to the committee on Highways and Bridges.

Mr. Maddock of Mountrail presented:

House Bill No. 179.

And was referred to the committee on Delayed Bills.

Mr. Halcrow introduced:

House Bill No. 180: A Bill for an Act to Provide for the Establishment of County Hospitals and County Aid to Private Hospitals.

Was read the first and second time and referred to the committee on Public Debt.

Mr. Hempel introduced:

House Bill No. 181: A Bill for an Act to Amend and Re-enact Section 7753; Sections 7754 and 7758 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 223 of the Laws of North Dakota for the Year 1915, and as Amended by Chapter 109 of the Laws of North Dakota for the Year 1917; and Sections 8085 and 8115 of the Compiled Laws of North Dakota for the Year 1913, Relating to Redemption From Sales of Real Estate Under Execution and Foreclosure.

Was read the first and second time and referred to the committee on Judiciary.

Mr. Shipley, by request, introduced:

House Bill No. 182: A Bill for an Act Defining and Providing for a Gross Earnings Tax on Freight Line and Car Equipment Companies and Repealing Subdivisions 2, 3, 4, 5, 6, 7, 8, 9, 10 and 11 of Section 2144 of the Compiled Laws of North Dakota for the Year 1913, as Amended and Re-enacted in Chapter 59, Special Session Laws of 1919.

Was read the first and second time and referred to the committee on Railroads.

Messrs. Allen and Eckert introduced:

House Bill No. 183: A Bill for an Act to Amend and Re-enact Chapter 1342 of the Compiled Laws of North Dakota for 1913, as Amended by Chapter 141 of the Session Laws of

North Dakota for the Year 1915 and Chapter 206 of the Session Laws of North Dakota for the Year 1917, Relating to Compulsory Attendance, School Age and the Transportation of Pupils.

Was read the first and second time and referred to the committee on Education.

Mr. Preszler, by request, introduced:

House Bill No. 184: A Bill for an Act Limiting and Defining the Powers of County Commissioners in Certain Counties.

Was read the first and second time and referred to the committee on Judiciary.

Mr. Reichert introduced:

House Bill No. 185: A Bill for an Act to Amend and Re-enact Section One, Chapter 124, of Session Laws of 1917, as Amended by Chapter 136, Session Laws of 1919, Relating to Witness Fees in Garnishment Proceedings.

Was read the first and second time and referred to the committee on Judiciary.

Mr. Carl E. Johnson introduced:

House Bill No. 186: A Bill for a Concurrent Resolution, Amending the Constitution of the State of North Dakota Relating to the Term of Office of the Judges of the Supreme Court.

Was read the first and second time and referred to the committee on Judiciary.

Committee on Warehouse and Grain Grading presented:
House Bill No. 187.

And was referred to the committee on Delayed Bills.

Messrs. Carlson and Boyd introduced:

House Bill No. 188: A Bill for a Concurrent Resolution, to Amend and Re-enact Section 45 of the Constitution of the State of North Dakota, Relating to Compensation of Members of the Legislative Assembly.

Was read the first and second time and referred to the committee on State Affairs.

Mr. Olson of Ramsey introduced:

House Bill No. 189: A Bill for an Act to Repeal Sections 811 and 812 of the Compiled Laws of North Dakota for 1913, as Amended and Re-enacted by Chapter 69 of the Laws of North Dakota (Regular Session) for 1919, Relating to License Fees for Attorneys and Counsellors at Law.

Was read the first and second time and referred to the committee on Judiciary.

Mr. Roy Johnson introduced:

House Bill No. 190: A Bill for an Act Empowering the State Inspector of Grades, Weights and Measures to Fix Maximum Rates for the Storage, Insurance, and Handling of Grain in Public Grain Warehouses; Requiring Warehouse-

men to Insure All Grain Stored in Public Grainwarehouses; and Repealing Section 3116 of the Compiled Laws of 1913.

Was read the first and second time and referred to the committee on Grain and Grain Grading.

Mr. Roy Johnson introduced:

House Bill No. 191: A Bill for an Act Empowering the State Inspector of Grades, Weights and Measures to Waive Certain Requirements of the Laws, Rules, and Regulations of the State of North Dakota, Relating to Public Grain Warehouses in the Case of Grain Warehouses Which Have Given Bond and are Licensed Under the United States Warehouse Act.

Was read the first and second time and referred to the committee on Grain and Grain Grading.

Messrs. Anderson of Burleigh, Shipley, Heaton, Bratsberg, Opland and Harding introduced:

House Bill No. 192: A Bill for an Act to Amend and Re-enact Chapter 97 of the Session Laws of 1917, as Amended by Chapter 99 of the Session Laws of 1919, and by Chapter 29 of the Special Session Laws of 1919, Relating to Cooperative Associations and to Repeal Chapter 13 of the Civil Code of the Compiled Laws of 1913, Chapter 92 of the Session Laws of 1915, and Chapters 95 and 96 of the Session Laws of 1917.

Was read the first and second time and referred to the committee on Corporations other than Municipal.

Mr. Hall introduced:

House Bill No. 193: A Bill for an Act Creating the Office of County Assessor; Defining His Powers and Duties and Abolishing the Offices of Township, Village or City Assessor and the Office of Tax Supervisor.

Was read the first and second time and referred to the committee on Taxes and Tax Laws.

Mr. Mikkelson, by request, introduced:

House Bill No. 194: A Bill for an Act to Repeal Chapter 130 of the Laws of North Dakota (Regular Session) for 1919, Relating to Attorney Fees and Sheriff's Fees on Foreclosure of Liens and Mortgages by Advertisement.

Was read the first and second time and referred to the committee on Judiciary.

Mr. Jardine introduced:

House Bill No. 195: A Bill for an Act to Provide for the Giving of Notice Before the Commencement of Actions or Proceedings to Foreclose Mortgages Upon Real Estate.

Was read the first and second time and referred to the committee on Judiciary.

Mr. Anderson of Burleigh introduced:

House Bill No. 196: A Bill for an Act to Amend and Re-enact Chapter 131 of the Laws of North Dakota for 1919, Relating to Notices Before Foreclosures of Mortgages on Real Property.

Was read the first and second time and referred to the committee on Judiciary.

Mr. Shipley introduced:

House Bill No. 197: A Bill for an Act to Provide for State and County Ballots for the Primary and General Elections and for Nomination and Election of All Elective State Officers, Members of the Legislative Assembly, Judges of the Supreme Court and District Court, Superintendent of Public Instruction and all Elective County Officers and to Repeal Sections 904, 905, 906, 907, 908, 909, 917, 918, 919 of the Compiled Laws of the State of North Dakota for the Year 1913 and Chapter 117 of the Session Laws of 1919, as Well as All Other Acts or Parts of Acts That are in Conflict With the Provisions Hereof.

Was read the first and second time and referred to the committee on Election and Election Privileges.

Mr. Shipley introduced:

House Bill No. 198: A Bill for an Act to Provide for Nomination of Candidates for the Offices of Presidential Electors, United States Senator, and Member of Congress and to Elect Delegates to the National Party Convention, National Committeeman and Party Precinct Committeeman and to Repeal Sections 917, 918 and 919 of the Compiled Laws of North Dakota for the Year 1913, and All Other Acts or Parts of Acts That are in Conflict With the Provisions Hereof.

Was read the first and second time and referred to the committee on Election and Election Privileges.

Messrs. C. J. Olson and Grangard introduced:

House Bill No. 199: A Bill for an Act to Amend and Re-enact Sections 1589, 1594, and 1595 of the Compiled Laws of 1913, Relative to Normal Schools.

Was read the first and second time and referred to the committee on Education.

Mr. McLarty introduced:

House Bill No. 200: A Bill for an Act to Repeal Article 3 and Sections 1596, 1597, 1598, 1599, 1600, 1601, 1602 and 1603, of the Compiled Laws, 1913, and to Re-enact Article 3, Sections 1596 and 1597.

Was read the first and second time and referred to the committee on State Affairs.

Messrs. Bjorgo, Boyd, Carlson, Kitchen, Semling, Starke and Preszler introduced:

House Bill No. 201: A Bill for an Act Entitled, "An Act Whereby Teachers Teaching in the Public Schools of North Dakota be United States Citizens.

Was read the first and second time and referred to the committee on Education.

THIRD READING OF HOUSE BILLS

House Bill No. 115: A Bill for an Act to Amend and Re-enact Section 6854 of the Compiled Laws of North Dakota

for the Year 1913, Relating to Thresher's Liens and Who May Have.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 95, nays 12, absent and not voting 6.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Grangaard, Hageibarger, Halcrow, Hanson of Grand Forks, Hall, Harding, Hartl, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Trail, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Peters, Plath, Preszler, Quade, Renauld, Root, Sagen, Semling, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Watt, Weld of Wells, Wood, Mr. Speaker.

Nays: Arduser, Frandson, Hanson of Benson, Maddock of Benson, Olson of Barnes, Patterson, Reichert, Sherman, Vogel, Weld of Kidder, Whitmer, Yeater.

Absent and not voting: Carlson, Cart, Cole, Hempel, Lazier, Maddock of Mountrail.

So the bill passed and the title was agreed to.

House Bill No. 113: A Bill for an Act to Amend and Re-enact Section 2495 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Levy of Taxes for Interest for Drainage Purposes and Creating Sinking Fund.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 109, nays 1, absent and not voting 3.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hageibarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Trail, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes,

Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Ulland, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Strain.

Absent and not voting: Lazier, Maddock of Mountrail, Watt.

So the bill passed and the title was agreed to.

CONSIDERATION OF MESSAGES OF THE SENATE

On motion the House concurred in Senate amendment to House Bill No. 17.

On motion the House concurred in Senate Concurrent Resolution relating to the sanitary conditions of the State Training School at Mandan.

The Speaker announced as the Joint House Committee to investigate the State Training School at Mandan, Messrs. Olsen of Billings, Reichert and Kopp.

FIRST AND SECOND READING OF SENATE BILLS

Senate Bill No. 96: A Bill for an Act to Amend and Re-enact Section 3550 of the Compiled Laws of the State of North Dakota of 1913, Relating to the Appointment of District Court Bailiff's and Compensation Thereof.

Was read the first and second time and referred to the committee on Judiciary.

Senate Bill No. 33: A Bill for an Act to Amend and Re-enact Section 2625, Compiled Laws of North Dakota for 1913, Relating to Trespass of Animals.

Was read the first and second time and referred to the committee on Agriculture.

Senate Bill No. 54: A Bill for an Act to Appropriate Money to Take Care of the Deficit in the Maintenance Account of the Hail Insurance Department for the Year Beginning January 1st, 1920, and Ending December 31st, 1920.

Was read the first and second time and referred to the committee on Appropriations.

Senate Bill No. 80: A Bill for an Act to Prevent the Adulteration and Deception in Varnishes and Varnish Substitutes and Providing for the Proper Labeling of the Same.

Was read the first and second time and referred to the committee on Ways and Means.

Senate Bill No. 81: A Bill for an Act Declaring the Purpose of the State of North Dakota to Engage in the Business of Mining Lignite Coal for Use in its State Institutions, to be Operated by the State, and Making an Appropriation therefor.

Was read the first and second time and referred to the committee on Appropriations.

GENERAL ORDERS

Mr. Starke moved that the House resolve itself into a committee of the whole for the consideration of general orders; which motion prevailed, and the house resolved itself into a committee of the whole.

The Speaker called Mr. Starke to the chair.

When the committee arose it submitted the following report:

Mr. Speaker: The committee of the whole have had under consideration:

House Bill No. 35: A Bill for an Act to Amend and Re-enact Section 33 of Chapter 161 of the Laws of North Dakota for the Year 1915 as Amended by Chapter 122 of the Laws of North Dakota for the Year 1917 as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Relating to Game Birds and Season for Killing.

And recommend that the same do pass as amended by the committee.

Also:

House Bill No. 81: A Bill for an Act to Establish a Uniform Egg Law, for Regulating and Preventing the Sale of Eggs unfit as Articles of Human Food, Requiring Eggs to be Candled, Requiring a License for Dealers in Eggs and Establishing a Penalty for Violation of this Act.

And recommend that the same do pass as amended by the committee.

Also:

House Bill No. 79: A Bill for an Act to Amend and Re-enact Sections 48 and 49 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Public Printing and Binding.

And recommend that no action be taken at this time.

Also:

House Bill No. 18: A Bill for an Act to Amend and Re-enact Section 2 of Chapter 162 of the Laws of North Dakota for the Year 1919, Defining Certain Words and Phrases in said Chapter.

And recommend that the same be amended as follows:

On page 3, line 10, of the printed bill, strike out the word "adopted" and insert in lieu thereof the word "adoption."

And when so amended recommend the same do pass as amended by the committee and on the floor of the House.

Also:

House Bill No. 100: For an Act Defining Criminal Syndicalism, Prohibiting the Advocacy Thereof and the Advocacy of Crime, Sabotage, Violence, or Other Unlawful Methods of

Terrorism as a Means of Accomplishing Industrial Ends, and Assemblage for the Purpose of Such Advocacy; and Providing Penalties for the Violations of the Provisions Thereof.

And recommend that the same be amended as follows:

Strike out the "period" after the word "fine," in line 9 of Section 3 and insert in lieu thereof a "comma," and add the following: "provided, however, that nothing in the above three (3) sections shall be construed to abridge the legitimate rights of organized labor."

And recommend that the same do pass as amended in the committee and on the floor of the House.

Also:

House Bill No. 67: A Bill for an Act to Amend and Re-enact Sections 2462, 2463, 2466, 2487, 2489, 2490 Compiled Laws 1913, Relating to Drains.

On which no action was taken.

C. H. STARKE,
Chairman.

Mr. Starke moved that the report be adopted which motion prevailed and the report was adopted.

Courtesies of the floor were granted to W. J. Bell, Hon. J. F. Callahan, H. C. Reedshagen, W. Lindaas, O. Eilson, G. H. Balken, J. J. Weeks, H. O. Sheldon, E. E. Cole, W. R. Kellogg.

Mr. Bauer moved that the House do now adjourn, which motion prevailed and the House adjourned.

C. L. DAWSON,
Chief Clerk.

GENERAL ORDERS

House Bill No. 36: A Bill for an Act to Provide for the Standardization of the One-Room Rural Schools, the Graded Schools and the High Schools of the State.

House Bill No. 67: A Bill for an Act to Amend and Re-enact Sections 2462, 2463, 2466, 2487, 2489, 2490 Compiled Laws 1913, Relating to Drains.

House Bill No. 63: A Bill for an Act to Amend and Re-enact Section 7644 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 1 of the Session Laws for the Year 1919, (Regular Session), Relating to Change of Judges in Civil and Criminal Actions in the District Court, for Prejudice or Bias of Judge Thereof; Providing for the Calling in of Another Judge of Another Judicial District, and the Payment of His Expenses, and the Discharge of Jurors Therein.

House Bill No. 6:

A Bill for an Act to Amend and Re-enact Section 7949 of North Dakota, 1913, Relating to Continuances of Cases.

House Bill No. 43: A Bill to Create an Act Entitled an Act Providing for the Creation and Establishment of a State Engineering Examiners, Granting Certain Powers to and Prescribing the Duties of Said Board; Providing for the Examination and Registration of Land Surveyors and Professional Engineers. Regulating the Practice of Engineering in the

State of North Dakota, Providing Penalties for the Violation of This Act and Repealing all Acts or Parts of Acts in Conflict Therewith.

House Bill No. 106: A Bill for an Act to Amend and Re-enact Section 46 of Chapter 161 of the Laws of North Dakota for the Year 1915, as Amended by Chapter 63, of the Laws of North Dakota for the Year 1917, as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Prohibiting the Trapping, Catching, Killing, or Destroying of Beaver and Otter, for a Limited Period.

House Bill No. 34: A Bill for an Act to Fix the Salaries of Certain County Officers, to Provide for the Payment Thereof, for the Employment and Payment of Deputies and Clerk Hire in Such Offices, the Collection and Deposit of Fees, and the Repeal of Certain Laws.

House Bill No. 116: A Bill for an Act Providing for the Furnishing by the Register of Deeds of Each County to Elevators Making Application and Paying the Fee Provided Therefor, of an Abstract of All Mortgages and Liens Upon Grain Grown During Each Year, and Filed in the Office of the Register of Deeds.

House Bill No. 118: A Bill for an Act to Amend and Re-enact Sections 624 and 625 of the Compiled Laws of North Dakota for the Year 1913 as Amended by Chapter 252 of the Laws of North Dakota for the Year 1917 and by Chapter 25 of the Laws Passed by the Special Session of the Legislative Assembly of North Dakota in 1919, Relative to the Commissioner of Noxious Weeds.

Senate Bill No. 18: A Bill for an Act to Amend and Re-enact Chapter Six, Session Laws 1919, as Amended by Special Session Laws 1919 Relating to the Licensing, Regulating and and Billiard Rooms, Ball and Pin Alleys, Dance Halls, Theaters, Moving Picture Shows, Taxicab or Auto Livery, Places where Soft Drinks are Manufactured or Sold or where Cigars and Tobacco are Sold, or Public Hall, owned Privately and Used for Public Purposes; Providing Fees therefor, Inspectors, Office Help and Supplies Thereof; Defining Powers and Duties and Repealing all Acts and Parts of Acts Inconsistent Therewith.

House Bill No. 14: A Bill for an Act Entitled an Act Relating to Interfering With Rights of Employees.

House Bill No. 136: A Bill for an Act to Amend and Re-enact Section 8205, Compiled Laws of North Dakota for 1913, Defining the Private Property Which May be Taken by Eminent Domain.

CALENDAR

HOUSE BILLS

House Bill No. 146: A Bill for an Act to Amend and Re-enact Section 3533 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 104 of the Session Laws of 1915, Relating to the Compensation and Office Hours of County Commissioners.

Senate Bill No. 119: A Bill for an Act to Amend Section 14 of Chapter 147 of the Session Laws of 1919 Pertaining to Deposits of Funds and Loans by The Bank of North Dakota.

House Bill No. 147: A Bill for an Act to Amend and Re-enact Section 5179 of the Compiled Laws of 1913 as Amended and Re-enacted by Chapter 55 of the Session Laws of 1915, Relating to the Department of the State Examiner.

House Bill No. 148: A Bill for an Act Making it a Felony for Any Person to Enter Any Room Wherein, in Whole or in Part, a General Banking Business is Carried on, or Wherein in Whole or in Part, a Business of Receiving Securities, Evidence of Debts or Any Other Valuable Papers on Deposit or for Safe Keeping, in Which There is at the Time a Human Being, With Intent to Commit a Felony Therein by Means of Threats, Force or Violence, and Prescribing the Punishment Therefor.

House Bill No. 149: A Bill for an Act Providing for the Supervision of Liquidation of Insolvent Banks by the Depositors' Guaranty Fund Commission, the Appointment of a Supervisor of Receivers and Compensation and Expenses Thereof to be Paid Out of the Depositors' Guaranty Fund.

House Bill No. 150: A Bill for an Act to Amend and Re-enact Section 7 of Chapter 126 of the Laws of North Dakota for the Year 1917, Relating to the Guarantee of Bank Deposits.

House Bill No. 151: A Bill for an Act to Amend and Re-enact Section 1 of Chapter 126 of the Laws of North Dakota for the Year 1917 as Amended and Re-enacted by Chapter 110 of the Laws of North Dakota for 1919, Relative to the Guarantee of Bank Deposits.

House Bill No. 152: A Bill for an Act to Amend and Re-enact Section 8 of Chapter 126 of the Laws of North Dakota for the Year 1917, Relating to the Guarantee of Bank Deposits.

House Bill No. 99: A Bill for an Act to Amend and Re-enact Section 3529 of the Compiled Laws of North Dakota for the Year 1913, Relating to Fees of Notaries Public.

House Bill No. 35: A Bill for an Act to Amend and Re-enact Section 33 of Chapter 161 of the Laws of North Dakota for the Year 1915 as Amended by Chapter 122 of the Laws of North Dakota for the Year 1917 as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Relating to Game Birds and Season for Killing.

House Bill No. 81: A Bill for an Act to Establish a Uniform Egg Law, for Regulating and Preventing the Sale of Eggs Unfit as Articles of Human Food, Requiring Eggs to be Canded, Requiring a License for Dealers in Eggs and Establishing a Penalty for Violation of this Act.

House Bill No. 18: A Bill for an Act to Amend and Re-enact Section 2 of Chapter 162 of the Laws of North Dakota for the Year 1919, Defining Certain Words and Phrases Contained in Said Chapter.

House Bill No. 100: A Bill for an Act Defining Criminal Syndicalism, Prohibiting the Advocacy Thereof and the Advocacy of Crime, Sabotage, Violence, or Other Unlawful Methods of Terrorism as a Means of Accomplishing Industrial Ends, and Assemblage for the Purpose of Such Advocacy; and Providing Penalties for the Violations of the Provisions Thereof.

SENATE BILLS

Senate Bill No. 24: A Bill for an Act to Amend and Re-enact Section 4400 of the Compiled Laws of North Dakota, 1913, Relating to Affirmative Proof Required in Divorce Actions.

THIRTY-SEVENTH DAY.

House of Representatives,
Bismarck, North Dakota,
February 9, 1921.

The House convened at 2 o'clock P. M., the Speaker presiding.

Prayer by Chaplain Rev. Quigley.

Roll call, all members present except Messrs. Bratsberg, and Lazier, who were excused.

REVISION AND CORRECTION OF THE JOURNAL

The committee on revision and correction of the Journal made the following report:

Mr. Speaker: Your committee on revision and correction of the Journal have carefully examined the Journal of the 35th and 36th day and recommend that the same be corrected as follows:

On page 3 before the motion to adjourn show that House Bills from 167 to 201 inclusive were introduced.

On page 4, in reports of standing committees show that House Bill No. 145 was indefinitely postponed and that House Bill No. 146 was recommended that the same do pass.

On page 23, the last three lines on the page should be stricken out and inserted after line 15 on said page. Page 10 after the word "nays" in 4th line insert the word "Allen."

And when so corrected recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted which motion prevailed and the report was adopted.

PRESENTATION OF PETITIONS AND COMMUNICATIONS.

Fargo, N. D., Feb. 8, 1921.

Representative A. B. Carlson, Grand Pacific, Bismarck, N. D.

Request you use all influence to secure passage bill licensing sale cigarettes. Existing law is farce and enormous

expense to state and works injustice. Prohibition of sale of cigarettes is worthless unless national in scope and applied at source of manufacture. State now deprived legitimate revenue.

E. C. REINEKE,
And 15 Others.

Also two other petitions referreng to same matter.

Mayville, N. D., Feb. 7, 1921.

Representative Christ Ulland, Bismarck, North Dakota.

Please convey to the House of Representatives our request for the passage of Senate Bill number eighteen, called State Enforcement Officer Bill.

VOTING CITIZENS OF TRAILL COUNTY,

Signed by INGVALD LURA,
And 128 OTHERS.

To the Members of the House of Representatives:

We as citizens of Wyndmere request that the Heauth Bill introduced by Senator O. C. Gross establishing an Educational Health Commission consisting of: The State Superintendent of Public Instruction, President of the State Tuberculosis Association, President of the State Medical Association, Chairman of the Child Welfare Department of the Women's Federation, President of the State Nurses' Association, and the Secretary of the State Board of Health to have supervision over the Health Education in our public schools and public school nurses; do pass.

MRS. BREAW,
And 50 Others.

Petitions were received from Fargo, Northwood, Souris, Harvey, Grand Forks and Langdon, asking the Legislature to pass the bill establishing an Education Health Commission, said petitions being signed by several hundred persons.

REPORTS OF STANDING COMMITTEES

The committee on Education made the following report:

Mr. Speaker: Your committee on Education to whom was referred:

House Bill No. 153: A Bill For an Act to Amend and Re-enact Section 1185 of the Compiled Laws of the State of North Dakota for 1913, Relating to School Elections.

Have had the same under consideration and recommend that the same be indefinitely postponed.

MR. KITCHEN,
Chairman.

Mr. Kitchn moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on Enrollment and Engrossment made the following report:

Mr. Speaker: Your committee on Enrollment and Engrossment have examined the following bills:

House Bill No. 113: A Bill for an Act to Amend and Re-enact Section 2495 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Levy of Taxes for Interest for Drainage Purposes and Creating Sinking Fund.

House Bill No. 115: A Bill for an Act to Amend and Re-enact Section 6854 of the Compiled Laws of North Dakota for the Year 1913, Relating to Thresher's Liens and Who May Have.

and find the same correctly engrossed.

A. J. PRESZLER,
Chairman.

Mr. Preszler moved that the report be adopted, which motion prevailed and the report was adopted.

Also Mr. Speaker: Your Committee on Delayed Bills have had under consideration House Bill No. 179 and unanimously recommend that the same be permitted to be introduced.

JOHN G. PLATH,
Chairman.

Also:

Mr. Speaker: Your Committee on Delayed Bills have had under consideration House Bill No. 187 and unanimously recommend that the same be permitted to be introduced.

JOHN G. PLATH,
Chairman.

The committee on Public Health made the following report:

Mr. Speaker: Your committee on Public Health to whom was referred:

House Bill No. 112: A Bill for an Act to Amend and Re-enact Section 2955, 1956, of the Compiled Laws of the State of North Dakota for the Year 1913.

Have had the same under consideration and recommend that the same be amended as follows:

In Section 2, page 2 of the Printed Bill, on line 3 strike out the word "fifty" and insert in lieu thereof the word "five" Also the word "two" in the same line and insert in lieu thereof "twenty-five dollars."

And when so amended recommend the same do pass.

C. A. SAGEN,
Chairman.

The committee on Insurance made the following report:

Mr. Speaker: Your committee on Insurance to whom was referred:

House Bill No. 72: A Bill for an Act to Amend and Re-enact Section 4924 of the Compiled Laws of North Dakota for the Year 1913, Relating to Taxation of Insurance Companies.

Have had the same under consideration and recommend that the same be amended as follows:

Strike out everything in line six of Section one after the word "year", also all of lines seven and eight and the syllable "ment" in line (9) nine.

And when so amended recommend the same do pass.

ROY JOHNSON,
Chairman.

Also:

Mr. Speaker: Your committee on Insurance to whom was referred:

House Bill No. 93: A Bill for an Act Requiring Insurance Companies Writing Burglary and Fidelity Insurance for Banks to Furnish Certain Information.

Have had the same under consideration and recommend that the same be indefinitely postponed.

ROY JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on Drainage and Irrigation made the following report:

Mr. Speaker: Your committee on Drainage and Irrigation to whom was referred:

House Bill No. 41: A Bill for an Act, Providing for the Preservation and Control of the Artesian Waters of the State.

Have had the same under consideration and recommend that same be amended as follows:

In line number twenty-three, Section 2, change the word "case" to "casing".

In line nine, Section three, after word "state" strike out "custodian" and fill in "geologist."

In Section 4, line nine, strike out after word "punished" all of balance of that line and all of line ten to word "by". also in same line strike out all after word "not" and add these words, "less than five dollars and not to exceed". Line eleven, same Section, strike out after "dollars" all words to period after "fine", and insert as follows "at the". Line thirteen, same Section, strike out after "court" to period of same line.

Section 5, line five, strike out after word "flow" to period in line seven in same section, and substitute "and size of flow". Same section in line eight, after word state strike out "custodian" and fill in "Geologist or his deputy." In same section, line nine, strike out word "custodian" and substitute "Geologist or deputy." In same Section, line ten, after word "formation" fill in "this shall be done". In same section, the first word of line eleven shall be changed to "after" and the words "the time of" in same line shall be eliminated.

Section 6, line one, the word "custodian" shall be stricken out and the words "Geologist or his deputy" substituted. In same section, line fourteen, word "pressure" shall be stricken out and "size of flow" inserted; same section, line twenty-one, the words "state custodian" shall be stricken out. In same line after "engineer" the following be inserted "and the County Superintendent of Schools where such well is located"; in same section, line twenty-two after word "regulations, the following words inserted "and they shall each receive \$10.00 per day and actual traveling expense. In same section, "after" in line twenty-five shall be stricken out and balance of said section.

All of section seven is stricken out.

Section eight, line two, after word "state" balance of line stricken out and to word "who" in line three, words substituted "Geologist or his deputy" in same Section after period in line five shall be stricken out, and all of line six, seven and to period in line eight, and the following substituted "There shall be appropriated from state funds not otherwise appropriated the sum of \$2,500.00 biennially for the purpose of carrying out this act. Section 8, line eight, word "custodian" is stricken out and "geologist" is substituted, after word "Geologist" in line ten the balance of line and to word "who" in line eleven, is stricken out.

All of section nine in original bill is stricken out.

Section 9. The deputy who shall be appointed by the State Geologist may be removed for cause, and whose salary shall be \$10.00 for each day and actual traveling expenses.

Section 10, from colon (:) after line three is all stricken out and lines 4, 5, 6, 7, 8, 9, 10, 11, 13 and to period in line fourteen.

And when so amended recommend the same do pass.

C. NESS,
Chairman.

The committee on Ways and Means made the following report:

Mr. Speaker: Your committee on Ways and Means to whom was referred:

Senate Bill No. 80: A Bill for an Act to Prevent the Adulteration and Deception in Varnishes and Varnish Substitutes and Providing for the Proper Labeling of the Same.

Have had the same under consideration and recommend that the same do pass.

M. W. KELLY,
Chairman.

Mr. Kelly moved that the report be adopted, which motion prevailed and the report of the committee was adopted.

Also:

Mr. Speaker: Your committee on Ways and Means to whom was referred:

Senate Bill No. 37: A Bill for an Act Entitled, an Act to Cure Defects in the Title of Real Estate Caused by Failure of Foreign Corporations to Comply with Section 5238 Compiled Laws 1913.

Have had the same under consideration and recommend that the same do pass.

M. W. KELLY,
Chairman.

Mr. Kelly moved that the report be adopted, which motion prevailed and the report of the committee was adopted.

Also:

Mr. Speaker: Your committee on Ways and Means to whom was referred:

House Bill No. 130: A Bill For an Act Providing for Increased Pay for School Officers in Large and Unorganized School Districts.

Have had the some under consideration and recommend that the same be indefinitely postponed.

M. W. KELLY,
Chairman.

Mr. Kelly moved that the report be adopted, which motion prevailed and the report of the committee was adopted.

MAJORITY REPORT

The committee on Appropriations made the following report:

Mr. Speaker: Your committee on Appropriations to whom was referred:

Senate Bill No. 81: A Bill for an Act Declaring the Purpose of the State of North Dakota to Engage in the Business of Mining Lignite Coal for Use in its State Institutions, to be Operated by the State, and Making an Appropriation Therefor.

Have had the same under consideration and recommend that the same be indefinitely postponed.

WM. WATT,
Chairman.

Minority Report

The committee on Appropriations made the following report:

Mr. Speaker: Your committee on Appropriations to whom was referred:

Senate Bill No. 81: A Bill for an Act Declaring the Purpose of the State of North Dakota to Engage in the Business of Mining Lignite Coal for Use in its State Institutions, to be Operated by the State, and Making an Appropriation There-

Have had the same under consideration and recommend that the same be amended as follows:

In the printed bill on line 4 on page 2 under Section 3. strike out the numerals "\$200,000.00" and in lieu thereof the numerals "\$25,000.00."

And when so amended recommend the same do pass.

WM. WATT,
Chairman.

Mr. Watt moved the adoption of the majority report.

Mr. Maddock of Benson moved the substitution of the minority report for the majority report.

Mr. Ness moved the previous question, which motion prevailed

Roll call demanded

The question being on the motion of Mr Maddock of Benson, the roll was called and there were ayes 52, Nays 59, absent and not voting 2

Ayes: Anderson of Griggs, Arduser, Babcock, Bilquist, Brady, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Levin, McLarty, McManus, Maddock, of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater

Nays: Allen, Anderson of Burleigh, Bauer, Bjorgo, Bolinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Absent and not voting: Bratsberg, Lazier.

So the motion was lost.

Mr. Hanson asked permission of the House to explain his vote and have it recorded in the Journal. "We have heard a good deal during the last year about the mill at Drake making a great amount of money for the people of the State. If this is true I would be in favor of turning that money over to the Industrial Commission to use for operating a coal mine, but I am strongly opposed to appropriating any money for the purpose of going into the coal mining business, or any other business. I vote no."

Mr. Maddock of Mountrail asked permission to explain his vote and have it recorded in the Journal.

I vote aye on this measure for the reason I understand the Governor of this state has recommended this measure for the reason our State industries now consume about eighty thousand tons of coal per year, and it is sometimes hard to get the supply. I believe the people of this State want to see this industrial program succeed, and this lignite coal industry, and this is the proper way to proceed. The statement made that the people of the State have no confidence in the Industrial Commission or the Governor, or any confidence in the State officers, have nothing to do with it, and I believe the expressions made on the floor of this House do not represent the sentiments of the people of this state. I do not believe the Governor of this State would have recommended state owned coal mines if he thought the people of the State would stand by and throw monkey wrenches into the machinery of the State as they have with the State bank and other industries. It is impossible for them to thrive with any degree of success with the opposition accorded them. I vote aye.

The question being on the adoption of the majority report, the roll was called and there were ayes 59, nays 52, absent and not voting 2.

Ayes: Allen, Anderson of Burleigh, Bauer, Bjorgo, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Arduser, Babcock, Bilquist, Brady, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hageibarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Levin, McLarty, McManus, Maddock, of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater .

Absent and not voting: Bratsberg, Lazier.

So the majority report was adopted.

Mr. Patterson asked permission to explain his vote and have it recorded in the journal. "The motion before this house is to indefinitely postpone this bill. If the motion carries you will absolutely prohibit the state ever operating a coal mine by state aid, and by so doing will keep down the production of lignite coal in the state which will employ a

great many people, bring more laborers to our state, it will mean more people to purchase our products, more people to patronize our local business in the way of stores in general, and it is a wrong step to do away with this bill without giving it proper consideration and render service to the state in every other way. I vote no."

MAJORITY REPORT

The committee on Appropriations made the following report:

Mr. Speaker: Your committee on Appropriations to whom was referred:

Senate Bill No. 54: A Bill for an Act to Appropriate Money to Take Care of the Deficit in the Maintenance Account of the Hail Insurance Department for the Year Beginning January 1st, 1920, and Ending December 31st, 1920.

Have had the same under consideration and recommend that the same be indefinitely postponed.

WM. WATT,
Chairman.

MINORITY REPORT.

The committee on Appropriations made the following report:

Mr. Speaker: Your committee on Appropriations to whom was referred:

Senate Bill No. 54: A Bill for an Act to Appropriate Money to Take Care of the Deficit in the Maintenance Account of the Hail Insurance Department for the Year Beginning January 1st, 1920, and Ending December 31st, 1920.

Have had the same under consideration and recommend that the same do pass.

WM. WATT,
Chairman.

Mr. Watt moved the adoption of the majority report.

Mr. Maddock of Benson moved to substitute the minority report for the majority report.

Mr. Watt moved that Senate Bill No. 54 be re-referred to the committee for further consideration, which motion prevailed.

The committee on Appropriations made the following report:

Mr. Speaker: Your committee on Appropriations to whom was referred:

House Bill No. 101: A Bill for an Act Entitled, An Act Establishing a System of State Free Employment Service, Providing for the Maintenance Thereof, Defining the Duties of Such Department, Its Officers and Employees, and Appropriating Money for the Carrying Out of the Provisions of This Act.

Have had the same under consideration and recommend that the same be amended as follows:

In the printed bill, Section 4, line 6 on page 3, strike out the word "five" and insert in lieu thereof the word "ten." On page 4 section 8 line 3 strike out the word "twelve" and insert in lieu thereof the word "six." On line 4 in the same section strike out the numerals \$12,000.00 and insert in lieu thereof the numerals \$6,000.00.

And when so amended recommend the same to pass.

WM. WATT,
Chairman.

The committee on Appropriations made the following report:

Mr. Speaker: Your committee on Appropriations to whom was referred:

Senate Bill No. 29: An Act to Amend and Re-enact Section 1 of Chapter 4 of the Laws Passed by the Special Session of the Sixteenth Legislative Assembly of the State of North Dakota, Begun and Held at Bismarck, the Capital of Said State, on Tuesday, the Twenty-fifth Day of November, A. D. 1919, and Concluding Thursday, December the Eleventh, 1919, Being an Act to appropriate \$225,000.00 for the Purpose of Aiding in the Construction of a Bridge Across the Missouri River From Burleigh County to Morton County in the State of North Dakota, and the Further Sum of \$35,000.00 for the Construction of a Bridge Across the Red River, at Pembina, Pembina County, and Kittson County, Minnesota, Under the Provisions of Chapter 73 of the Laws Passed at the Sixteenth Session of the Legislative Assembly of North Dakota, Approved March 5, 1919; and Such Appropriation be Made From the State Highway Fund; Which Act was Approved 9:00 A. M. December 12, 1919.

Have had the same under consideration and recommend that the same do pass.

WM. WATT,
Chairman.

Mr. Watt moved that the report be adopted, which motion prevailed and the report was adopted.

REPORTS OF COMMITTEES.

The committee on Conference on House Bill No. 5 made the following report:

Mr. Speaker: Your committee on Conference to whom was referred:

House Bill No. 5: A Bill for an Act to Prohibit Intoxicating Liquors and Beverages With Exceptions for Nonbeverage and Sacramental Purposes and Provide for Its Enforcement and the Repeal of Laws in Conflict Therewith.

Have conferred with a like committee of the Senate and have agreed that the amendments added by the senate shall be stricken from the bill and the same be adopted as originally passed by the House.

C. H. STARKE,
Chairman.

Mr. Patterson moved that the report be rejected, which motion prevailed and the report was rejected.

Mr. Jardine moved that the House do now recess for ten minutes, which motion prevailed and the House recessed for ten minutes.

AFTER RECESS.

The House assembled pursuant to recess taken, the Speaker presiding.

MESSAGE FROM THE SENATE.

Bismarck, N. D., Feb. 9, 1921.

Mr. Speaker: I have the honor to transmit herewith the following bills:

Senate Bill No. 39: A Bill for an Act to appropriate the sum of \$175,000.00 for the purpose of aiding in the construction of a bridge across the Missouri River from Burleigh County to Morton County in the State of North Dakota under the provision of Chapter 73 of the Laws Passed at the Sixteenth Session of the Legislative Assembly of North Dakota, Approved March 5, 1919, in addition to the sum appropriated by Chapter 4 of the Special Session of the Sixteenth Legislative Assembly, Approved December 12, 1919, and that such appropriation be made from the State Highway Fund.

Senate Bill No. 87: A Bill for an Act to amend and re-enact Section 8657 of the Compiled Laws of North Dakota for the Year 1913, relating to letters of administration, and who are entitled thereto.

Senate Bill No. 88: A Bill for an Act to amend and re-enact Section 8551 of the Compiled Laws of North Dakota for the Year 1913, relating to citations and notices issued by the County Court and how the same must be served.

Senate Bill No. 102: For an Act to amend and re-enact Section 3621, Compiled Laws of North Dakota for the Year 1913, relating to compensation of aldermen.

Senate Bill No. 110: A Bill for an Act to amend and re-enact Section 811 of Chapter 69 of the Laws of the State of North Dakota for the Year of 1919, providing for a bond for attorneys.

Senate Bill No. 87: A Bill for an Act to amend and re-enact Section 8657 of the Compiled Laws of North Dakota for the Year 1913, relating to letters of administration, and who are entitled thereto.

Senate Bill No. 21: A Bill for an Act creating a Public Health Commission; fixing the membership thereof, and defining its powers and duties.

Which the Senate has passed and your favorable consideration is respectfully requested.

Very Respectfully,

W. J. PRATER,
Secretary.

Bismarck, N. D., Feb. 9, 1921.

Mr. Speaker: I have the honor to inform you that the Senate declines to accept the conference committee report

on House Bill No. 5, and the president has appointed Senators Miklethun, Church and Whitman as conferees on the part of the Senate.

Very respectfully,
 W. J. PRATER,
 Secretary.

CONSIDERATION OF MESSAGES FROM THE SENATE.

Mr. Burkhardt moved that the speaker appoint a conference committee of three to meet with the committee of the Senate, which motion prevailed and the Speaker appointed as such committee Messrs. Miller, Burkhardt and Jardine.

FIRST AND SECOND READING OF HOUSE BILLS.

Mr. Kitchen filed:

House Bill No 202, which was referred to the committee on Delayed Bills.

Mr. Lackey filed:

House Bill No. 203, which was referred to the committee on Delayed Bills:

Mr. Jardine filed:

House Bill No. 204, which was referred to the committee on Delayed Bills.

Mr. Jardine filed:

House Bill No. 205, which was referred to the committee on Delayed Bills.

The Warehouse and Grain Grading Committee introduced:

House Bill No. 187: A Bill for an Act to Amend and Re-enact Chapter 138 of the Session Laws of North Dakota for the Year 1919, Creating and Establishing the Department of Grades, Weights, and Measures Under the Direction and Supervision of the Board of Railroad Commissioners; Defining and Prescribing the Duties and Powers Thereof; Providing for the Licensing of Public Warehouses, Grain Buyers and Persons Engaged in Soliciting or Procuring Consignments of Grain, Seeds or Other Agricultural Products; Providing for the Establishing of Central Marketing Places; Providing for the Appointment of State Inspector, State Deputy Inspectors and Deputy Inspectors, Chief Elevator Accountant and Warehouse Inspectors, Defining Their Duties and Powers; Providing for Bonds from Public Warehouses to Secure all Moneys due the holders of Outstanding Grain Tickets; Requiring Public Warehouses to Keep Records of Their Business; Authorizing the fixing of a Reasonable Margin to be Paid the Producer of Grain; Providing for the Inspection of Public Warehouses; Providing for the Payment of Dockage Having Value; Authorizing Investigation of All Matters Bearing Upon the Marketing of Grain; Authorizing the Employment of Clerks, Experts and All Other Employees Necessary to Carry Out the Provisions of This Act, and Making an Appropriation Therefor; and Providing Penalties for the Violation of Any of the Provisions of This Act.

Was read the first and second time and referred to the committee on Grain and Grain Grading.

Mr. Maddock of Mountrail introduced:

House Bill No. 179: A Bill for an Act to Amend and Re-enact Section 3482 of the Compiled Laws of North Dakota for

the Year 1913 as Amended by Section 10 of Chapter 13 of the Laws of North Dakota for the Year 1918, as Amended by Section 2 of Chapter 177 of the Laws of North Dakota for the Year 1919; Also to Amend and Re enact Section 4 of Chapter 54 of the Laws of the Special Session of North Dakota for the Year 1919, Relating to the Issuance of Bonds and Warrants to Procure Seed Grain and Feed.

Was read the first and second time and referred to the committee on Agriculture.

On motion the House returned to the seventh order of business.

MOTIONS AND RESOLUTIONS.

Mr. Harding moved that House Bill No. 79 be withdrawn and re-referred to the committee from which it came, which motion prevailed.

The courtesies of the floor were extended to T. E. Tuftte, Albert Gilbertson, A. E. Spicher, August Krantz, Ray Meyers, W. J. Clapp, C. T. Yirchatt, S. J. LaDue

Mr. Hanson of Grand Forks moved that the House do now recess until 1 o'clock p. m., February 10th, which motion prevailed and the House so recessed.

C. L. DAWSON,
Chief Clerk.

CALENDAR.

HOUSE BILLS.

House Bill No. 146: A Bill for an Act to Amend and Re enact Section 3533 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 104 of the Session Laws of 1915, Relating to the Compensation and Office Hours of County Commissioners.

House Bill No. 147: A Bill for an Act to Amend and Re-enact Section 5179 of the Compiled Laws of 1913 as Amended and Re-enacted by Chapter 55 of the Session Laws of 1915, Relating to the Department of the State Examiner.

House Bill No. 149: A Bill for an Act Providing for the Supervision of Liquidation of Insolvent Banks by the Depositors' Guaranty Fund Commission, the Appointment of a Supervisor of Receivers and Compensation and Expenses Thereof to be Paid Out of the Depositors' Guaranty Fund.

House Bill No. 150: A Bill for an Act to Amend and Re-enact Section 7 of Chapter 126 of the Laws of North Dakota for the Year 1917, Relating to the Guarantee of Bank Deposits.

House Bill No. 151: A Bill for an Act to Amend and Re-enact Section 1 of Chapter 126 of the Laws of North Dakota for the Year 1917 as Amended and Re-enacted by Chapter 110 of the Laws of North Dakota for 1919, Relative to the Guarantee of Bank Deposits.

House Bill No. 152: A Bill for an Act to Amend and Re-enact Section 8 of Chapter 126 of the Laws of North Dakota for the Year 1917, Relating to the Guarantee of Bank Deposits.

House Bill No. 99: A Bill for an Act to Amend and Re-enact Section 3529 of the Compiled Laws of North Dakota for the Year 1913, Relating to Fees of Notaries Public.

House Bill No. 35: A Bill for an Act to Amend and Re-enact Section 33 of Chapter 161 of the Laws of North Dakota for the Year 1915 as Amended by Chapter 122 of the Laws of North Dakota for the Year 1917 as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Relating to Game Birds and Season for Killing.

House Bill No. 81: A Bill for an Act to Establish a Uniform Egg Law, for Regulating and Preventing the Sale of Eggs unfit as Articles of Human Food, Requiring Eggs to be Canded, Requiring a License for Dealers in Eggs and Establishing a Penalty for Violation of this Act.

House Bill No. 18: A Bill for an Act to Amend and Re-enact Section 2 of Chapter 162 of the Laws of North Dakota for the Year 1919, Defining Certain Words and Phrases in said Chapter.

House Bill No. 100: A Bill for an Act Defining Criminal Syndicalism, Prohibiting the Advocacy Thereof and the Advocacy of Crime, Sabotage, Violence, or Other Unlawful Methods of Terrorism as a Means of Accomplishing Industrial Ends, and Assemblage for the Purpose of Such Advocacy; and Providing Penalties for the Violations of the Provisions Thereof.

House Bill No. 119: A Bill for an Act Declaring Sow Thistles to be a Noxious Weed, Providing for Its Destruction and Providing for the Payment of the Expense of Its Destruction.

Senate Bill No. 24: A Bill for an Act to Amend and Re-enact Section 4400 of the Compiled Laws of North Dakota, 1913, Relating to Affirmative Proof Required in Divorce Actions.

Senate Bill No. 29: A Bill for an Act to Amend and Re-enact Section 1 of Chapter 4 of the Laws Passed by the Special Session of the Sixteenth Legislative Assembly of the State of North Dakota, Begun and Held at Bismarck, the Capital of said State, on Tuesday, the Twenty-fifth Day of November, A. D. 1919, and Concluding Thursday, December the Eleventh, 1919, Being an Act to Appropriate \$225,000.00 for the Purpose of Aiding in the Construction of a Bridge Across the Missouri River from Burleigh County to Morton County in the State of North Dakota, and the Further Sum of \$35,000.00 for the Construction of a Bridge across the Red River, at Pembina, Pembina County, and Kittson County, Minnesota, Under the Provisions of Chapter 73 of the Laws Passed at the Sixteenth Session of the Legislative Assembly of North Dakota, Approved March 5, 1919; and Such Appropriation Be Made From the State Highway Fund; which Act was Approved 9:00 A. M. December 12, 1919.

Senate Bill No. 37: A Bill for an Act Entitled, an Act to Cure Defects in the Title of Real Estate Caused by Failure of Foreign Corporations to Comply with Section 5238 Compiled Laws 1913.

Senate Bill No. 80: A Bill for an Act to Prevent the Adulteration and Deception in Varnishes and Varnish Substitutes and Providing for the Proper Labeling of the Same.

GENERAL ORDERS.

House Bill No. 36: A Bill for an Act to Provide for the Standardization of the One-Room Rural Schools, the Graded Schools and the High Schools of the State.

House Bill No. 67: A Bill for an Act to Amend and Re-enact Sections 2462, 2463, 2466, 2487, 2489, 2490 Compiled Laws 1913, Relating to Drains.

House Bill No. 63: A Bill for an Act to Amend and Re-enact Section 7644 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 1 of the Session Laws for th Year 1919, (Regular Session), Relating to Change of Judges in Civil and Crimnal Actons in the District Court, for Prejudice of Bias of Judge Thereof; Providing for the Calling in of Another Judge of Another Judicial District, and the Payment of His Expenses, and the Discharge of Jurors thereon.

House Bill No. 6: A Bill for an Act to Amend and Re-enact Section 7949 of North Dakota, 1913, Relating to Continuances of Cases.

House Bill No. 43: A Bill to Create an Act Entitled an Act Providing for the Creation and Establishment of a State Board of Engineering Examiners, Granting Certain Powers to and Prescribing the Duties of Said Board; Providing for the Examination and Registration of Land Surveyors and Professional Engineers. Regulating the Practice of Engineering in the State of North Dakota, Providing Penalties for the Violation of this Act and Repealing all Acts or Parts of Acts in Conflict Therewith.

House Bill No. 106: A Bill for an Act to Amend and Re-enact Section 46 of Chapter 161 of the Laws of North Dakota for the Year 1915, as Amended by Chapter 63, of the Laws of North Dakota for the Year 1917, as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Prohibiting the Trapping, Catching, Killing, or Destroying of Beaver and Otter, for a Limited Period.

House Bill No. 34: A Bill for an Act to Fix the Salaries of Certain County Officers, to Provide for the Payment Thereof, for the Employment and Payment of Deputies and Clerk Hire in Such Offices, the Collection and Deposit of Fees, and the Repeal of Certain Laws.

House Bill No. 116: A Bill for an Act Providing for the Furnishing by the Register of Deeds of Each County to Elevators Making Application and Paying the Fee Provided Therefor, of an Abstract of All Mortgages and Liens Upon Grain Grown During Each Year, and Filed in the Office of the Register of Deeds.

House Bill No. 118: A Bill for an Act to Amend and Re-enact Sections 624 and 625 of the Compiled Laws of North Dakota for the Year 1913 as Amended by Chapter 252 of the Laws of North Dakota for the Year 1917 and by Chapter 25 of the Laws Passed by the Special Session of the Legislative Assembly of North Dakota in 1919, Relative to the Commissioner of Noxious Weeds.

Senate Bill No. 18: A Bill for an Act to Amend and Re-enact Chapter Six, Session Laws 1919, as Amended by Special Session Laws 1919 Relating to the Licensing, Regulating and Supervising the Licensing and Inspection of Pool and Billiard Rooms, Ball and Pin Alleys, Dance Halls, Theaters, Moving Picture Shows, Taxicab or Auto Livery, Places where Soft Drinks are Manufactured or sold or where Cigars and Tobacco are Sold, or Public Hall, owned Privately and Used for Public Purposes; Providing Fees therefor, Inspectors, Office Help and Supplies Thereof; Defining Powers and Duties and Repealing all Acts and Parts of Acts Inconsistent Therewith.

House Bill No. 14: A Bill entitled, An Act Relating to Interfering with Rights of Employees.

House Bill No. 136: A Bill for an Act to Amend and Re-enact Section 8205, Compiled Laws of North Dakota for 1913, Defining the Private Property Which May be Taken by Eminent Domain.

House Bill No. 101: A Bill for an Act Entitled, An Act Establishing a System of State Free Employment Service, Providing for the Maintenance Thereof, Defining the Duties of Such Department, Its Officers and Employees, and Appropriating Money for the Carrying Out of the Provisions of This Act.

House Bill No. 41: A Bill for an Act, Providing for the Preservation and Control of the Artesian Waters of the State.

House Bill No. 72: A Bill for an Act to Amend and Re-enact Section 4924 of the Compiled Laws of North Dakota for the Year 1913, Relating to Taxation of Insurance Companies.

House Bill No. 112: A Bill for an Act to Amend and Re-enact Section 2955, 1956, of the Compiled Laws of the State of North Dakota for the Year 1913.

THIRTY-SEVENTH DAY AFTER RECESS AND THIRTY-
EIGHTH DAY

House of Representatives,
Bismarck, North Dakota,
February 10, 1921.

The House assembled at 1 o'clock P. M., pursuant to recess taken, the Speaker presiding.

GENERAL ORDERS

Mr. Johnson of Cass moved that the House resolve itself into a committee of the whole for the consideration of general orders; which motion prevailed, and the House resolved itself into a committee of the whole.

The Speaker called Mr. Johnson of Cass to the chair.

When the committee arose it submitted the following report:

Mr. Speaker: The committee of the whole have had under consideration:

House Bill No. 36: A Bill for an Act to Provide for the Standardization of the One-Room Rural Schools, the Graded Schools and the High Schools of the State.

No action taken.

ROY JOHNSON,
Chairman.

MESSAGE FROM THE SENATE

Bismarck, N. D., Feb. 9, 1921.

Mr. Speaker: I have the honor to transmit herewith the following bills:

Senate Bill No. 115: A Bill for an Act to Amend and Re-enact Sections 3, 6 and 12 of Chapter 157 of the Session Laws of 1919, Regular Session, Relating to the Authorizing and Regulating the Exchange of Reciprocal or Insurance Contracts Among Individuals, Partnerships and Corporations.

Senate Bill No. 103: A Bill for an Act to Compel City Councils, City Commissions and Boards of Education of Independent School Districts to Publish Proceedings of all Meetings in Official Paper to be Designated by Them.

Senate Bill No. 104: A Bill for an Act to Repeal Section 153, Compiled Laws of North Dakota for 1913, Relating to Fees for the Registration of Bonds.

Senate Bill No. 84: A Bill for an Act to Appropriate the Sum of Eight Hundred Twenty-one and 75-100 Dollars (\$821.-75) for Printing the 1917-1918 Biennial Report of the Attorney General.

Senate Bill No. 11: A Bill for an Act Amending and Re-enacting Section 10251 of the Compiled Laws of North Dakota for the Year 1913 Relating to Unlawful Obligations in Writing.

Senate Bill No. 31: A Bill for an Act to Amend and Re-enact Section 780 of the Compiled Laws of North Dakota, for the Year 1913, as Amended by Chapter 30, of the Special Session Laws of North Dakota, for the Year 1919, Relating to Compensation of Court Stenographers, and Providing for the Payment of Expenses.

Which the Senate has passed and your favorable consideration is respectfully requested.

Very respectfully,
W. J. PRATER,
Secretary.

Bismarck, N. D., Feb. 9, 1921.

Mr. Speaker: I have the honor to return herewith the following bills:

House Bill No. 40: A Bill for an Act to Amend and Re-enact the Hotel Inspection Laws of North Dakota, the Same Being Article 57 of the Political Code of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 170, Session Laws of 1915 and Chapter 133, Session Laws of 1917.

Which the Senate has indefinitely postponed.

Very respectfully,
W. J. PRATER,
Secretary.

Mr. Watt moved that the House do now adjourn, which motion prevailed and the House adjourned.

C. L. DAWSON,
Chief Clerk.

THIRTY-EIGHTH DAY

House of Representatives,
Bismarck, North Dakota,
February 10, 1921.

The House convened at 2 o'clock P. M., the Speaker presiding.

Prayer by Chaplain, Rev. Quigley.

Roll Call: All members present except Messrs. Babcock, Lazier, Weld of Kidder, who were excused.

REVISION AND CORRECTION OF THE JOURNAL

The committee on revision and correction of the journal made the following report:

Mr. Speaker: Your committee on revision and correction of the journal have carefully examined the Journal of the 37th day and recommend that the same be corrected as follows:

On page 12, show that House Bill No. 187 was read the first and second time and referred to the committee on Grain and Grain Grading.

On page 13, after title of Bill No. 179, show that said bill was read the first and second time and referred to committee on Agriculture.

And when so corrected recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted.

PRESENTATION OF PETITIONS AND COMMUNICATIONS

Sentinel Butte, North Dakota, February 9th, 1921.

Mr. Joseph A. Kitchen, Bismarck, N. Dak.:

Dear Sir: We, the undersigned, residents of Sentinel Butte, N. D., will say that we are in favor of the repeal of the present Pool Hall Bill, and favor the regulation of this business by each municipality.

Thanking you for giving this matter your support,

Yours truly,
W. M. HIGLIN,
And 33 Others.

A petition was received from Edmore, N. D., asking that the legislature pass no laws which would impose restrictions or excessive license fees on rural merchants selling spices, extracts, toilet preparations, stock remedies, etc. The same was signed by Richard Graham and 23 others.

A resolution which was passed by the Valley City Commercial Club, relative to the Senate resolution by Mr. Whitman, regarding state highways, said resolution favoring said highway system, was received, and read by the clerk.

Petitions, signed by a large number of persons, from Mercer, Stutsman, Richland, Hettinger and Ramsey counties, were received, protesting against changing or abandoning any of our state educational institutions at this time.

Hebron, N. D.

To the Honorable Members of the House of Representatives of the Seventeenth Legislative Assembly of the State of North Dakota:

We, the undersigned, farmers, taxpayers of Hebron School District No. 13, do hereby petition the Legislative Assembly now in session to create a law similar as proposed in House

Bill No. 76 (introduced by Mr. Elmer) by which farmer taxpayers which are connected with any city or village on school purposes, that such farmer taxpayers can, by a majority vote, withdraw from such village or city to their own school district.

LOUIS HOERAUF,
And 20 Others.

MOTIONS AND RESOLUTIONS

Mr. Johnson of Cass moved that House Bill No. 36 be referred to the committee for further consideration, which motion prevailed.

INTRODUCTION OF BILLS

Mr. Mouck filed House Bill No. 206 and the same was referred to the committee on Deferred Bills.

Mr. Morton filed House Bill No. 207 and the same was referred to the committee on Deferred Bills.

THIRD READING OF HOUSE BILLS

House Bill No. 146: A Bill for an Act to Amend and Re-enact Section 3533 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 104 of the Session Laws of 1915, Relating to the Compensation and Office Hours of County Commissioners.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 101, nays 2, absent and not voting 10.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bryans, Burns, Carlson, Cart, Doyle, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Morton, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Hagelbarger, Patterson.

Absent and not voting: Babcock, Bratsberg, Burkhart, Cole, Durkee, Johnson of Steele, Lazier, Miller, Oberg, Weld of Kidder.

So the bill passed and the title was agreed to.

House Bill No. 147: A Bill for an Act to Amend and Re-enact Section 5179 of the Compiled Laws of 1913 as Amended and re-enacted by Chapter 55 of the Session Laws of 1915, Relating to the Department of the State Examiner.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 109, nays 0, absent and not voting 4.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Mountrail, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opiand, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Babcock, Eckert, Lazier, Weld of Kidder.

So the bill passed and the title was agreed to.

House Bill No. 149: A Bill for an Act Providing for the Supervision of Liquidation of Insolvent Banks by the Depositors' Guaranty Fund Commission, the Appointment of a Supervisor or Receivers and Compensation and Expenses Thereof to be Paid out of the Depositors' Guaranty Fund.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 108, nays 0, absent and not voting 5.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of

Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Ulland, Vogel, Watt, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Babcock, Lazier, Maddock of Mountrail, Strain, Weld of Kidder.

So the bill passed and the title was agreed to.

House Bill No. 150: A Bill for an Act to Amend and Re-enact Section 7 of Chapter 126 of the Laws of North Dakota for the Year 1917, Relating to the Guarantee of Bank Deposits.

Was read the third time.

Mr. Grangaard moved that House Bill No. 150 be rereferred to the committee for further consideration, which motion prevailed, and the bill was so rereferred.

House Bill No. 151: A Bill for an Act to Amend and Re-enact Section 1 of Chapter 126 of the Laws of North Dakota for the Year 1917 as Amended and Re-enacted by Chapter 110 of the Laws of North Dakota for 1919, Relative to the Guarantee of Bank Deposits.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 99, nays 8, absent and not voting 6.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Ophaug, Opland, Peters, Plath, Preszler, Quade, Reichert, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Ulland, Vogel, Watt, Weld of Wells, Wood, Mr. Speaker.

Nays: Harding, Johnson of Steele, Levin, Patterson, Renauld, Strain, Whitmer, Yeater.

Absent and not voting: Babcock, Lazier, Maddock of Mountrail, Mikkelson, Olson of Ramsey, Weld of Kidder.

So the bill passed and the title was agreed to.

House Bill No. 152: A Bill for an Act to Amend and Re-enact Section 8 of Chapter 126 of the Laws of North Dakota for the Year 1917, Relating to the Guarantee of Bank Deposits.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 85, nays 25, absent and not voting 3.

Ayes: Allen, Anderson of Burleigh, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bryans, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Freeman, Fredrickson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Harding, Hartl, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kelly, Kjos, Kopp, Lackey, Larson of Pierce, Levin, McDowell, McGauvran, McManus, Maddock of Benson, Maddock of Mountrail, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Oplaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Renauld, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Vogel, Watt, Weld of Wells, Whitmer, Wood, Yeater.

Nays: Anderson of Griggs, Arduser, Bratsberg, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Frandson, Hall, Hempel, Kellogg, Kitchen, Lakie, Larkin, Larson of Ransom, McLarty, Magnuson, Nathan, Reichert, Sherman, Sims, Strain, Mr. Speaker.

Absent and not voting: Babcock, Lazier, Weld of Kidder.

So the bill passed and the title was agreed to.

On motion of Mr. Miller the House returned to the 6th order of business.

REPORT OF SELECT COMMITTEES

The conference committee on House Bill No. 5 made the following report:

Mr. Speaker: Your committee in Conference, to whom was referred:

House Bill No. 5: A Bill for an Act to Prohibit Intoxicating Liquors and Beverages With Exceptions for Nonbeverage and Sacramental Purposes and Provide for Its Enforcement and the Repeal of Laws in Conflict Therewith.

Have had the same under consideration and unanimously recommend that the House do concur in the Senate amendments.

J. C. MILLER,
J. A. JARDINE,
J. H. BURKHART.

Mr. Miller moved that the report be adopted, which motion prevailed and the report was adopted.

On motion of Mr. Johnson of Cass the House returned to the 5th order of business.

REPORTS OF STANDING COMMITTEES

The committee on Insurance made the following report:

Mr. Speaker: Your committee on Insurance to whom was referred:

House Bill No. 68: A bill for an Act to Amend and Re-enact Section 27 of Chapter 162 of the Session Laws of North Dakota for the Year 1919, Relating to and for the Benefit of Injured Employees and their Dependents in Hazardous Employments, and Providing Funds with which to Carry on the Work of the Workmen's Compensation Bureau.

Have had the same under consideration and recommend that the same be amended as follows:

In the second line of Section one, strike out everything after the numerals "27," all of lines 2, 3, 4, 5, and 6, and everything in line 7 preceding the word "as."

And when so amended recommend the same do pass.

ROY JOHNSON,

Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

Mr. Speaker: Your committee on Insurance to whom was referred:

House Bill No. 20: A Bill for an Act to Amend and Re-enact Section 8 of Chapter 162 of the Laws of North Dakota for the Year 1919, Relating to the Enforcement of Payment of Premiums to the Workmen's Compensation Fund.

Have had the same under consideration and recommend that the same be amended as follows:

Strike out everything after the words "A Bill" and insert in lieu thereof the following:

For an Act to Amend and Re-enact Section 8 of Chapter 162 of the Laws of North Dakota for the Year 1919, Relating to the Manner and Enforcement of Payment of Premiums to the Workmen's Compensation Fund.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE STATE OF NORTH DAKOTA:

Section 1. AMENDMENT. That Section 8 of Chapter 162 of the Laws of North Dakota for 1919, relating to the enforcement of payment of premiums to the Workmen's Compensation Fund, is hereby amended and re-enacted to read as follows, to-wit:

Section 8. If an employer fails, neglects or refuses to make any payments required to be made by him or it to the Workmen's Compensation Fund, it shall be conclusively presumed that such employer has elected to pay his or its full premium into the Workmen's Compensation Fund, and the Bureau shall then determine the amount of premium due from said employer for the next succeeding twelve (12) months from the date notice is given by the Bureau of the

amount so due and shall inform said employer of the amount thereof in such notice, and shall order the same paid into said fund; provided, that, if the annual premium payable to the Fund by any employer amounts to \$200.00 or more, one-half thereof shall be paid in cash within a period of ten (10) days from date said notice is received, and one-half thereof shall be paid within a period of six (6) months from date of said notice, provided such employer files a certified check, a Certificate of Deposit, or a bond within said period of ten (10) days with the Workmen's Compensation Bureau with sureties to the approval of said Bureau, guaranteeing that such portion to be paid after the said ten (10) days will be paid to said Bureau within said period of six (6) months, together with the court costs which may be incurred on account of suit on such bond; and provided, also, if the annual premium payable to the Fund by any employer amounts to more than \$100.00 and less than \$200.00, \$100.00 thereof shall be paid in cash within said period of ten (10) days, and the remaining portion thereof shall be paid within said period of six (6) months, provided a certified check, a Certificate of Deposit or a bond is filed with said Bureau within said period of ten (10) days with sureties to the approval of the Bureau guaranteeing that such portion to be paid after the said ten (10) days will be paid to said Bureau within said period of six (6) months, together with court costs as aforesaid. Nothing in this Act shall be construed to prevent any employer from paying the whole amount of premium in cash.

In case of default of any employer in making any payment or in filing any proper bond as herein required, it shall be the duty of the Workmen's Compensation Bureau to certify, or cause to be certified, to the Attorney General of the State the name and place of business of such employer and the amount due from such employer, and it shall then be the duty of the Attorney General forthwith to bring, or cause to be brought, for the collection of such amount so due, a civil action against such employer, in the name of the State, and such action shall be brought in either the District Court of Burleigh County, North Dakota, or in any county in which such employer is engaged in business, at the option of the Attorney General.

If, upon final hearing of said cause, it is found and determined that the defendant is an employer within the meaning of this Act, the court shall render judgment against said defendant for the amount of said premium, with interest from the date of the determination of said amount by the Bureau, together with costs, which judgment shall be paid into the Workmen's Compensation Fund. The payment of such judgment shall entitle such employer and the employees of such employer to the benefits of this Act from the date said notice is issued by this Bureau notifying such employer of the amount of premium due. If the judgment cannot be paid in full, the Bureau shall determine the date upon which said employees' right to participate in the fund shall inure.

The payment of premium into the Workmen's Compensation Fund by an employer shall entitle such employer and the employees of such employer to the benefits of this Act from the time of payment of said money into the Workmen's Compensation Fund, except as otherwise provided in this section with reference to payment of judgments.

All judgments obtained in any action prosecuted by the Bureau, or by the State under authority of this Act, shall be a prior lien over all other judgments and liens, except those now in existence.

If any employer, who has complied with this Act, shall default in any payment required to be made by him or it to the Workmen's Compensation Fund for a period of ten (10) days after notice that such payment is due, the same proceedings shall be had as in the case of an employer against whom the Bureau has made a finding as hereinbefore provided.

All such cases shall have precedence over all other civil actions and shall be assigned for trial as soon as the issues are made up.

If the defendant is a non-resident of this State, or a foreign corporation doing business in this State, service of summons may be made upon any agent, representative or foreman of said defendant wherever found in the State, or service may be made in any other manner designated by statute.

In any action, provided for herein for the collection of premiums, the remedies of garnishment or attachment or both shall be available, and in any action for the collection of premiums no exemptions, except absolute exemptions, shall be claimed by or allowed to such employer.

Section 2. All acts, and parts of acts, in so far as they are in conflict with provisions of this Act, are hereby repealed.

And when so amended recommend the same do pass.

ROY JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: The Majority of your committee on Insurance to whom was referred:

House Bill No. 69: A Bill for an Act to Amend and Re-enact Section 6 of Chapter 162 of the Session Laws of North Dakota for the year 1919, Relating to and for the Benefit of Employees Injured and the Dependents of Employees Killed in Hazardous Employments, Fixing the Duties and Liabilities of Employees and Employers, and Providing methods of Securing the Payment of Obligations Arising in Favor of Injured Employees and their Dependents .

Have had the same under consideration and recommend that the same be amended as follows:

In the second line of Section one, strike out the words, "any obligation" and insert in lieu thereof the following: "all benefits provided for in this Act." Strike out all of Section 6-N on page 7 of printed bill.

And when so amended recommend the same do pass.

ROY JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: The Minority of your committee on Insurance to whom was referred:

House Bill No. 69: A Bill for an Act to Amend and Re-enact Section 6 of Chapter 162 of the Session Laws of North Dakota for the Year 1919, Relating to and for the Benefit of Employees Injured and the Dependents of Employees Killed in Hazardous Employments, Fixing the Duties and Liabilities of Employees and Employers, and Providing Methods of Securing the Payment of Obligations Arising in Favor of Injured Employees and their Dependents.

Have had the same under consideration and recommend that the same be indefinitely postponed.

MAGNUSON,
HALL,
ARDUSER.
ROY JOHNSON,
Chairman.

Mr. Johnson of Cass moved that the majority report be adopted.

Mr. Magnuson moved that as an amendment that majority report be substituted for the majority report, which motion was lost.

The question being on adoption of the majority report; the motion prevailed, and the report was adopted.

THIRD READING OF HOUSE BILLS

House Bill No. 99: A Bill for an Act to Amend and Re-enact Section 3529 of the Compiled Laws of North Dakota for the Year 1913, Relating to Fees of Notaries Public.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 110, nays 0, absent and not voting 3.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley,

Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Babcock, Lazier, Weld of Kidder.

So the bill passed and the title was agreed to.

House Bill No. 35: A Bill for an Act to Amend and Re-enact Section 33 of Chapter 161 of the Laws of North Dakota for the Year 1915 as Amended by Chapter 122 of the Laws of North Dakota for the Year 1917 as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Relating to Game Birds and Season for Killing.

Was read the third time.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 109, nays 0, absent and not voting 4.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Babcock, Lazier, McLarty, Weld of Kidder.

So the bill passed and the title was agreed to.

Mr. Sproul moved that the House do now recess for 15 minutes, which motion prevailed, and the House so recessed.

AFTER RECESS

The House assembled pursuant to recess taken, the Speaker presiding.

SIGNING OF BILLS

The Chief Clerk announced that the Speaker was about to sign:

Senate Bill No. 1:

A Bill for an Act to Amend and Re-enact Section 800 of the Compiled Laws of the State of North Dakota for the Year 1913 as Amended by Chapter 70, Session Laws 1919, Relating to the Revocation or Suspension of an Attorney's Right to Practice.

Senate Bill No. 8: A Bill for an Act to Repeal and Re-enact Section 1714 of the Compiled Laws of the State of North Dakota for the Year 1913, as Amended by Chapter 143, of the Session Laws of 1917.

Senate Bill No. 12: A Bill for an Act to Amend and Re-enact the Concentrated Feeding Stuff Law of North Dakota, the Same Being Article 43, Sections 2911-2921, of the Political Code of the Compiled Laws of North Dakota for 1913.

And the Speaker signed the same in the presence of the House.

On motion of Mr. Johnson of Ward, the House returned to the 7th order of business.

MOTIONS AND RESOLUTIONS

The following Resolution was offered by Representative Johnson of Ward:

WHEREAS, It has been brought to the attention of several members of the House of Representatives that the "Courier-News," under date of February eighth, 1921, and on the front page thereof, makes the charge that unnamed individuals, both from within and without the state, have been present at Bismarck and have attempted to buy off some of the members of the Legislature and to influence their action as law-makers; and

WHEREAS, This is a grave charge, involving the integrity of the members of this House; and

WHEREAS, the circulation of this report throughout the state has a tendency to create suspicion and distrust in the minds of the people with reference to the integrity of their representatives in the State Legislature; and

WHEREAS, Such newspaper statement further charged that an attempt had been made by these individuals who are unnamed to buy off certain state officials and to influence their official conduct; and

WHEREAS, Such charge is a serious reflection upon citizens of this state and may have a tendency to undermine the confidence of the people in their state officers; and

WHEREAS, this newspaper report carries at the head of the column in the Courier-News of the date mentioned the name of one C. K. Gummerson; and

WHEREAS, the said C. K. Gummerson is present in the building at this time; and

WHEREAS, it is necessary and desirable in order to protect the integrity of the members of the Legislature, and to avoid suspicion and distrust as to their integrity and as to the integrity of state officials:

NOW, THEREFORE, BE IT RESOLVED, that the Sergeant-at-Arms of the House of Representatives be and he is hereby instructed forthwith to produce the body of the said C. K. Gummerson before the bar of this house, there to submit

to an examination into the charges aforesaid made by him and there to explain the same and to give any and all information with reference thereto which the members of this House may require.

BE IT FURTHER RESOLVED that the Speaker be instructed to read to the said C. K. Gummerson the paragraph to which reference has been made in the foregoing resolution, which appears in column one on page one of the Courier-News of the aforesaid date, and to require the said Gummerson then and there to answer whether or not he is the author of said article, and that thereupon, if the said Gummerson be the author of said article, the following questions, and such other questions as the Speaker may deem pertinent to the matter before the House, be forthwith put to him by the Speaker, and the Speaker shall require the said Gummerson to answer specifically and pointedly each and all of said questions:

1. Name each and all of the persons from without the state, whom you describe as emissaries of big bankers in the article just read to you.

2. Name each and all of the persons within this state whom you describe in the article read to you as emissaries of big bankers.

3. Name each and all farmer legislators whom such emissaries as you describe in the article read to you attempted to buy off.

4. State what consideration was offered the farmer legislators thus sought to be bought off.

5. State where and at what time such attempt was made.

6. Were you personally present or were you informed of such attempt?

7. If you were informed of such attempt, who gave you the information?

8. Give the names of state officials whom attempt was made to buy according to your statement in the paragraph read to you.

9. Give the names of the emissaries who sought to buy said state officials.

10. State when and where such attempt was made to buy these state officials and whether or not you were personally present.

11. Name specifically what big bankers were represented by emissaries.

BE IT FURTHER RESOLVED(that the paragraph read to said Gummerson, all questions put to him, and his answers thereto be made a part of the Journal of this House.

Mr. Johnson moved the adoption of the resolution.

Mr. Bauer moved the previous question, which motion prevailed.

The question being on the adoption of the resolution, roll call demanded.

The roll was called and there were ayes 57, nays 49, absent and not voting 7.

Ayes: Allen, Anderson of Burleigh, Bauer, Bjorgo, Bolinger, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Arduser, Bilquist, Bjerke, Botz, Brady, Bratsberg, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Johnson of Steele, Kellogg, Lakie, Larkin, Larson of Ransom, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Martin of Bottineau, Martin of Slope Maxwell, Miller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Babcock, Bryans, Hempel, Kamrath, Lazier, Magnuson, Weld of Kidder.

So the resolution was adopted.

Mr. Maddock of Mountrail asked permission to explain his vote and have it recorded in the Journal. "I did not read the article referred to in the resolution, and only heard the resolution read once, so I am not in a very good position to judge whether the resolution should be adopted or not. My only reason for voting no is because I consider the course very unusual opening up a matter that we might thresh out here for weeks to come, and in my opinion the bringing up of this matter will only tend to open up further matters for discussion that will do us no good and not help legislation in any way, shape or manner. I vote 'no'."

The Sergeant-at-Arms was called to the bar of the House.

The Speaker: You are directed to produce the body of C. K. Gummerson before the bar of this House.

THIRD READING OF HOUSE BILLS.

House Bill No. 51: A Bill for an Act to Establish a Uniform Egg Law, for Regulating and Preventing the Sale of Eggs unfit as Articles of Human Food, Requiring Eggs to be Canded, Requiring a License for Dealers in Eggs and Establishing a Penalty for Violation of this Act.

Was read the third time.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 57, nays 48, absent and not voting 8.

Ayes: Anderson of Burleigh, Arduser, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bryans, Burkhart, Burns, Carlson, Cart, Doyle, Durkee, Fredrickson, Frandson, Grangaard, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Traill, Johnson of Ward, Kellogg, Kelly, Kjos, Lakie, Larkin, McLarty, McManus, Maddock of Benson, Martin of Bottineau, Martin of Slope, Maxwell, Miller Mouck, Nagel, Nathan, Oberg, Plath, Quade, Reichert, Root, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Vogel, Watt.

Nays: Allen, Anderson of Griggs, Bauer, Bratsberg, Cole, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Hagelbarger, Halcrow, Hartl, Johnson of Sargent, Johnson of Steele, Kamrath, Kitchen, Kopp, Larson of Pierce, Larson of Ransom, McDowell, McGauvran, Mikkelson, Morton, Ness, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Preszler, Renauld, Sagen, Sproul, Starke, Strain, Ulland, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Babcock, Hempel, Lackey, Lazier, Levin, Maddock of Mountrail, Magnuson, Weld of Kidder.

So the bill passed and the title was agreed to.

House Bill No. 18: A Bill for an Act to Amend and Re-enact Section 2 of Chapter 162 of the Laws of North Dakota for the Year 1919, Defining Certain Words and Phrases in said Chapter.

Was read the third time.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 107, nays 0, absent and not voting 6.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson, of Benson, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Peters, Plath, Preszler,

Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Babcock, Hanson of Grand Forks, Lazier, Maddock of Mountrail, Patterson, Weld of Kidder.

So the bill passed and the title was agreed to.

The Sergeant-at-Arms: Mr. Speaker, I now have before the bar of this House, C. K. Gummerson.

The Speaker: Mr. Gummerson, the House of Representatives Seventeenth Legislative Assembly has passed the following resolution: (The Speaker read the resolution in full to the prisoner at the bar).

The Speaker: I desire first to ask you as Speaker of this House whether you are the author of the article in question, and for that purpose I show you the Courier News of February 8, 1921, and refer you to the first seven lines of the first column on page one. Are you the author of that article?

Mr. Gummerson: I am.

The Speaker: I ask you at this time to name each and all of the persons from without the state, whom you describe as emissaries of big bankers in the article just read to you?

Mr. Gummerson asked permission to secure counsel, which request was granted.

THIRD READING OF HOUSE BILLS.

House Bill No. 100: For an Act Defining Criminal Syndicalism, Prohibiting the Advocacy Thereof and the Advocacy of Crim. Sabotage, Violence, or Other Unlawful Methods of Terrorism as a Means of Accomplishing Industrial Ends, and Assemblage for the Purpose of Such Advocacy; and Providing Penalties for the Violations of the Provisions Thereof.

Was read the third time.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 90, nays 16, absent and not voting 7.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Bauer, Bjorgo, Bollinger, Botz, Boyd, Brady, Bryans, Burkhart, Burns, Carlson, Cole, Durkee, Eckert, Ellingson, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Halcrow, Hanson of Benson, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kamrath, Kelly, Kitchen, Kjos, Kopp, Lackey, Larkin, Larson of Pierce, Larson of Ransom, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkeison, Miller, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Peters, Plath, Preszler, Quade, Renauld,

Root, Sagen, Semling, Sherman, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Vogel, Watt, Weld of Wells, Wood, Yeater, Mr. Speaker.

Nays: Bilquist, Bjerke, Bratsberg, Cart, Doyle, Elmer, Erickson of Divide, Hagelbarger, Johnson of Steele, Kellogg, Lakie, Morton, Patterson, Sims, Strain, Whitmer.

Absent and not voting: Babcock, Hanson of Grand Forks, Hall, Lazier, Levin, Reichert, Weld of Kidder.

The Sergeant-at-Arms appeared before the bar of the House with Mr. Gummerson, who stated that he was unable to secure counsel, and asked that he be given to three o'clock February 11th to answer.

Mr. Patterson moved that the House do now adjourn.

Roll call demanded.

The roll was called and there were ayes 52, nays 57, absent and not voting 4.

Ayes: Anderson of Griggs, Arduser, Bilquist, Bjerke, Bjorgo, Brady, Bratsberg, Bryans, Burkhardt, Cart, Doyle, Eckert, Ellingson, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Johnson of Steele, Kellogg, Kopp, Lakie, Larkin, Larson of Ransom, Levin, McLarty, McManus, Maddock of Benson of Ransom, Levin, McLarty, McManus, Maddock of Ben-Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Starke, Strain, Vogel, Weld of Wells, Whitmer, Yeater.

Nays: Allen, Anderson of Burleigh, Bauer, Bollinger, Botz-Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kamrath, Kelly, Kitchen, Kjos, Lackey, Larson of Pierce, McDowell, McGaavran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Ols-gard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen Semling, Shimmin, Shipley, Slominski, Sproul, Ulland, Watt, Wood, Mr. Speaker.

Absent and not voting: Babcock, Hanson of Grand Forks, Lazier, Weld of Kidder.

So the motion was lost.

Mr. Hempel: I would like to explain my vote and have it recorded in the Journal. "I am opposed to adjournment at this time because if we stay until six o'clock we might have more prisoners to keep him company."

Mr Maddock of Mountrail moved that further action in the matter be deferred until three o'clock February 11, and that the defendant be allowed to go on his own recognizance.

Mr. Freeman moved that the question be divided, and that the house vote first as to whether or not action shall be deferred until tomorrow at three o'clock, which motion prevailed.

The question being on the motion to defer action to February 11th at three o'clock, the motion prevailed.

The question being on the motion to allow the witness to go on his own recognizance, the motion prevailed.

The courtesies of the floor were extended to Wm. Schull, W. A. Collins, E. A. Horaldson, Ole Loftus, Mrs. R. G. Catron, F. W. Shiffenlet, J. W. Piper, C. H. Simpson, Nick McKeller, B. F. Spaulding, W. B. Stevenson, E. W. Gilbertson.

Mr. Shipley moved that the House do now recess until o'clock P. M., February 11, 1921, which motion prevailed and the House so adjourned.

C. L. DAWSON,
Chief Clerk

GENERAL ORDERS.

House Bill No. 36: A Bill for an Act to Provide for the Standardization of the One-Room Rural Schools, the Graded Schools and the High Schools of the State.

House Bill No. 67: A Bill for an Act to Amend and Re-enact Sections 2462, 2463, 2466, 2487, 2489, 2490 Compiled Laws 1913, Relating to Drains.

House Bill No. 63: A Bill for an Act to Amend and Re-enact Section 7644 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 1 of the Session Laws for the Year 1919, (Regular Session), Relating to Change of Judges in Civil and Criminal Actions in the District Court, for Prejudice or Bias of Judge Thereof; Providing for the Calling in of Another Judge of Another Judicial District, and the Payment of his Expenses, and the Discharge of Jurors therein.

House Bill No. 6:
A Bill for an Act to Amend and Re-enact Section 7949 of North Dakota, 1913, Relating to Continuances of Cases.

House Bill No. 43: A Bill to Create an Act Entitled an Act Providing for the Creation and Establishment of a State Engineering Examiners, Granting Certain Powers to and Prescribing the Duties of Said Board; Providing for the Examination and Registration of Land Surveyors and Professional Engineers. Regulating the Practice of Engineering in the State of North Dakota, Providing Penalties for the Violation of This Act and Repealing all Acts or Parts of Acts in Conflict Therewith.

House Bill No. 106: A Bill for an Act to Amend and Re-enact Section 46 of Chapter 161 of the Laws of North Dakota for the Year 1915, as Amended by Chapter 63, of the Laws of North Dakota for the Year 1917, as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Prohibiting the Trapping, Catching, Killing, or Destroying of Beaver and Otter, for a Limited Period.

House Bill No. 34: A Bill for an Act to Fix the Salaries of Certain County Officers, to Provide for the Payment There-

of, for the Employment and Payment of Deputies and Clerk Hire in Such Offices, the Collection and Deposit of Fees, and the Repeal of Certain Laws.

House Bill No. 116: A Bill for an Act providing for the Furnishing by the Register of Deeds of Each County to Elevators Making Application and Paying the Fee Provided Therefor, of an Abstract of all Mortgages and Liens Upon Grain Grown During Each Year, and Filed in the Office of the Register of Deeds.

House Bill No. 118: A Bill for an Act to Amend and Re-enact Sections 624 and 625 of the Compiled Laws of North Dakota for the Year 1913 as Amended by Chapter 252 of the Laws of North Dakota for the Year 1917 and by Chapter 25 of the Laws Passed by the Special Session of the Legislative Assembly of North Dakota in 1919, Relative to the Commissioner of Noxious Weeds.

Senate Bill No. 18: A Bill for an Act to Amend and Re-enact Chapter Six, Session Laws 1919, as Amended by Special Session Laws 1919 Relating to the Licensing, Regulating and Supervising the Licensing and Inspection of Pool and Billiard Rooms, Ball and Pin Alleys, Dance Halls, Theaters, Moving Picture Shows, Taxicab or Auto Livery, Places where Soft Drinks are Manufactured or Sold or where Cigars and Tobacco are Sold, or Public Hall, owned Privately and Used for Public Purposes; Providing Fees therefor, Inspectors, Office Help and Supplies Thereof; Defining Powers and Duties and Repealing all Acts and Parts of Acts Inconsistent Therewith.

House Bill No. 14: A Bill entitled, An Act Relating to Interfering with Rights of Employees.

House Bill No. 136: A Bill for an Act to Amend and Re-enact Section 8205, Compiled Laws of North Dakota for 1913, Defining the Private Property Which May be Taken by Eminent Domain.

House Bill No. 101: A Bill for an Act Entitled, An Act Establishing a System of State Free Employment Service, Providing for the Maintenance Thereof, Defining the Duties of Such Department, Its Officers and Employees, and Appropriating Money for the Carrying Out of the Provisions of This Act.

House Bill No. 41: A Bill for an Act, Providing for the Preservation and Control of the Artesian Waters of the State.

House Bill No. 72: A Bill for an Act to Amend and Re-enact Section 4924 of the Compiled Laws of North Dakota for the Year 1913, Relating to Taxation of Insurance Companies.

House Bill No. 112: A Bill for an Act to Amend and Re-enact Section 2955, 1956, of the Compiled Laws of the State of North Dakota for the Year 1913.

THIRTY-EIGHTH DAY AFTER RECESS, AND
THIRTY-NINTH DAY.

House of Representatives,
Bismarck, North Dakota,
February 11, 1921.

The House convened at 1 o'clock P. M. pursuant to recess taken, the Speaker presiding.

The House reverted to the 15th order of business.

Mr. Johnson of Steele moved that the house resolve itself into a committee of the whole for the consideration of general orders; which motion prevailed, and the house resolved itself into a committee on the whole.

The Speaker called Mr. Johnson to the chair.

When the committee arose it submitted the following report:

Mr. Speaker: The committee of the whole have had under consideration:

House Bill No. 67: A Bill for an Act to Amend and Re-enact Sections 2462, 2463, 2466, 2487, 2489, 2490 Compiled Laws 1913. Relating to Drains.

And recommend that the same be amended as follows: On page 3 of the printed bill, Sec. 3, line 14, strike out the word "eight" and insert in lieu thereof the word "six." In line 16 strike out the word "ten" and insert the word "six", and on page 8, line 4, strike out the word "traveling" and when so amended by the committee and on the floor of the House recommend the same do pass.

Also:

House Bill No. 63: A Bill for an Act to Amend and Re-enact Section 7644 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 1 of the Session Laws for the Year 1919, (Regular Session), Relating to Change of Judges in Civil and Criminal Actions in the District Court, for Prejudice or Bias of Judge Thereof; Providing for the Calling in of Another Judge of Another Judicial District, and the Payment of His Expenses, and the Discharge of Jurors Therein.

And recommend the same be amended as follows: After the last word in title add: "And repealing all acts or parts of acts in conflict therewith." At the end of line 10 add: "provided that when the information in a criminal action is filed in term time such affidavit may be filed at any time before trial." At the end of the bill add the following: "Section 8. All acts or parts of acts in conflict herewith are here by repealed."

And when so amended by the committee and on the floor of the House recommend the same do pass.

Also:

House Bill No. 6: A Bill for an Act to Amend and Re-enact Section 7949 of North Dakota, 1913, Relating to Continuances of Cases.

And recommend that the same do pass as amended.

Also:

House Bill No. 43: A Bill to Create an Act Entitled an Act Providing for the Creation and Establishment of a State Board of Engineering Examiners, Granting Certain Powers to and Prescribing the Duties of Said Board; Providing for the Examination and Registration of Land Surveyors and Professional Engineers. Regulating the Practice of Engineering in the State of North Dakota, Providing Penalties for the Violation of This Act and Repealing all Acts or Parts of Acts in Conflict Therewith.

And recommend that the same be indefinitely postponed without further consideration.

Also:

House Bill No. 106: A Bill for an Act to Amend and Re-enact Section 46 of Chapter 161 of the Laws of North Dakota for the Year 1915, as Amended by Chapter 63, of the Laws of North Dakota for the Year 1917, as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Prohibiting the Trapping, Catching, Killing, or Destroying of Beaver and Otter, for a Limited Period.

And recommend the same do pass as amended by the committee.

Also:

House Bill No. 34: A Bill for an Act to Fix the Salaries of Certain County Officers, to Provide for the Payment Thereof, for the Employment and Payment of Deputies and Clerk Hire in Such Offices, the Collection and Deposit of Fees, and the Repeal of Certain Laws.

And recommend the same be amended as follows: In Section 4, of the amendment made by the committee appearing on page 4, of the Journal of February 7, strike out line 7 beginning with the word "ten." also lines 8, 9, 10, and 11 ending with the word "law," and insert in lieu thereof the following: "fifteen cents per mile for the distance actually and necessarily traveled by him or his field deputy in the dis-

charge of his duties within the county and ten cents per mile when in attendance at the meetings of the county superintendents when so called by the state superintendent of public instruction as provided by law."

No action taken.

S. W. JOHNSON,
Chairman.

Mr. Kelly moved that the report of the committee be adopted, which motion prevailed and the report was adopted.

Mr. Patterson moved that the House do now adjourn,

Which motion prevailed.

C. L. DAWSON,
Chief Clerk.

THIRTY-NINTH DAY.

House of Representatives,
Bismarck, North Dakota,
February 11, 1921.

zier, Nathan, Olsen of Billings, who were excused.
siding.

Prayer by Chaplain, Rev. Quigley

Roll call, all members present except Messrs. Bjerke, La-

The House convened at 2 o'clock P. M., the Speaker pre-

REVISION AND CORRECTION OF THE JOURNAL.

The committee on revision and correction of the Journal made the following report:

Mr. Speaker: Your committee on revision and correction of the Journal have carefully examined the Journal of the Thirty-eighth day and recommend that the same be corrected as follows:

On page 16, Senate Bill No. 18 should read House Bill No. 18, and the title should be changed to correspond to House Bill 18. On page 18 line 2 from the bottom, change the word "will" to "might."

And when so corrected recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted.

PRESENTATION OF PETITIONS AND COMMUNICATIONS.

Linton, North Dakota.

To the Seventeenth Legislative Assembly:

We, the undersigned residents of Emmons County, North Dakota do hereby respectfully petition the members of the Legislature to vote against the Bill recommended by the Board of Administration for the abolishment of the State Normal and Industrial School at Ellendale, North Dakota.

We believe that this school is of great benefit to the people of the State and that more young people will obtain school privileges by the schools being distributed throughout the state.

C. L. BITTLE,
And 17 Others.

Linton, N. D., Feb. 9, 1921.

To the Seventeenth Legislative Assembly of the State of North Dakota:

We, the undersigned, do most respectfully petition your honorable body to pass the following measures: House Bill No. 5, Senate Bill No. 18, Senate Bill No. 16 and House Bill No. 51.

Adopted by a rising vote of the members of the Linton W. C. T. U.

Respectfully yours,

LINTON, W. C. T. U.

MISS THUNDA HEYERMAN,
President.

MRS. ELLYN PAGEL,
Cor. Secretary.

Jamestown, N. D., Feb. 8, 1921.

To the Senator and Representatives of Stutsman County, North Dakota.

We, the undersigned Board of County Commissioners of Stutsman County, North Dakota, respectfully urge you to vote against Senate Bill No. 48, as it would cause too great an expense at this time.

Signed by A. H. SHERMAN,
And 3 Others.

To the Members of the Seventeenth Assembly:

WHEREAS, A certain Bill known as Senate Bill No. 101 has been introduced and is now pending which prohibits the sale of proprietary medicines except by registered pharmacists and physicians; and

WHEREAS, the passage of said Bill will secure for the druggists a monopoly on the trade, enabling him to sell at fabulous prices and depriving the purchaser of the privilege of buying from the traveling salesman:

THEREFORE, We, the undersigned, look upon this bill as being "Class Legislation" intended only to favor the druggists, and do hereby petition your honorable body to give this bill the proper consideration that the interests of all the people may be guarded.

Respectfully submitted,

Signed by O. A. ERLANDSON,
And 25 Others.

To C. A. Sagen, Representative from the Twenty-first Legislative District:

"BE IT RESOLVED, By the Board of Highway Improvements of Ramsey County in session February 8th, 1921, in

accordance with Chapter 110, Laws of 1915, as amended by Chapter 127, Laws of 1917, that this body go on record as opposed to the passing of Senate Bill 48, being an act known as the Land Classification Act, inasmuch as said act would be an excessive cost for the taxpayers and the benefits to be derived therefrom would not be sufficient to warrant the proposed classification; and

"BE IT FURTHER RESOLVED, That the Secretary be instructed to mail a certified copy of this resolution to the Senator and Representatives of Ramsey County, in session at Bismarck."

I, J. A. Kramer, Secretary of the Board of Highway Improvements in and for Ramsey County, which Board consists of the chairmen of the different Boards of Supervisors of the various townships, while in session February 8th at the Court House in the City of Devils Lake, hereby certifying that the foregoing is a true and correct copy of a resolution adopted by said Board.

J. A. KRAMER,

Secy. Board of Highway Improvements,

Dated at Devils Lake, N. D., February 9, 1921.

A similar petition received by Representative Mikkelson of Ramsey County.

Williston, N. D., Feb. 8, 1921.

To the House of Representatives and Senate Assembled

It has come to our attention that the Senate Bill No. 2, known as the Whitman Bill, will soon come up for consideration. We are very much interested in this bill. We are in favor of having the road laid out directly west from Williston to the Montana line, instead of having it go through the small towns along the railroad west of Williston. If you will take the trouble to look at the map of Williams county you will see that if the road is laid out due west from Williston to the Montana line that it will be available for use by a great number of farmers from the northwest part of the county and the distance is about ten miles less by the direct route to the connecting point in Montana.

The lower route via Trenton, Buford, etc., is along the Missouri river and is low and subject to flood in the spring-time, and besides it crosses the railroad track about eight times between Williston and Bainville, Mont. It is hardly passable in winter time owing to the number of cuts that drift full of snow. The soil is also of gumbo nature along the river and hard to keep in shape.

The road directly west of Williston, known as the high line is very easy to keep in shape, there being but two small streams between Williston and Bainville, Mont. The soil is dark sandy loam and enough gravel to make it easy to handle.

We feel that it is only fair to the tax payers of the county that the road be placed where it can serve the greater num-

ber of people of the county, when by so doing no hardship is worked upon the tourist passing from east to west.

CALEB JOHNSON,
And 25 Others.

To the Seventeenth Legislative Assembly of the State of North Dakota:

We, the undersigned, residents and tax-payers of the State of North Dakota, feeling that, in spite of the stringent financial conditions of the times, the people of the State are willing to meet the needs of the Educational Institutions, do petition your honorable body to allow the University budget for the maintenance as nearly as practicable on the basis presented; and, to allow requests for the new buildings on account of the overcrowded conditions at the University; and, that provision for the University be made permanent by the authorization of a millage tax levy.

FLOYD E. WOLFE,
And 25 Others.

Cando, North Dakota, Feb. 7th, 1921.

Mr. M. N. Gergen, Perth, N. Dak.

Dear Sir: I have just received a letter from H. J. Botz, one of our members of the House of Representatives, in which he enclosed a copy of the report of the Immigration Department for the past year. In such report is a list of persons who have purchased lands in this state. Mr. Botz writes to ask me if I can find out how many of these were brought in thru the efforts of the State Immigration Department. I note that there are several on the list whom I am sure you sold land to and I am therefore giving you a list of them all and would kindly ask you to check over same and let me know what you can about how they were brought here as I am sure that very few, if any, were brought in to this county by the department.

John A. Peterson, Triumph, Minn.; John Ehlers, Triumph, Minn.; John Krumweide, Triumph, Minn.; R. C. Bellock, Triumph, Minn.; Ernest Holmquist, Triumph, Minn.; Ernest Blomequist, Triumph, Minn.; Ewald Beckman, Triumph, Minn.; George Clabagh, Monteroy, Minn.; Carl Carlson, Monteroy, Minn.; Gus. Johnson, Triumph, Minn.; Geo. Marten, Triumph, Minn.; Geo. Swenson, Triumph, Minn.; Andrew Brink, Triumph, Minn.; Geo. Kassulke, Triumph, Minn.; Fred Winter, Monteroy, Minn.

Please let me know whether these parties were brought into the county during the period from April 1st, to Nov. 7th, 1920. Also in each case, if possible, who was instrumental in bringing them to this county.

Very truly yours,

F. F. VAUGHN.

February 8th, 1921.

F. F. Vaughn, Esq., Cando, N. D.

Dear Sir: I have your letter and also list of parties that settled in Towner county from Triumph, and Monterey, Minn. In this connection wish to say that I brought every

and each one of these men into Towner county as mentioned in your list. None of these men bought any land during the year 1920. Most of these parties had bought this land from me during the years 1917, 1918 and 1919, but I did not sell any land during the year 1920. These parties all moved on their land that are living on it now not later than the fall of 1919, and believe John A. Peterson moved up March 15, 1920, so that all deals were made before April 1, 1920.

This is the same territory that Uhrhammer and Kiedasih came from and a good many other farmers in the last five years and I and Mr. F. S. Schwalen sold them all the land. Mr. Schwalen is my local agent at Triumph, Minn., and all the land was sold and deals made before the Immigration Law was ever passed. When the Immigration department went to work last spring we did not sell any more land. I did not sell a single farm during the year 1920.

Trusting that this will cover what you want to know, I am,

Very truly yours,

M. N. GERGEN,
Cashier.

To the Seventeenth Legislative Assembly of the State of North Dakota:

We, the undersigned, residents and taxpayers of the State of North Dakota, feeling that, in spite of the stringent financial conditions of the times, the people of the State are willing to meet the needs of the Educational Institutions, do petition your honorable body to allow the University budget for the maintenance as nearly as practicable on the basis presented; and, to allow requests for the new buildings on account of the overcrowded conditions at the University; and, that provision for the University be made permanent by the authorization of a millage tax levy.

LESTER T. SPROUL,
And 8 Others.

To the Senate of the State of North Dakota:

We the undersigned citizens, living in the vicinity of Sargent county, do respectfully petition your honorable body to take no action that will in any way limit or restrict the plan of educational work now being carried on in the State Normal and Industrial School at Ellendale.

MRS. J. MUFFLE,
And 12 Others.

REPORTS OF STANDING COMMITTEES.

The committee on Live Stock made the following report:

Mr. Speaker: Your committee on Live Stock to whom was referred:

House Bill No. 125: A Bill for an Act to Amend and Re-enact Section 2681 of the Compiled Laws of the State of North Dakota for 1913, Compensation for Members of State Live Sock Sanitary Board.

Have had the same under consideration and recommend that the same be amended as follows:

On line seven (7) strike out the word three (3) and insert in lieu thereof the word "five."

And when so amended recommend the same do pass.

B. B. MOUCK,
Chairman.

Also:

Mr. Speaker: Your committee on Live Stock to whom was referred:

House Bill No. 126: A Bill for an Act Relating to the Application of the Tuberculin Test and Eradication of Bovine Tuberculosis in Townships in Counties in North Dakota Under Direction of the State Live Stock Sanitary Board by Petition of a Majority of Freeholders in Such Township.

Have had the same under consideration and recommend that the same be amended as follows.

On page (2) two, line (15) fifteen, after the word "Dollars" strike out the balance of line (15) fifteen and all of line (16) sixteen.

And when so amended recommend the same do pass.

B. B. MOUCK,
Chairman.

Also:

Mr. Speaker: Your committee on Live Stock to whom was referred:

House Bill No. 127: A Bill for an Act to Amend and Re-enact Section 2702 of the Compiled Laws of the State of North Dakota for 1913, as Amended by Chapter 263, Session Laws of North Dakota for the Year 1915, and Amending and Re-enacting Section 2706 of the Compiled Laws of the State of North Dakota for 1913, Relating to the Reimbursement of Owners of Tubercular Cattle.

Have had the same under consideration and recommend that the same do pass.

B. B. MOUCK,
Chairman.

Mr. Mouck moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on Municipal Corporations made the following report:

Mr. Speaker: Your committee on Municipal corporations to whom was referred:

House Bill No. 134: A Bill for an Act to Amend and Re-enact Sub-division 70 of Section 3818, Compiled Laws of North Dakota for 1913, Relating to the Purchase and Acquisition by a City of Any System or Part of System of Water Works.

Have had the same under consideration and recommend that the same be amended as follows:

Line 5, Section 70, after the word "systems," strike out the words "or part of system." Line 12, Section 70, after the word "erected" change period to comma and insert "and to fix and regulate the rates, use and sale of water." On line 3, Section 11, after the word "system," strike out the words "or part thereof."

And when so amended recommend the same do pass.

JOHN T. FREEMAN,
Chairman.

Also:

Mr. Speaker: Your committee on Municipal corporations to whom was referred:

House Bill No. 137: A Bill for an Act Amending and Re-enacting Section 5742, Compiled Laws of North Dakota for 1913, Relating to the Application of the Provisions of Article 20, Compiled Laws of 1913, to Water Main and Water Works Systems, and to the Purchase Thereof.

Have had the same under consideration and recommend that the same be amended as follows:

On line 8, Section 1, after the word "system," strike out the words "or any." Line 9, Section 1, strike out the words "or part thereof." Line 12, Section 1, after the word "system" strike out the words "or part thereof." Line 18, Section 1, after the word "system," strike out the words "or any part thereof."

Line 3 of Emergency Clause after the word "system," strike out the words "or part thereof."

And when so amended recommend the same do pass.

JOHN T. FREEMAN,
Chairman.

Also:

Mr. Speaker: Your committee on Municipal corporations to whom was referred:

House Bill No. 97: A Bill for an Act Permitting the City to Make Advancements Upon Material Purchased by a Contractor for Use in the Performance of Contracts for Municipal Improvements.

Have had the same under consideration and recommend that the same be amended as follows:

Section 1, to be amended to read as follows: "The City Council or City Commission or board of Trustees, County Commissioners, or Board of Supervisors of County Subdivision by a three-fourths vote of its governing body may make advancements not to exceed eighty-five per cent of the value thereof, to contractors on account of material purchased by the contractor paid for and delivered upon the premises for use in the construction of improvements of any City, County or County Sub-division."

And when so amended recommend the same do pass.

JOHN T. FREEMAN,
Chairman.

Also:

Mr. Speaker: Your committee on Municipal Corporations to whom was referred:

House Bill No. 98: An Act to Amend and Re-enact Section 3710 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Contractors. How Paid.

Have had the same under consideration and recommend that the same be amended as follows:

In Section 3710, line 5, after the word "contractor," strike out the words "at least" and insert the words "not to exceed."

And when so amended recommend the same do pass.

JOHN T. FREEMAN,
Chairman.

The committee on Education made the following report:

Mr. Speaker: Your committee on Education to whom was referred:

House Bill No. 174: A Bill for an Act to Amend and Re-enact Section 1190 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 199 of the Laws of North Dakota for the Year 1919, as Amended by Chapter 53 of the Laws of North Dakota, Special Session of the Year 1919, Relating to the Consolidation of Schools; and Contracting for the Transportation of Pupils to and From Said Schools; and Providing for a Board of Arbitration.

Have had the same under consideration and recommend that the same be indefinitely postponed.

MR. KITCHEN,
Chairman.

Mr. Hempel moved that House Bill No. 174 be rereferred to the committee for further consideration, which motion prevailed.

Also:

Mr. Speaker: Your committee on Education to whom was referred:

House Bill No. 199: A Bill for an Act to Amend and Re-enact Sections 1589, 1594, and 1595 of the Compiled Laws of 1913, Relative to Normal Schools.

Have had the same under consideration and recommend that the same do pass.

MR. KITCHEN,
Chairman.

Mr. Kitchen moved that the report be adopted, which motion prevailed, and the report was adopted.

Also:

Mr. Speaker: Your committee on Education to whom was referred:

House Bill No. 201: A Bill for an Act Entitled An Act Whereby Teachers Teaching in the Public Schools of North Dakota be United States Citizens.

Have had the same under consideration and recommend that the same be amended as follows:

On line 4 of the printed bill, after the word "States" strike out the period (punctuation mark) and insert a comma; after this comma adding the words, "or shall have declared their intentions to become citizens of the United States."

And when so amended recommend the same do pass.

MR. KITCHEN,
Chairman.

Also:

Mr. Speaker: Your committee on Education to whom was rereferred:

House Bill No. 36: A Bill for an Act to Provide for the Standardization of the One-Room Rural Schools, the Graded Schools and the High Schools of the State.

Have had the same under consideration and recommend that the same do pass.

As formerly amended by the Committee on Education and as amended by the Committee on Appropriations.

And when so amended recommend the same do pass.

MR. KITCHEN,
Chairman.

Mr. Speaker: Your committee on Delayed Bills have had under consideration House Bill No. 203 and unanimously recommend that the same be permitted to be introduced.

JOHN G. PLATH,
Chairman.

Mr. Plath moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Delayed Bills have had under consideration House Bill No. 206 and 202, and unanimously recommend that the same be permitted to be introduced.

JOHN G. PLATH,
Chairman.

Mr. Plath moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on Delayed Bills made the following report:

Mr. Speaker: Your committee on Delayed Bills to whom was referred:

House Bill No. 207.

Have had the same under consideration and recommend that the same be not permitted to be introduced.

JOHN G. PLATH,
Chairman.

Mr. Plath moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Bauer moved that the House do now recess for 15 minutes, which motion was lost.

The committee on Delayed Bills made the following report:

Mr. Speaker: Your committee on Delayed Bills to whom was referred:

House Bills No. 204 and 205.

Have had the same under consideration and recommend that the same be not permitted to be introduced.

JOHN G. PLATH,
Chairman.

Mr. Plath moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Employees makes the following recommendation and report and moves the adoption thereof:

That the House has thus far gotten along without the services of a Journal Clerk, that the time of E. M. Crary, assistant Chief Clerk, is now wholly taken up with the duties of Journal Clerk; that for this reason it is necessary that additional help be procured at the desk; and your Committee recommends that W. D. Austin be employed as First Assistant Chief Clerk of the House and that E. M. Crary be transferred to the position of Journal Clerk, such transfer being entirely satisfactory to Mr. Crary.

S. O. ALLEN,
Chairman.

The question being on adoption of the report of the committee.

The roll was called and there were ayes 101, nays 0, absent and not voting 11, 1 excused.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Mouck, Ness, Nagel, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Strain, Ulland, Vogel, Watt, Weld of Kidder, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Eckert, Johnson of Steele, Kamrath, Lazier, McLarty, Maddock of Mountrail, Morton, Nathan, Olson of Billings, Opland, Starke; Weld of Wells excused.

So the report was adopted.

Mr. Patterson moved that the House do now recess for ten minutes, which motion was lost.

MOTIONS AND RESOLUTIONS

Mr. Grangaard moved that the vote by which House Bill No. 152 was passed, be reconsidered, which motion prevailed.

FIRST AND SECOND READING OF HOUSE BILLS

Mr. Kitchen introduced:

House Bill No. 202: A Bill for an Act to Abolish the Office of School District Treasurer and to Make the County Treasurer Exofficio Treasurer of all School Districts in His County.

Was read the first and second time and referred to the committee on State Affairs.

Mr. Lackey, by request, introduced:

House Bill No. 203: A Bill for an Act to Amend and Re-enact Section 69 of the Compiled Laws of North Dakota for 1913, Relating to the Printing of the Popular Edition of the Session Laws; Fixing the Specifications for the Unauthenticated Edition of the Session Laws of the State of North Dakota, and Repealing all Acts and Parts of Acts in Conflict Therewith.

Was read the first and second time and referred to the committee on Public Printing.

Mr. Mouck introduced:

House Bill No. 206: A Bill for an Act Authorizing Boards of County Commissioners to Issue Refunding Bonds to Fund or Refund for the Purpose of Seed Grain or Seed and Feed Grain Bonds or Warrants Theretofore Issued Pursuant to Law for the Purchase of Seed Grain and Feed or Either.

Was read the first and second time and referred to the committee on Judiciary.

MESSAGE FROM THE SENATE

Bismarck, N. D., Feb. 11, 1921.

Mr. Speaker: I have the honor to transmit herewith the following bills:

Senate Bill No. 30: A Bill for an Act to Amend and Re-enact Section 9 of Chapter 167 of the Session Laws of North Dakota for the Year 1919, Relating to the Salary and Expenses of the District Judges.

Senate Bill No. 98: A Bill for an Act to Amend and Re-enact Section 3552, Compiled Laws of North Dakota for the Year 1913, Permitting Incorporated Towns and Villages Having a Population of Not Less Than Two Hundred Inhabitants to Become Incorporated as a City.

Which the Senate has passed and your favorable consideration is respectfully requested.

Very respectfully,
W. J. PRATER,
Secretary.

Bismarck, N. D., Feb. 10, 1921.

Mr. Speaker: I have the honor to transmit herewith the following bills:

Senate Bill No. 7:

A Bill for an Act to Repeal Section 14 of Chapter 225, Laws of North Dakota, 1919, Relating to the Taxation of Transfers of Property by Will, Gift or by Intestate Law.

Senate Bill No. 118: A Bill for an Act to Amend and Re-enact Section 5097 of the Compiled Laws of the State of North Dakota, for the Year 1913, Relating to Cemetery Corporations

Which the Senate has passed and your favorable consideration is respectfully requested.

Very respectfully,
W. J. PRATER,
Secretary.

Bismarck, N. D., Feb. 10, 1921.

Mr. Speaker: I have the honor to return:

House Bill No. 66: A Bill for an Act to Provide for the Payment of Non-Resident Tuition Fee in the High School Department of Standardized Graded and Standardized High Schools Receiving State Aid.

Which the Senate has amended as follows:

Section 4 of engrossed bill, after the figure 4, strike out everything to end of Section and insert in lieu thereof the following: Section 4. "Repeal. All acts or parts of acts in so far as they conflict herewith are hereby repealed."

Also amend title by adding at end of same the words: "Repealing acts or parts of acts in so far as they conflict with this act."

Very respectfully,
W. J. PRATER,
Secretary.

Bismarck, N. D., Feb. 10, 1921.

Mr. Speaker: I have the honor to return:

House Bill No. 37: A Bill for an Act to Amend and Re-enact Section 466 of the Compiled Laws of North Dakota for the Year 1913, Relating to Preliminary Qualifications of Applicants for Licenses to Practice Medicine in the State of North Dakota.

Which the Senate has amended as follows:

In Section 1, line 9, after the word "each" insert as follows: "and must give evidence which shall be satisfactory to said board of a preliminary education which would be ne-

cessary to admit said student to the junior or third year of the University of North Dakota, or some equally reputable American College or university; provided, however, that in case of applicants who have graduated from a reputable medical college prior to the year of 1905, satisfactory evidence of attendance on the lectures and classes of three college years of at least six months each, shall be deemed sufficient to entitle such applicant to take the examination herein provided for; provided, further, that in the case of applicants who have graduated from a reputable medical college during the year 1905, and subsequent thereto, and have attended in such college or colleges the lectures of no less than four college years of at least eight months each, and provided, further, that all applicants for licenses to practice medicine and surgery in the state who have been commissioned or held commissions in the medical corps of the army or navy of the United States, or its allies, during the late war and have been honorably discharged therefrom, shall be entitled to take the examination herein provided for."

Very respectfully,
W. J. PRATER,
Secretary.

Bismarck, N. D., Feb. 10, 1921.

Mr. Speaker: I have the honor to return herewith the following bills:

House Bill No. 4:

A Bill for an Act making it a felony for a male person over the age of sixteen years to take indecent liberties with a child under the age of fourteen years, and providing a penalty therefor.

Which the Senate has indefinitely postponed.

Very respectfully,
W. J. PRATER,
Secretary.

Bismarck, N. D., Feb. 10, 1921.

Mr. Speaker: I have the honor to return herewith the following bills:

House Bill No. 56: A Bill for an Act to Amend and Re-enact Section 7643 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Judgments, District and Supreme Courts to Direct.

House Bill No. 74: A Bill for an Act to Amend and Re-enact Section 7660, Compiled Laws of 1913, Relating to Causes for a New Trial.

House Bill No. 9: A Bill entitled An Act to Protect Trade Mark of Workmen's Unions and the Wearing of Union Buttons.

House Bill No. 45: A Bill for an Act to Amend and Re-enact Section 3967 of the Compiled Laws of North Dakota for the Year 1913, Relating to Errors and Deficiencies in City, Town or Village Plats.

Which the Senate has passed unchanged.

Very respectfully,
W. J. PRATER,
Secretary.

Mr. Weld of Kidder moved that the House do now recess until 3 o'clock P. M., which motion prevailed, and the House so recessed.

AFTER RECESS

The House assembled pursuant to recess taken, the Speaker presiding.

SPECIAL ORDER OF BUSINESS

The Speaker: The House at this time has as a special order of business, the matter of the hearing of the answers of Mr. Gummerson to the questions required to be propounded to him under the resolution which the house has adopted.

Are you prepared to answer the questions propounded in the resolution as passed by the House?

Mr. Gummerson: I would like to make a statement if I may.

The Speaker: You may.

Mr. Gummerson: I have read the resolution which directs the speaker to ask these questions based on the article in the Courier News of February 8th. I do not see anything in here where the article in question pertains to any matter properly before this legislative body.

The Speaker: The chair will advise that your remarks are out of order. You are here to answer the questions and not discuss them.

Mr. Gummerson: I will appeal from the decision of the chair.

The Speaker: The gentleman has that right, or some member for him. As the chair regards the matter, you are here to answer the questions and not argue with the House.

Mr. Patterson: I move it be left to the decision of the House whether the man shall have the right to make a statement.

The Speaker: The chair has ruled that this man has not the right to argue this matter with the House or to question the authority of this body; that he is here to answer these questions. The members may appeal from the decision of the chair.

Mr. Patterson: I appeal from the decision of the chair.

The question being on the appeal from the chair, roll call was demanded.

Mr. Jardine: I move that we have a call of the House, which motion prevailed. The roll was called and all members found to be present except Messrs. Lazier, Morton, Nathan, Olsen of Billings, and Starke.

Mr. Watt moved that further proceedings under the call of the House be dispensed with, which motion prevailed.

On the question of the appeal from the decision of the chair.

The roll was called and there were ayes 54, nays 52, absent and not voting 5, 2 passed.

Ayes: Allen, Anderson of Burleigh, Bauer, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Olafson, Olsgard, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Ulland, Watt, Wood.

Nays: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renault, Sherman, Sims, Strain, Vogel, Weld of Kidder, Whitmer, Yeater.

Absent and not voting: Lazier, Morton, Nathan, Olsen of Billings, Starke.

Mr. Weld of Wells and Mr. Speaker passed.

And chair was sustained.

Mr. Hempel asked permission to explain his vote, and asked that it be printed in the journal. "I vote 'no' for the reason that the statements made to me yesterday by the chair when he called me to the platform—

The Speaker: The gentleman is out of order. What the chair said to you yesterday has nothing to do with this motion.

Mr. Patterson: I ask permission to explain my vote and have it recorded in the journal: "Mr. Speaker, the reason I do not wish to sustain the chair in his ruling is for the reason that it prevents the defendant from stating orally or in writing, in person or by counsel in behalf of the charge against him at this time. It prevents him from making any explanation to throw any light whatever to qualify this article in his good judgment as to whether he had certain motives or not when he wrote this article. If the ruling of the chair is sustained it will compel him to answer certain questions 'yes' or 'no' without any explanation whatever. In other words, it absolutely prohibits him before this great executive session called together and operating under the oath of the constitution of the state of North Dakota, and would deprive him, if Mr. Speaker is sustained, of his constitutional right as a citizen of the state of North Dakota. And I further contend this is one of the greatest moves I ever saw in my life for a man to be brought before this body and be forbid-

den to express himself and tell his views in regard to what he had in mind in writing this article, or be permitted to have counsel. I vote no."

Mr. Reichert moved that the case against Mr. Gummerson be dismissed for want of jurisdiction.

The question being upon the motion of Mr. Reichert, roll call being demanded.

The roll was called and there were ayes 50, nays 56, absent and not voting 5, 1 refuses to vote, 1 passed.

Ayes: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Oberg, Olson of Barnes, Opland, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Whitmer, Yeater.

Nays: Allen, Anderson of Burleigh, Bauer, Bjorgo, Bolinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Olafson, Olsgard, Olson of Ramsey, Ophaug, Peters, Plath, Prezler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Ulland, Watt, Wood, Mr. Speaker.

Absent and not voting: Lazier, Morton, Nathan, Olsen of Billings, Starke.

Weld of Wells passed. Mr. Patterson refused to vote.

And motion was lost.

Mr. Patterson: I wish to explain my vote on this motion. If Mr. Gummerson, in view of the fact that we haven't the power, it is beyond our authority to censure a man who is not a member of our body, commits an act or writes an article that isn't written in our body, no matter whether it is in this state or out of the state. If we had jurisdiction to censure a person or persons for writing articles or making statements that we thought were detrimental to the integrity of this body we would have one of the greatest jobs of bringing them before the bar of this chamber we ever had. I recall several instances where bankers and business men and individuals have sought financial aid without the state and they have met with refusal something like this. "In view of the politics in North Dakota we do not have a very friendly disposition to handle your paper." This would have a tendency to bring a pressure upon the state—

Mr. Watt: I rise to a point of order. The gentleman is not explaining his vote.

Mr. Patterson: I am giving my reasons for voting

The Speaker: I would suggest the gentleman confine himself a little closer to an explanation of his vote.

Mr. Patterson: It is too broad to place against one individual. I maintain that the action brought against this party who is before us at this time do not meet the approval of this legislative body.

The Speaker: The chair will rule that the remarks are out of order. The authority of the House is not a proper matter for discussion at this time. The gentleman may explain his vote but not make an argument.

Mr. Patterson: I am not arguing—if they will keep still and leave me alone. I will read the article, I think it is specific. The article is dated "Bismarck, North Dakota, February 7. Emmissaries of the big bankers, inside and outside the state, failed yesterday" if that calendar there is right, yesterday would be the 6th, or Sunday, and this House was not in session on Sunday, absolutely not—

The Speaker: The chair wants to advise the member that he will have to confine himself to explaining his vote—

Mr. Patterson: I am explaining my vote.

The Speaker: The gentleman is clearly arguing as to the authority of the House and not explaining his vote.

Mr. Patterson: My statements are correct as far as I went.

The Speaker: Your statements may be correct, but you are arguing this matter and not explaining your vote.

Mr. Patterson: I am explaining my vote.

The Speaker: The gentleman is out of order.

Mr. Patterson: Am I not permitted to explain my vote?

The Speaker: You will be allowed to explain your vote but not to argue this question.

Mr. Patterson: I refuse to vote if I am not allowed to explain my vote in my own language.

The Speaker: The gentleman knows he has no right to refuse to vote, I presume?

Mr. Larkin: I believe that Mr. Patterson should not be allowed to pass under Rule 18.

The Speaker: Do you demand that Mr. Patterson vote?

Mr. Larkin: I do.

The Speaker: The gentleman demands that Mr. Patterson vote.

Mr. Patterson: I want to say—

The Speaker: Now Mr. Patterson, this does not call for a speech.

Mr. Patterson: If you will—

The Speaker: Do you desire to vote?

Mr. Patterson: Yes, but I desire to explain my vote.

The Speaker: Vote first and explain it afterwards.

Mr. Patterson: I rise for information. Have I not the same courtesy to explain my vote as the other members have?

The Speaker: You explained it once, or tried to, and you have not the further privilege of explaining it again.

Mr. Patterson: I appeal from the decision of the chair.

The Speaker: You have once explained your vote, and you have not the right to explain it twice. Do you refuse to vote?

Mr. Patterson: I didn't have a chance to explain it.

The Speaker: You are out of order so far as argument is concerned.

The question being on the appeal from the decision of the chair, roll call being demanded.

The roll was called and there were ayes 55, nays 50, absent and not voting 5, 2 passed, 1 refused to vote.

Ayes: Allen, Anderson of Burleigh, Bauer, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Fredrickson, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Olafson, Olsgard, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimin, Shipley, Slominski, Sproul, Ulland, Watt, Wood.

Nays: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Oberg, Olson of Barnes, Opland, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Whitmer, Yeater.

Absent and not voting: Lazier, Morton, Nathan, Olsen of Billings, Starke. Mr. Weld of Weld, and Mr. Speaker passed. Mr. Patterson refused to vote.

And chair was sustained.

Mr. Patterson: I desire to explain my vote and have it taken down in the journal.

Mr. Watt: I object to its being put in the journal.

The Speaker: It is a matter for decision by the house.

Mr. Watt: I will withdraw my objection as I do not want to delay proceedings, but I do not want a man to abuse the privilege he has.

Mr. Patterson: "The reason I want to explain my vote, it has a great deal to do with my reputation in the past and in the future. It means a record of my attitude, it gives an explanation as to how I vote one way or the other. I have met a great many people during my time, and I am not an old man, and I expect to live a great many years and meet a great many more. I want to state to the gentlemen of the house that my foreparents helped to make the stars and stripes that stand unstained today, and they have fought for the flag every time, and I myself am ready to go any time it is necessary to fight, and I resent any move made to keep me from going on record and say why I vote a certain way."

The Speaker: You are not explaining your vote.

Mr. Patterson: I am explaining.

The Speaker: You are complaining about not being allowed to explain it twice; the chair was sustained on its ruling, that you had not the right to explain your vote twice.

The Speaker: How do you vote?

Mr. Patterson: I refuse to vote.

Mr. Larkin: I move Mr. Patterson be made to vote, and refer to Rule 18, which says he must vote unless excused.

The Speaker: The gentleman has refused to vote and the House shows no disposition to require him to do so.

The Speaker: Mr. Gummerson, I will ask you the first one of the questions contained in the resolution: "Name each and all of the persons from without the state, whom you describe as emissaries of big bankers in the article just read to you," that is the article read to you yesterday and of which you have admitted the authorship.

Mr. Gummerson: I would like, if possible to tell, why I do not want to give the names of these gentlemen.

The Speaker: The gentleman will answer the question either yes or no.

Mr. Gummerson: If I am not permitted to say why I cannot give the names of the men, I cannot answer the question.

The Speaker: The reason that you cannot give the names of the men is not a sufficient reason for this house, unless it is that you do not know their names.

Mr. Gummerson: I must refuse to answer that question.

Mr. Speaker: The chair will read the next question: "Name each and all of the persons within this state whom you describe in the article read to you as emissaries of big bankers."

Mr. Gummerson: I decline to answer that question.

The Speaker: "Name each and all farmer legislators, whom such emissaries as you describe in the article, read to you, attempted to buy off."

Mr. Gummerson: I decline to answer that question.

The Speaker: "State what consideration was offered the farmer legislators thus sought to be bought off."

Mr. Gummerson: I decline to answer that question.

The Speaker: "State where and at what time such attempt was made."

Mr. Gummerson: The attempt was made on Sunday, February 6th. The exact place I do not know, about the corner of Fifth street and Main street in Bismarck, in the McKenzie hotel.

The Speaker: "Were you personally present or were you informed of such attempt."

Mr. Gummerson: I was informed of the attempt.

Mr. Speaker: "If you were informed of such attempt, who gave you the information."

Mr. Gummerson: I decline to answer.

The Speaker: "Give the names of state officials whom attempt was made to buy according to your statement in the paragraph read to you."

Mr. Gummerson: I refuse to answer that question.

The Speaker: "Give the names of such emissaries who sought to buy said state officials."

Mr. Gummerson: I decline to answer.

The Speaker: "State when and where such attempt was made to buy these state officials and whether or not you were personally present."

Mr. Gummerson: I was not personally present. I will say the attempt was made in the same place as the former.

The Speaker: "Name specifically what big bankers were represented by emissaries."

Mr. Gummerson: I decline to answer.

The Speaker: That is all.

Mr. Shipley: I would like to ask Mr. Gummerson now whether he wants to at this time give any of the names, or any of the information asked for in the resolution adopted yesterday: Do you now want to give any of the information?

Mr. Gummerson: I would like to tell you why.

Mr. Shipley: I am asking whether you will answer?

Mr. Gummerson: I decline to answer.

Mr. Shipley: At this time, upon the refusal of Mr. Gummerson, the correspondent of the Daily Courier News, refusing to answer the questions propounded to him under the resolution adopted yesterday, I now move that Mr. Gummerson be excluded from the floor of this House, from the galleries of this House, and that he be not hereafter permitted to

report any of the proceedings of this House, nor to attend or report any of its committee meetings, regular or special, and further, that the Chief Clerk of this House give notice to the Courier News that the said C. K. Gummerson has been excluded from this House, and from reporting any of its proceedings, and that they be asked to send another representative here to report the proceedings of this House:

Mr. Patterson: I move that the motion before the House be laid on the table, and all reference to this proceeding be expunged from the record, and a roll call being demanded upon such motion.

The roll was called and there were ayes 52, Nays 55, absent and not voting 5; 1 passed.

Ayes: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie Larkin, Larson of Ransom, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renault, Sherman, Sims, Strain, Vogel, Weld of Kidder, Whitmer, Yeater.

Nays: Allen, Anderson of Burleigh, Bauer, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Olafson Olsgard, Olson of Ramsey, Ophaug, Peters, Plath, Preszler Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski Sproul, Ulland, Watt, Wood, Mr. Speaker.

Absent and not voting: Lazier, Morton, Nathan, Olsen of Billings, Starke.

Mr. Weld of Wells passed.

And the motion was lost.

Mr. Kitchen moved the previous question, which motion prevailed.

The question being on the motion of Mr. Shipley, a roll call was demanded.

The roll was called and there were ayes 55, nays 52, absent and not voting 5; 1 passed.

Ayes: Allen, Anderson of Burleigh Bauer, Bollinger Botz Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Olafson, Olsgard, Olson of Ramsey, Ophaug, Peters, Plath, Preszler,

Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Arduser Babcock, Bilquist, Bjerke, Bjorgo, Brady, Bratsberg, Bryans, Burkhart, Cart. Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman-Sims, Strain, Vogel, Weld of Kidder, Whitmer, Yeater.

Absent and not voting: Lazier, Morton, Nathan, Olsen of Billings, Starke.

Mr. Weld of Wells passed.

And the motion prevailed.

Mr. Maddock of Mountrail: Because of the gag rule, I ask the privilege of explaining my vote, with no intention of abusing it.

The Speaker: Before the gentleman goes any further I want to advise him that it is improper on the floor of this House to speak of gag rule being applied by this body.

Mr. Maddock: I applied it to the motion of the previous question which is generally known as the gag rule.

Mr. Maddock: I vote no upon the question for the reason that the article in question was not against any member of this House. A person could hardly construe it as such unless he was somewhat sensitive in regard to this matter which tries to connect him with big business. I know something of the character of this man before us, and I know he is a man of good virtue and respected. Several presses on the other side have offered him more money than he is getting here—

Mr. Watt: I rise to a point of order. He is talking about some offer he has from some other newspaper.

Mr. Maddock: In regard to this matter, I want to explain something to this House, I want to prove something.—

The Speaker: Do you want to prove it to the House?

Mr. Maddock: I want to explain my vote. I do not want to abuse the privilege.

Mr. Watt: I want to ask the gentleman a question.

The Speaker: You have not a right to; he is explaining his vote.

Mr. Maddock: If this man was a disreputable cur, if he had committed any crime I would be glad to vote to punish him. I know he has been offered a larger salary to work for other presses, but believing the principle is right, and not like Mr. Brinton—

The Speaker: You are out of order.

Mr. Maddock: If the chair rules I am abusing my privilege I will sit down.

Mr. Reichert: I wish to explain my vote and have it recorded in the Journal. I believe, as I understand the procedure now, that this will bring every person before the bar of this House for contempt. Under the sentence Mr. Gummerson will be no longer permitted to appear on the floor of this House, or appear before the committees. I am bound to vote against this motion because in the first place I do not believe Mr. Gummerson has had a fair trial. He was refused permission to explain why he failed to answer these questions, and for that reason alone, gentlemen of this House, I must vote "no."

The Speaker: Might I interrupt? We are not really sentencing Mr. Gummerson for the contempt he committed in refusing to answer questions propounded him, which we have overlooked. The punishment fixed indicates we are punishing him merely because he wrote an article of this kind. His refusing to answer is much more serious, and merits a more serious punishment.

Mr. Hempel: I desire to explain my vote and have it recorded in the Journal. "I vote no because I believe this is one of the most important questions we have voted on. I vote no because I believe if I voted for the motion I would help to gag the press, and I certainly want to vote for everything that is for free press, therefore I vote "no."

Mr. Ness: I want to explain my vote and have it recorded in the Journal: I vote aye on this question as I feel that the article in the Courier News of February 7, 1921, was an insult to every member of this House and to the whole House.

Mr. Patterson: I wish to explain my vote and have my remarks taken down in the Journal: "One of my reasons for voting no on this question is, it would spread the impression out to the public that this offense, if it is an offense committed by Gummerson, was committed in the capitol building and on the floor of this House, which is not a fact, and it would be absolutely a false impression upon the people, and I do not think it is the sense of this body to perpetuate the movement that will go out to the press and over this state. I further vote no because it is a fact that this article wasn't written in connection with anything that took place on the floor of this House while this House was in session. It is misleading. It is absolutely a movement to my judgment to stigmatize the character and reputation of this young man and his family who is above reproach from every angle. I admire his qualifications; I admire his moral courage to do things for the upbuilding of the state of North Dakota. I admire his ability to write things which will give the people concentrated news and as to what is going on. If this goes on record, the motion before the house, will compel the impression before the public that it was committed right on the floor of this House which is not a fact. This is why I make

this explanation with the hope it will reach someone who would like to have the facts and explanation. I vote no.

Mr. Reichert: I desire to explain my vote and have it recorded in the Journal: "First I believe in following the Constitution of these United States. Second, I believe that Mr. Gummerson told the truth in that article, because I have got evidence in my possession, and have had for some time along with me, and that alone leads me to believe it is the truth and therefore I vote no."

Mr. Sherman: I desire to explain my vote. "I vote no because no opportunity was given to discuss the motion, the previous question having been moved. Second, because the article in question does not contain bribery charges in a legal sense. In the body of the article it is referred to as a "proposal" of the interests and terms to have been proposed and as such clearly indicates that it was not a bribery transaction. Third, because it attempts to muzzle the press of our particular faction. The majority of this House knows that. Mr. Gummerson is the only newspaper representative of the minority of the House. Fourth, because the article taken as a whole is in my own judgment absolutely true.

Mr. Shipley: I wish to explain my vote and have it recorded. "I vote aye on this question because of the seriousness of the charge, or the seriousness of the article written in the Courier News of February 8th. In writing the article he stated that there had been emissaries of big business or bankers, both within and without the city of Bismarck trying to bribe legislators. The act of bribery is one of the most fiendish acts that can be permitted in a legislative assembly. If Mr. Gummerson has that information and wants to act the part of a good citizen and is in favor of good government, he should not now or at any future time withhold the names of any of the men who were here for the purpose of bribing the lawmakers of this state. I vote aye.

Mr. Vogel: I desire to explain my vote and have it printed in the Journal. "I vote no, first because I believe this is a serious step on the part of this body to deprive a certain citizen of the state temporarily at this critical time from gaining truthful information concerning this legislative assembly. I will say this is a serious attempt for the next three or four days, at least, to deprive the so-called Courier News a representative on the floor here.

The Speaker: Might I suggest that the motion that is being voted on directs the Chief Clerk to notify the Courier News to have a reporter here.

Mr. Vogel: Second, the man we have before the bar of this House has never had an opportunity to explain his position. Third, because the statement has been made both on the floor of this House and from the chair that this legislative body was overlooking the most serious charge, and I maintain that this gentleman at the bar of this House at no time has been in contempt of this body, and I see no reason for the impression that has been given that this body has overlooked the most serious charge when no charge exists according to the statutory laws of the State of North Dakota.

The Speaker having announced the result of the vote upon the motion of Mr. Shipley, he directed the Sergeant-at-Arms to escort Mr. Gummerson from the House.

Mr. Johnson of Ward moved that the article referred to in the resolution be printed in the Journal, which motion prevailed.

BY C. K. GUMMERSON.

Bismarck, N. D., Feb. 7.—Emissaries of the big bankers, inside and outside the state, failed yesterday in their attempt to buy off farmer legislators and state officials from continuing the industrial program.

At the conclusion of a conference of all Nonpartisan League legislators and state officials which began early Sunday afternoon and ended after midnight, these words were carried back to the bankers:

“There will be no compromise.”

Ask Unconditional Surrender.

This last “proposal” of the interests to effect a compromise was considered by the farmers as an invitation for an unconditional surrender of the Bank of North Dakota, the mill and elevator and the other going and proposed industries, included in the program.

No written documents passed between the conference of the farmers’ representatives and the men declared to represent the banking interests, altho a committee of the former is said to have listened to the terms delivered orally.

These terms are declared to have embodied a guarantee for the sale of \$2,000,000 of bonds if:

The legislature would make a land bank out of the Bank of North Dakota.

The industrial and real estate bond issues be converted into purely state bonds.

The bond legislation were changed to provide for the retirement solely out of tax revenues and not from any profits the industries might make.
program be curtailed.

After long hours of debate and discussion over the proposal, three major reasons for a flat refusal of such compromise or surrender were developed by the farmer legislators:

1. The people of North Dakota had elected the administration to office three times with instructions to enact the present industrial program and carry it thru to success. There had been no indications that the people want the program scrapped. Accordingly the officials and legislators had no right to modify it to suit the pleasure of its enemies.

2. The sincerity of the interests making the “proposal” was questioned. Judging by the record of this group in past dealings no assurance could be had that

the game of double cross would not be played if the farmers carried out their part of the agreement.

3. The ability of the group making the offer to carry out its guarantee was seriously doubted.

Fear Fate of Many Banks.

It was pointed out that upwards of 100 private banks of the state may yet bow to the financial panic gripping the nation if the situation is not relieved.

The unqualified answer to this proposal was:

"The situation in which the banks find themselves was brought on by themselves, by their continued concerted efforts to fight the agricultural interests. Such funds as may be 'frozen' reflects the situation which has existed since the time that they ate their feed of public money from the hands of the local treasurers."

It was declared by many of the farmers in the conference that the logical thing to do to afford the people of the state financial protection, if the privately controlled banking system has demonstrated its inability to function, is to open the Bank of North Dakota for private deposits with branches over the state to handle the rush of business.

The House returned to the 11th order of business.

THIRD READING OF HOUSE BILLS.

House Bill No. 5: A Bill for an Act to Prohibit Intoxicating Liquors and Beverages and Property intended for the Manufacture of same; Prohibiting the Transportation of Liquor and Providing for the Forfeiture of Property used for the Transportation of same; to Provide for its Enforcement and the Repeal of Laws in Conflict therewith.

Was read the third time.

The question being on the final passage of the bill, as amended by the Senate, the roll was called and there were ayes 93, nays 11, absent and not voting 8, 1 passed.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kellogg, Kitchen, Kjos, Lakie, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Mikkelson, Miller, Mouck, Ness, Nathan, Oberg, Olafson, Olson of Barnes, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Quade, Reichert, Renauld, Root, Sagen, Semling, Shimmin, Shipley, Sims, Stominski, Sproul, Ulland, Vogel, Watt, Weld of Kidder, Wood, M^r Speaker.

Nays: Elmer, Kamrath, Kelly, Kopp, Lackey, Nagel, Ols-
gard, Sherman, Strain, Whitmer, Yeater.

Absent and not voting: Larkin, Lazier, McManus, Maxwell,
Morton, Olsen of Billings, Preszler, Starke.

Mr. Weld of Wells passed.

So the bill passed and the title was agreed to.

Mr. Sherman: I desire to explain my vote and have it
recorded in the Journal: "I vote no on this bill because I
know what interests have been instrumental in amending this
bill as it was originally passed by this House, and I am op-
posed to special legislation for the bottling works in this
state."

The courtesies of the floor were extended to E. W. Gilbert-
son, Alex R. Wright, Mr. Bodmer, Dr. L. G. Smith, Dr. E. G.
Sinmonsens, J. W. Plunkett, Rudolph Opp, E. W. Herbert, Ad-
dison Leech, Joseph Rowan, Phil Myers, E. B. McCutcheon.
F. B. Streeter, Hon. J. W. Calnan, Henry Leum.

Mr. Watt moved that the House do now adjourn until 1
o'clock Monday, February 14, 1921, which motion prevailed
and the House so adjourned.

C. L. DAWSON,
Chief Clerk.

GENERAL ORDERS

House Bill No. 34: A Bill for an Act to Fix the Salaries
of Certain County Officers, to Provide for the Payment
Thereof, for the Employment and Payment of Deputies and
Clerk Hire in Such Offices, the Collection and Deposit of
Fees, and the Repeal of Certain Laws.

House Bill No. 116: A Bill for an Act Providing for the
Furnishing by the Register of Deeds of Each County to Ele-
vators Making Application and Paying the Fee Provided
Therefor, of an Abstract of All Mortgages and Liens Upon
Grain Grown During Each Year, and Filed in the Office of
the Register of Deeds.

House Bill No. 118: A Bill for an Act to Amend and Re-
enact Sections 624 and 625 of the Compiled Laws of North
Dakota for the Year 1913 as Amended by Chapter 252 of the
Laws of North Dakota for the Year 1917 and by Chapter 25
of the Laws Passed by the Special Session of the Legislative
Assembly of North Dakota in 1919, Relative to the Com-
missioner of Noxious Weeds.

Senate Bill No. 18: A Bill for an Act to Amend and Re-
enact Chapter Six, Session Laws 1919, as Amended by Special
Session Laws 1919 Relating to the Licensing, Regulating and
Supervising the Licensing and Inspection of Pool
and Billiard Rooms, Ball and Pin Alleys, Dance Halls,
Theaters, Moving Picture Shows, Taxicab or Auto Livery,
Places where Soft Drinks are Manufactured or Sold or where
Cigars and Tobacco are Sold, or Public Hall, owned Privately
and Used for Public Purposes; Providing Fees therefor, In-
spectors, Office Help and Supplies Thereof; Defining Pow-
ers and Duties and Repealing all Acts and Parts of Acts
Inconsistent Therewith.

House Bill No. 14: A Bill for an Act Entitled an Act Relating to Interfering With Rights of Employees.

House Bill No. 136: A Bill for an Act to Amend and Re-enact Section 8205, Compiled Laws of North Dakota for 1913, Defining the Private Property Which May be Taken by Eminent Domain.

House Bill No. 101: A Bill for an Act Entitled, An Act Establishing a System of State Free Employment Service, Providing for the Maintenance Thereof, Defining the Duties of Such Department, Its Officers and Employees, and Appropriating Money for the Carrying Out of the Provisions of This Act.

House Bill No. 41: A Bill for an Act, Providing for the Preservation and Control of the Artesian Waters of the State.

House Bill No. 72: A Bill for an Act to Amend and Re-enact Section 4924 of the Compiled Laws of North Dakota for the Year 1913, Relating to Taxation of Insurance Companies.

House Bill No. 112: A Bill for an Act to Amend and Re-enact Section 2955, 2956, of the Compiled Laws of the State of North Dakota for the Year 1913.

House Bill No. 68: A Bill for an Act to Amend and Re-enact Section 27 of Chapter 162 of the Session Laws of North Dakota for the Year 1919, Relating to and for the Benefit of Injured Employees and their Dependents in Hazardous Employments, and Providing Funds with which to Carry on the Work of the Workmen's Compensation Bureau.

House Bill No. 20: A Bill for an Act to Amend and Re-enact Section 8 of Chapter 162 of the Laws of North Dakota for the Year 1919, Relating to the Enforcement of Payment of Premiums to the Workmen's Compensation Fund.

House Bill No. 69: A Bill for an Act to Amend and Re-enact Section 6 of Chapter 162 of the Session Laws of North Dakota for the Year 1919, Relating to and for the Benefit of Employees Injured and the Dependents of Employees Killed in Hazardous Employments, Fixing the Duties and Liabilities of Employees and Employers, and Providing Methods of Securing the Payment of Obligations Arising in Favor of Injured Employees and their Dependents.

House Bill No. 125: A Bill for an Act to Amend and Re-enact Section 2681 of the Compiled Laws of the State of North Dakota for 1913, Compensation for Members of State Live Stock Sanitary Board.

House Bill No. 126: A Bill for an Act Relating to the Application of the Tuberculin Test and Eradication of Bovine Tuberculosis in Townships in Counties in North Dakota Under Direction of the State Live Stock Sanitary Board by Petition of a Majority of Freeholders in Such Township.

House Bill No. 134: A Bill for an Act to Amend and Re-enact Sub-division 70 of Section 3818, Compiled Laws of North Dakota for 1913, Relating to the Purchase and Acquisition by a City of Any System or Part of System of Water Works.

House Bill No. 137: A Bill for an Act Amending and Re-enacting Section 5742, Compiled Laws of North Dakota for 1913, Relating to the Application of the Provisions of Article 20, Compiled Laws of 1913, to Water Main and Water Works Systems, and to the Purchase Thereof.

House Bill No. 97: A Bill for an Act Permitting the City to Make Advancements Upon Material Purchased by a Contractor for Use in the Performance of Contracts for Municipal Improvements.

House Bill No. 98: A Bill for an Act to Amend and Re-enact Section 3710 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Contractors. How Paid.

House Bill No. 201: A Bill for an Act Entitled an Act Whereby Teachers Teaching in the Public Schools of North Dakota be United States Citizens.

House Bill No. 36: A Bill for an Act to Provide for the Standardization of the One-Room Rural Schools, the Graded Schools and the High Schools of the State.

THIRTY-NINTH DAY AFTER RECESS, AND
FORTY-SECOND DAY

House of Representatives,
Bismarck, North Dakota,
February 14, 1921.

The House convened at 1 o'clock P. M., pursuant to recess taken, the Speaker presiding.

GENERAL ORDERS

Mr. Miller moved that the house resolve itself into a committee of the whole for the consideration of general orders; which motion prevailed, and the house resolved itself into a committee of the whole.

The Speaker called Mr. Miller to the chair.

When the committee arose it submitted the following report:

Mr. Speaker: The committee of the whole have had under consideration:

House Bill No. 34: A Bill for an Act to Fix the Salaries of Certain County Officers, to Provide for the Payment Thereof, for the Employment and Payment of Deputies and Clerk Hire in Such Offices, the Collection and Deposit of Fees, and the Repeal of Certain Laws.

And recommend the same be amended as follows:

Strike out everything after the words "A BILL" and insert in lieu thereof the following: For an Act to Amend and Re-enact Chapter 112 of the Session Laws of 1915, Providing for Salaries of County Auditors, County Treasurers, County Superintendent of Schools, Registers of Deeds, County Judges, States Attorneys and Assistants, Clerks of the District Court and Sheriffs and Repealing all Acts or Parts of Acts in Conflict Therewith.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF
THE STATE OF NORTH DAKOTA:

Section 1. COUNTY AUDITOR'S SALARY. The salary of the County Auditor shall be regulated by the population in his county according to the last preceding official state or federal census as follows: Provided, that no County Audi-

tor shall receive more than Fifteen Hundred Dollars for his personal and official services in any one year in counties having a population of less than seven thousand; eighteen hundred dollars in counties having a population exceeding seven thousand and not exceeding twelve thousand; two thousand dollars in counties having a population exceeding twelve thousand and not exceeding twenty thousand; two thousand two hundred dollars in counties having a population exceeding twenty thousand and not exceeding twenty-five thousand; two thousand four hundred dollars in counties having a population exceeding twenty-five thousand and not exceeding thirty-five thousand; two thousand eight hundred dollars and no more, in counties having a population exceeding thirty-five thousand; which salary shall be paid monthly from the general county fund on the warrant of the County Auditor.

All moneys received as fees of every nature, kind or description in his official capacity, or commissions and compensation for services on boards created by law, shall be paid by the County Auditor at the end of each month into the general fund of the county.

Section 2. COUNTY TREASURER'S SALARY. The salary of the County Treasurer shall be the same as that of the County Auditor, which salary shall be paid monthly from the general county fund on the warrant of the County Auditor. All moneys received as fees of every nature, kind, or description in his official capacity, or commissions and compensation for services on boards created by law, shall be paid by the County Treasurer at the end of each month into the general fund of the county.

Section 3. SALARY OF REGISTER OF DEEDS AND THE CLERK OF THE DISTRICT COURT. The salary of the Register of Deeds shall be regulated by the population in his county according to the last preceding official state or federal census, as follows: Provided, that no Register of Deeds and the Clerk of the District Court shall receive more than fifteen hundred dollars for his personal services in any one year in counties having a population of less than seven thousand; one thousand seven hundred dollars in counties having a population exceeding seven thousand and not exceeding ten thousand; one thousand eight hundred dollars in counties having a population exceeding ten thousand and not exceeding twenty thousand; two thousand dollars and no more, in counties having a population exceeding twenty thousand, which salary shall be paid monthly from the general fund on the warrant of the County Auditor.

All moneys received as fees of every nature, kind or description in his official capacity, or commissions and compensation for services on boards created by law, shall be paid by the Register of Deeds and the Clerk of the District Court at the end of each month into the general fund of the county, providing that this shall not apply to Clerks of District Courts in counties having increased jurisdiction.

Section 4. SALARY AND EXPENSES OF THE COUNTY SUPERINTENDENT OF SCHOOLS. The County Superintendent of Schools shall receive an annual salary equal to that paid to the Register of Deeds of his county, which salary

shall be paid monthly on a warrant of the County Auditor on the County Treasurer, and in addition thereto he shall receive ten cents per mile for the distance actually and necessarily traveled by him or his field deputy in the discharge of his duties within the county and in attendance at meetings of County Superintendents, called by the Superintendent of Public Instruction, as provided by law. He shall at the end of every three months, make and furnish to the County Commissioners, an itemized statement, subscribed and sworn to, of the distance so traveled in the discharge of his duties, which shall be audited and ordered paid by the Board of County Commissioners.

All moneys received as fees of every nature, kind or description, in his official capacity, or commissions and compensation for services on boards created by law, shall be paid by the Superintendent of Schools at the end of each month, into the general fund of the county.

Section 5. SALARY OF THE COUNTY JUDGE. The salary of the County Judge shall be regulated by the population in his county according to the last preceding official state or federal census, as follows: Provided that no County Judge shall receive more than one thousand five hundred dollars for his personal services in any one year in counties having a population of less than eleven thousand; seventeen hundred dollars in counties having a population exceeding eleven thousand and not exceeding fifteen thousand; eighteen hundred and fifty dollars in counties having a population exceeding fifteen thousand and not exceeding nineteen thousand; two thousand dollars and no more, in counties having a population exceeding nineteen thousand, which salary shall be paid monthly from the general county fund on the warrant of the County Auditor; providing, that the salary of the County Judge in counties having increased jurisdiction shall not be effected by the provisions of this Article; provided, further, that the maximum salary of County Judges in counties having increased jurisdiction shall be limited to two thousand five hundred dollars as provided by Section 8973 of the Compiled Laws of 1913.

All moneys as fees, of every nature, kind or description in his official capacity, or commissions and compensation for services on boards created by law, shall be paid by the County Judge at the end of each month into the general fund of the county.

Section 6. SALARY OF SHERIFF. The salary of the Sheriff shall be regulated by the population in his county according to the last preceding official state or federal census, as follows: Provided, that no Sheriff shall receive more than fifteen hundred dollars for his personal services in any one year in counties having a population of less than seven thousand; sixteen hundred and fifty dollars in counties having a population of seven thousand and not exceeding nine thousand; one thousand eight hundred dollars in counties having a population exceeding nine thousand and not exceeding eleven thousand; one thousand nine hundred dollars in counties having a population exceeding eleven thousand and not exceeding thirteen thousand; two thousand dollars in counties having a population exceeding thirteen thousand and

not exceeding fifteen thousand; two thousand one hundred dollars in counties having a population exceeding fifteen thousand and not exceeding seventeen thousand; two thousand two hundred dollars in counties having a population exceeding seventeen thousand and not exceeding nineteen thousand; two thousand three hundred dollars in counties having a population exceeding nineteen thousand and not exceeding twenty-three thousand; two thousand four hundred dollars in counties having a population exceeding twenty-three thousand and not exceeding twenty-four thousand; two thousand five hundred dollars in counties having a population exceeding twenty-four thousand and not exceeding twenty-five thousand; two thousand six hundred dollars in counties having a population exceeding twenty-five thousand and not exceeding twenty-six thousand; two thousand seven hundred dollars in counties having a population exceeding twenty-six thousand and not exceeding twenty-seven thousand; two thousand eight hundred dollars in counties having a population exceeding twenty-seven thousand and not exceeding twenty-eight thousand; two thousand nine hundred dollars in counties having a population exceeding twenty-nine thousand; three thousand dollars and no more, in counties having a population exceeding twenty-nine thousand; which salary shall be paid monthly from the general county fund on the warrant of the County Auditor.

All moneys received as fees of every nature, kind or description in his official capacity, or commissions and compensation for services on boards created by law, excepting mileage and livery, shall be paid by the Sheriff at the end of each month into the general fund of the county.

Section 7. SALARY OF STATE'S ATTORNEY, ASSISTANT AND CLERK. The salary of the State's Attorney shall be regulated by the population in his county according to the last preceding official state or federal census, as follows: Provided, that no State's Attorney shall receive more than fifteen hundred dollars for his personal services in any one year in counties having a population of less than ten thousand; one thousand six hundred dollars in counties having a population exceeding ten thousand and not exceeding twelve thousand; one thousand seven hundred dollars in counties having a population exceeding twelve thousand and not exceeding fourteen thousand; one thousand eight hundred dollars in counties having a population exceeding fourteen thousand and not exceeding sixteen thousand; two thousand dollars and no more, in counties having a population exceeding sixteen thousand; provided, that in counties having a population exceeding nineteen thousand an Assistant State's Attorney shall be appointed by the State's Attorney, who shall receive a salary fixed by the County Commissioners; provided, however, such salary shall not be less than six hundred dollars per annum, payable monthly; and in counties having a population exceeding twenty thousand the County Commissioners may, whenever they deem it necessary and for such time as they deem necessary, by resolution, authorize the State's Attorney to appoint a clerk who shall be subject to discharge by the State's Attorney and whose salary shall be fixed by the County Commissioners and paid by the county. In counties having a population of

less than nineteen thousand the salary of the Assistant State's Attorney, if one is allowed by the County Commissioners, shall be fixed by the County Commissioners, and in such counties, having a population of less than nineteen thousand, the County Commissioners may, whenever they deem it necessary, and for such time as they deem necessary, by resolution, authorize the State's Attorney to appoint a clerk in lieu of an Assistant State's Attorney, which clerk shall be subject to discharge at any time by the State's Attorney and whose salary shall be fixed by the County Commissioners and paid by the county, which salary shall be paid monthly from the general fund on the warrant of the County Auditor. All moneys received as fees of every nature, kind and description, in his official capacity, or commissions and compensation for services on boards created by law shall be paid by the State's Attorney at the end of each month into the general fund of the county.

Section 8. All Acts and parts of Acts in so far as they are in conflict with this Act are hereby repealed.

After the word Treasurer in line 6 of Sec. 4., on page 4, of the journal of February 7th, strike out all after the word "Treasurer" down to and including the words "called by" in line 10, and insert in lieu thereof the following: "and in addition thereto he shall receive fifteen cents per mile for the distance actually and necessarily traveled by him or his field deputy in the discharge of his duties within the county and ten cents per mile when in attendance at the meetings of the county superintendents when so called by."

And when so amended recommend the same do pass.

Also:

House Bill No. 116: A Bill for an Act Providing for the Furnishing by the Register of Deeds of Each County to Elevators Making Application and Paying the Fee Provided Therefor of an Abstract of All Mortgages and Liens Upon Grain Grown During Each Year, and Filed in the Office of the Register of Deeds.

And recommend the same be amended as follows:

Sec. 1, line 6, after the figures "\$5.00" strike out the comma and insert a period; strike out the balance of the section.

And when so amended recommend the same do pass.

Also:

House Bill No. 118: A Bill for an Act to Amend and Re-enact Sections 624 and 625 of the Compiled Laws of North Dakota for the Year 1913 as Amended by Chapter 252 of the Laws of North Dakota for the Year 1917 and by Chapter 25 of the Laws Passed by the Special Session of the Legislative Assembly of North Dakota in 1919, Relative to the Commissioner of Noxious Weeds.

And recommend that the same be amended as follows:

In Section 624, line 3, strike out the word "voters" and insert in lieu thereof the word "freeholders."

And when so amended recommend the same do pass.

Also:

Senate Bill No. 18: A Bill for an Act to Amend and Re-enact Chapter Six, Session Laws 1919, as Amended by Special Session Laws 1919 Relating to the Licensing, Regulating and Supervising the Licensing and Inspection of Pool and Billiard Rooms, Ball and Pin Alleys, Dance Halls, Theaters, Moving Picture Shows, Taxicab and Auto Livery, Places where Soft Drinks are Manufactured or Sold or where Cigars and Tobacco are Sold, or Public Hall, Owned Privately and Used for Public Purposes; Providing Fees Therefor, Inspectors, Office Help and Supplies Thereof; Defining Powers and Duties and Repealing all Acts and Parts of Acts Inconsistent Therewith.

On which no action was taken.

J. C. MILLER,
Chairman.

Mr. Johnson of Cass moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Mikkelson moved that the House do now adjourn, which motion prevailed, and the House adjourned.

C. L. DAWSON,
Chief Clerk.

FORTY-SECOND DAY

House of Representatives,
Bismarck, North Dakota,
February 14, 1921.

The House convened at 2 o'clock P. M., the Speaker presiding.

Prayer by the Chaplain, Rev. Postlethwaite.

Roll Call: All members present except Messrs. Hartle, Lazier and Nathan.

REVISION AND CORRECTION OF THE JOURNAL

The committee on revision and correction of the journal made the following report:

Mr. Speaker: Your committee on revision and correction of the journal have carefully examined the Journal of the 39th day and recommend that the same be corrected as follows:

On page 3, lines 5 and 6 should be stricken out and in lieu thereof insert "no action taken."

And when so corrected recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted.

MESSAGES FROM THE SENATE

Bismarck, N. D., Feb. 11, 1921.

Mr. Speaker: I have the honor to transmit the following concurrent resolution:

Urging Congress to enact into law the Shepard Towner Bill.

Which the Senate adopted and your favorable consideration is respectfully requested.

Very respectfully,
W. J. PRATER,
Secretary.

Bismarck, N. D., Feb. 11, 1921.

Mr. Speaker: I have the honor to transmit herewith the following bills:

Senate Bill No. 53: A Bill for an Act to Amend and Re-enact Chapter 160 of the Session Laws of North Dakota for the Year 1919 as Amended by Chapter No. 38 of the Special Session Laws of the 16th Legislative Assembly of the State of North Dakota for the Year 1919 Relating to State Hail Insurance.

Which the Senate has passed and your favorable consideration is respectfully requested.

Very respectfully,
W. J. PRATER,
Secretary.

SENATE CHAMBER

Bismarck, N. D., Feb. 10, 1921.

Mr. Speaker: I have the honor to return:

House Bill No. 23: A Bill for an Act Designating the Legal Holidays in the State of North Dakota and to Amend and Re-enact Section 7297 of the Compiled Laws of North Dakota, 1913, as Amended by Chapter 143, Session Laws of 1919.

Which the Senate has amended as follows:

In Line 7 after the clause "the thirtieth day of May" add the words "Memorial Day, which shall commemorate the veterans of the Civil War, the Spanish American War and the Great World War." In lines 9 and 10 strike out the words "the eleventh day of November which is Armistice Day."

And when so amended recommend the same do pass.

Very respectfully,
W. J. PRATER,
Secretary.

PETITIONS AND COMMUNICATIONS

To the Honorable Members of the 17th Legislative Assembly:

We, the undersigned, resident voters of Steele County, do hereby respectfully beg to submit to you, that in the interest of good government and consistent with the principles of majority rule, the 16th Legislative District now consisting of

the Counties of Griggs and Steele should be so divided as to make Steele County a separate senatorial district with one senator and one or two house members, we urge that if a reapportionment of the state is undertaken that this request to divide the 16th Legislative District as suggested should be given the most effectual consideration. For the reason that the two members of the House of Representatives coming from Steele County in the 17th Legislative Assembly are not now voting and working according to the will and majority of the voters of that county, and that the condition complained of cannot be remedied as long as the two counties are joined in one legislative district.

J. W. NEEDHAM,
And 75 Others.

Stanton, N. Dak., Jan. 30, 1921.

Hon. J. B. Hagelbarger, Representative of District No. 48:

Dear Sir: We, the members of the Swedish Baptist Church of Deapolis, hereby earnestly and sincerely ask you, when Senate Bill No. 18 comes up, to do all in your power to fight this bill through, as we need this law to cope with the whiskey runners of this state. Please.

Yours very truly,
H. DANIELSON,
And 10 Others.

To the Hon Nels Magnuson, Representative from Bottineau County, North Dakota:

We, the undersigned, voters of the district which you represent in the State Legislature, believe that the best interests of the state and of the young people of the state demand that the recommendation of the State Board of Administration, that the State Normal and Industrial School at Ellendale, the State School of Science at Wahpeton, the State Normal at Mayville, and the State School of Forestry at Bottineau be rejected. And we hereby request that you use your efforts and influence in aiding these schools to secure the appropriation necessary for their maintenance.

W. H. LACKEY,
And 12 Others.

Grand Forks, N. Dak., Feb. 10, 1921.

Hon. John T. Freeman, House, Bismarck, N. Dak.:

Honorable House of Representatives, State of North Dakota: Representative women citizens of Grand Forks in open forum assembled respectfully urge unfavorable consideration of Senate Bill 18 in its present form, urge indefinite postponement of House Bill 132, urge favorable consideration of House Bill 154.

MRS. S. E. B. SEESE,
Secretary.
E. H. COOLEY,
Chairman.

At the regular meeting of the Grand Forks Trades and Labor Assembly Jan. 26, 1921, the following resolution was passed:

WHEREAS, The salaries of teachers in the state educational institutions have not risen to correspond with the cost of living; and

WHEREAS, The teachers have suffered a serious deficit of purchasing power for several years; and

WHEREAS, The state is losing the services of experienced teachers who are needed to maintain the high standard of education; and

WHEREAS, On the present low salary basis our institution finds it impossible to compete with other first class universities for men of proved ability and experience;

NOW THEREFORE, BE IT RESOLVED, By the Trades and Labor Assembly of Grand Forks that whatever cuts may be made in the appropriations asked for in behalf of the state educational institutions, the estimates for salaries of teachers be not diminished under any circumstances; and

BE IT FURTHER RESOLVED, That copies of this resolution be sent to the governor, the board of administration, the chairman of the committee on appropriations in the state legislature, and to the members of the legislature from Grand Forks County.

PETER MORGAN,
President.
ADOLPH LANGSETH,
Secretary-Treasurer.
And 5 Others.

REPORT OF STANDING COMMITTEES

Mr. Speaker: Your committee on Enrollment and Engrossment has examined the following bills:

House Bill No. 18: A Bill for an Act to Amend and Re-enact Section 2 of Chapter 162 of the Laws of North Dakota for the Year 1919, Defining Certain Words and Phrases in said Chapter.

House Bill No. 35: A Bill for an Act to Amend and Re-enact Section 33 of Chapter 161 of the Laws of North Dakota for the Year 1915 as Amended by Chapter 122 of the Laws of North Dakota for the Year 1917 as Amended by Chapter 134 of the Laws of North Dakota for the Year Relating to Game Birds and Season for

House Bill No. 100. A Bill for an Act Defining Criminal Syndicalism, Prohibiting the Advocacy Thereof and the Advocacy of Crime, Sabotage, Violence, or Other Unlawful Methods of Terrorism as a Means of Accomplishing Industrial Ends, and Assemblage for the Purpose of Such Advocacy; and Providing Penalties for the Violation of the Provisions Thereof.

House Bill No. 81: A Bill for an Act to Establish a Uniform Egg Law, for Regulating and Preventing the Sale of Eggs Unfit as Articles of Human Food, Requiring Eggs to be Canded, Requiring a License for Dealers in Eggs and Establishing a Penalty for Violation of this Act.

And find the same correctly engrossed.

ADAM PRESZLER,
Chairman.

Mr. Prezler moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on State Affairs to whom was referred:

House Bill No. 16: A Bill for An Act Relative to Scaffoldings and Providing Safety Appliances in Construction Work.

Have had the same under consideration and recommend that the same be amended as follows:

Strike out all of Section 2. Change Section 3 to Section 2. Change Section 4 to Section 3.

And when so amended recommend the same do pass.

MARTIN OLSEN,
Chairman.

Also:

Mr. Speaker: Your committee on State Affairs to whom was referred:

House Bill No. 172: A Concurrent Resolution to Amend and Re-enact Section 173 of the Constitution of the State of North Dakota, Relating to County Officers:

Have had the same under consideration and recommend that the same be amended as follows:

Line 4, Section 173, strike out the word "treasurer."

And when so amended recommend the same do pass. /

MARTIN OLSEN,
Chairman.

Also:

Mr. Speaker: Your committee on State Affairs to whom was referred:

House Bill No. 140: A Bill for an Act to Amend and Re-enact Chapter 271 of the Session Laws of North Dakota for the Year 1915, Relating to Qualifications of Signers on Petition of County Commissioners.

Have had the same under consideration and recommend that the same do pass.

MARTIN OLSEN,
Chairman.

Mr. Olson moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

Mr. Speaker: Your committee on State Affairs to whom was referred:

House Bill No. 84: A Bill for an Act to Provide for a State Factory Inspector, Prescribing his Duties and Fixing the Salary thereof.

Have had the same under consideration and recommend that the same be indefinitely postponed.

MARTIN OLSEN,
Chairman.

Mr. Olson moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on State Affairs made the following report:

Mr. Speaker: Your committee on State Affairs to whom was referred:

House Bill No. 166: A Bill for an Act Empowering the State Land Department of the State of North Dakota to Grant Certain Permits for the Sinking of Oil Wells on School Lands.

Have had the same under consideration and recommend that the same be indefinitely postponed.

MARTIN OLSEN,
Chairman

Mr. Olson moved that the report be adopted.

Mr. Olsen of Billings moved that House Bill No. 166 be re-referred to the committee on State Affairs.

Mr. Johnson of Cass moved that the motion to re-refer the bill to the committee be laid upon the table, which motion prevailed.

The question being on the motion to adopt the report of the committee, the motion prevailed, and further consideration of House Bill No. 166 was indefinitely postponed.

Also:

Mr. Speaker: Your committee on State Affairs to whom was referred:

House Bill No. 188: A Bill for a Concurrent Resolution, to Amend and Re-enact Section 45 of the Constitution of the State of North Dakota, Relating to Compensation of Members of the Legislative Assembly.

Have had the same under consideration and recommend that the same do pass.

MARTIN OLSEN,
Chairman.

Mr. Olsen moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Enrollment and Engrossment have examined the following bills:

House Bill No. 99: For an Act to Amend and Re-enact Section 3529 of the Compiled Laws of North Dakota for the Year 1913 Relating to Fees of Notaries Public.

House Bill No. 147: A Bill for an Act to Amend and Re-enact Section 5179 of the Compiled Laws of 1913 as Amended and Re-enacted by Chapter 55 of the Session Laws of 1915, Relating to the Department of the State examiner.

House Bill No. 149: A Bill for an Act Providing for the Supervision of Liquidation of Insolvent Banks by the Depositors Guaranty Fund Commission, the Appointment of a

Supervisor of Receivers and Compensation and Expenses Thereof to be Paid Out of the Depositors' Guaranty Fund.

House Bill No. 151: A Bill for an Act to Amend and Re-enact Section 1 of Chapter 126 of the Laws of North Dakota for the Year 1917 as Amended and Re-enacted by Chapter 110 of the Laws of North Dakota for 1919, Relative to the Guarantee of Bank Deposits.

House Bill No. 152: A Bill for an Act to Amend and Re-enact Section 8 of Chapter 126 of the Laws of North Dakota for the Year 1917, Relating to the Guarantee of Bank Deposits.

House Bill No. 146: A Bill for an Act to Amend and Re-enact Section 3533 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 104 of the Session Laws of 1915, Relating to the Compensation and Office Hours of County Commissioners.

And find the same correctly engrossed.

A. J. PRESZLER,
Chairman.

Mr. Preszler moved that the report be adopted, which motion prevailed and the report was adopted.

MOTIONS AND RESOLUTIONS.

Mr. Maddock of Mountrail moved that the vote by which House Bill No. 43 was indefinitely postponed on the last legislative day be reconsidered, which motion prevailed.

Mr. Maddock of Mountrail moved that House Bill No. 43 be re-referred to the committee on State Affairs, which motion prevailed and the bill was re-referred to the committee on State Affairs.

House Bills Nos. 208, 209, 210 and 211, were filed, and referred to the committee on Delayed Bills.

THIRD READING OF HOUSE BILLS.

House Bill No. 127: A Bill for an Act to Amend and Re-enact Section 2702 of the Compiled Laws of the State of North Dakota for 1913 as Amended by Chapter 263, Session Laws of North Dakota for the Year 1915, and Amending and Re-enacting Section 2706 of the Compiled Laws of the State of North Dakota for 1913, Relating to the Reimbursement of Owners of Tubercular Cattle.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 109, nays 0, absent and not voting 4.

Ayes: Allen, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of

Grand Forks, Hall, Harding, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Hartl, Kopp, Lazier, Nathan.

So the bill passed and the title was agreed to.

House Bill No. 199: A Bill for an Act to Amend and Re-enact Sections 1589, 1594 and 1595 of the Compiled Laws of 1913, Relative to Normal Schools.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 100, nays 1, absent and not voting 12.

Ayes: Allen, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, P. Thart, Burns, Carlson, Cart, Cole, Doyle, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kelly, Kitchen, Kjos, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Ness, Nagel, Oberg, Olafson, Olsgard, Olson of Barnes, Olson of Billings, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Strain.

Absent and not voting: Anderson of Burleigh, Durkee, Hartl, Johnson of Sargent, Kellogg, Kopp, Lazier, Maddock of Mountrail, Martin of Bottineau, Mouck, Nathan, Olson of Ramsey.

So the bill passed and the title was agreed to.

House Bill No. 119: A Bill for an Act Declaring Sow Thistles to be a Noxious Weed, Prohibiting for Its Destruc-

tion and Providing for the Payment of the Expense of Its Destruction.

Was read the third time.

The question being on the final passage of the bill as amended, the roll was called and there were ayes 91, nays 7, absent and not voting 15.

Ayes: Allen, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Cart, Doyle, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Freeman, Fredrickson, Frandson, Grangaard, Halcrow, Hanson of Grand Forks, Hall, Harding, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, McDowell, McGauvran, McLarty, McManus, Maddock of Mountrail, Magnuson, Martin of Slope, Maxwell, Mikkelsen, Miller, Mouck, Ness, Nagel, Oberg, Olsgard, Olson of Barnes, Olsen of Billings, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Root, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Wood, Yeater, Mr. Speaker.

Nays: Cole, Hagelbarger, Hanson of Benson, Johnson of Sargent, Levin, Morton, Whitmer.

Absent and not voting: Anderson of Burleigh, Carlson, Durkee, Flom, Hartl, Kopp, Lazier, Maddock of Benson, Martin of Bottineau, Nathan, Olafson, Olson of Ramsey, Ophaug, Renauld, Sagen.

So the bill passed and the title was agreed to.

Mr. Grangaard moved that House Bill No. 152 be rereferred to the committee, which motion prevailed.

CONSIDERATION OF MESSAGES FROM THE SENATE

Mr. Harding moved that the House do now concur in Senate amendment to House Bill No. 66, which motion prevailed.

Mr. Slominski moved that the House do now concur in Senate amendment to House Bill No. 27, which motion prevailed.

Mr. Fredrickson moved that the House do now recess for ten minutes, which motion prevailed.

AFTER RECESS.

The House reconvened pursuant to recess taken, the speaker presiding.

GENERAL ORDERS.

Mr. Johnson of Cass moved that the House resolve itself into a committee of the whole for the consideration of general orders; which motion prevailed and the House resolved itself into a committee of the whole.

The Speaker called Mr. Johnson to the chair.

When the committee arose it submitted the following report:

Mr. Speaker: The committee of the whole have had under consideration:

Senate Bill No. 18: A Bill for an Act to Amend and Re-enact Chapter Six Session Laws 1919 as Amended by Special Session Laws 1919 Relating to the Licensing, Regulating and Supervising the Licensing and Inspection of Pool and Billiard Rooms, Ball and Pin Alleys, Dance Halls, Theaters, Moving Picture Shows, Taxicab or Auto Livery, Places where Soft Drinks are Manufactured or Sold or where Cigars and Tobacco are Sold, or Public Hall, Owned Privately and Used for Public Purposes; Providing Fees Therefor, Inspectors, Office Help and Supplies Thereof; Defining Powers and Duties and Repealing all Acts and Parts of Acts Inconsistent Therewith.

And recommend that the same be amended as follows:

In line 6 of the title of the printed bill strike out the words "Manufacturer or", at the beginning of such line.

In lines 8 and 9 of the title of the printed bill strike out the words "Inspectors, Office Help and Supplies thereof; defining Powers and Duties."

Strike out all of the bill after the word "License" at the beginning of Section One and substitute therefor "No pool hall, Billiard room, ball alley or pin alley, dance hall, theatre, moving picture show, taxicab or auto livery, or place where soft drinks are sold, or place, other than grocery stores, where cigars or tobacco are sold, or public hall, owned privately and used for public purposes, shall be opened, maintained, operated, or conducted within any city or village within this state, unless the owner, proprietor or managing agent thereof shall first secure a license so to do in the manner herein prescribed."

Section 2. LICENSE. HOW SECURED. On or before July 1st of each year every such owner, proprietor or managing agent desiring to operate, conduct, maintain such place as mentioned in Section One of this Act, shall make application for an annual license therefor to the City Auditor of the city, or the clerk of the village, or township, within which such business is desired to be conducted. Such application shall state the name of the owner, manager and proprietor of the place desired to be licensed, the nature and kind of business to be carried on; a general description of the building, its size, character, location and capacity; and shall particularly contain the description of the provisions made to safeguard the life and limb of persons who may be therein and the sanitary conditions thereof. It shall state that such place will be operated, if licensed by the City Council, City Commission or Board of Trustees, or Board of Township Supervisors, as the case may be, in accordance with the laws of this state, and of the ordinances of such city or village, if in a city or village, that if a violation of the laws of this state or of any ordinance of such city or village, occurs in the operation of such place, the City Coun-

cil, City Commission, Board of Trustees or Board of Township supervisors, as the case may be, shall be authorized to cancel the license issued. There shall also be contained a statement in the license that no immoral or improper practices, gambling, nor the sale or permission to drink upon said premises any intoxicating liquors, or sale of cigarets, will be allowed. This application shall be made upon a blank authorized and issued by the City Auditor, Village Clerk, or Township Clerk as the case may be, and such application shall be accompanied by the license fee hereinafter specifically prescribed.

Section 3. DUTIES OF CITY COUNCIL, CITY COMMISSION, BOARD OF TRUSTEES OR BOARD OF TOWNSHIP SUPERVISORS. The City Council, City Commission, Board of Trustees or Township Supervisors, as the case may be, shall examine, or cause to be examined, into the qualifications of every applicant seeking to be licensed and into the fitness and suitability of the place and person desired to be licensed, and shall, upon application properly filed, and finding the place and person proper to be licensed, and upon the payment of the license fee prescribed, issue the license herein mentioned for a period of one year, for the conducting of a public place of business for operating a pool hall, billiard room, ball alley or pin alley, theatre, moving picture show, place where soft drinks are sold, or place, except grocery stores, where tobacco and cigars are sold, taxicab and auto livery, public hall or dance hall, and shall cause such place to be inspected and all laws properly enforced with respect to the conducting thereof.

Section 4. REFUSAL OR REVOCATION OF LICENSE. Such City Council, City Commission, Board of Trustees or Board of Township Supervisors, may after hearing had thereon, refuse to issue a license to any person for any place where it is made to appear that the applicant is an improper person to be so licensed, or that the place is improperly provided with sanitary equipment, or is an improper place to be licensed, or is an unsuitable building to protect the life and limb of the public who may visit the same, or that there exists unsuitable appliances to protect the public in case of fire, and such City Council, City Commission, or Board of Trustees, shall be authorized, upon the violation of any of the laws of this state, or of any ordinance of such city or village, to revoke any license granted pursuant to the provisions of this act, after a hearing had thereon; provided, however, that after the person licensed has pleaded guilty to or has been convicted of violating any law the second time, such city council, city commission, board of trustees or board of township supervisors shall revoke his license and such person may not thereafter be licensed, or any place he may have any financial interest in, be licensed for the same or similar purpose, within a period of one year thereafter within this state. A notice of such revocation of the license of any person shall be forthwith, upon such revocation being made, mailed to the Secretary of State at Bismarck; and a record of all such revocations shall be kept by the Secretary of State, and it shall be the duty of any City Council, City

Commission, Board of Trustees or Board of Township Supervisors of any city or village township as the case may be, to ascertain from the office of the Secretary of State whether any prior license held by any applicant for a license, has been cancelled.

Section 5. LICENSE FEE. HOW DISPOSED OF. All license fees herein prescribed to be paid shall be paid to the city, village or township treasurer, as the case may be, and shall be by such treasurer deposited in the general fund of such city or village.

Section 6. LICENSE FEE. The annual license fee for such places herein described are hereby established and fixed as follows:

Any owner, manager, or proprietor of a pool hall or billiard room, \$5 per table per year; for ball alleys and pin alleys, \$5 per alley per year; for dance halls, \$15 per year; for theater or moving picture show, \$5 where there are not more than fifty (50) seats, \$10 where there are not more than seventy-five (75) seats, \$15 where there are not more than one hundred (100) seats, and \$4 for each one hundred (100) seats thereafter or fraction thereof; for taxicab or auto livery, \$15 for the first car and \$10 for each car thereafter; for places where soft drinks are sold, \$5 per year; for places, except grocery stores, where tobacco or cigars are sold, \$5 per year; for public hall, privately owned and used for public purposes, \$5 where there are not more than seventy-five (75) seats, \$10 where there are not more than one hundred fifty (150) seats and \$15 where there are more than one hundred fifty (150) seats, per year; provided, that where a dance hall, theatre, or moving picture show are operated in one building under the same management, one license shall be sufficient, in which case the larger of the three licenses shall be paid. Provided, further, that where cigars and tobacco are sold in the same place where soft drinks are sold under the same management, one license shall be sufficient.

Section 7. OFFICERS. This act shall not be construed to relieve any state, county, city, village or township officer or official, or any police official, from any duty now or hereafter enjoined upon him by law, or from the keeping of the peace in all public places named in this act; and any such official or officer shall be subject to removal from office in the manner by law provided, for any failure to enforce any statute or ordinance, required by law to be by such officer enforced.

Section 8. INVALID. If any section, or provision of this act, shall be held to be invalid it is hereby provided that all other provisions of this act which are not expressly held to be invalid, shall continue in full force and effect.

Section 9. REPEAL. All Acts and parts of Acts, vesting powers to license, regulate, control and supervise the licensing and inspecting of all such places named in this act and in conflict herewith are hereby repealed.

Section 10. PENALTY. Any person who shall violate any of the provisions of this act shall be guilty of a misdemeanor and upon conviction thereof shall be fined any sum not to exceed One Hundred Dollars (\$100.); or be confined in the county jail not to exceed ninety days; or shall be punished by both such fine and imprisonment.

Section 11. EMERGENCY. This act is hereby declared to be an emergency and shall take effect and be in force from and after its passage and approval.

In the first amendment as offered by the committee strike out the word "manufactured" instead of the word "manufacturer" as recommended by the committee.

In the amendment as offered by the committee to Section 1, after the word "city" as the same occurs in such amendment, strike out the word "or" and insert in lieu thereof a comma and after the word "village" insert the words "or township."

In the amendment offered to Section 4, after the word "commission," where the same occurs the second time in such proposed amendment, strike out the word "or" and after the word "trustees," where the same occurs the second time in such proposed amendment to Section 4, insert "or township supervisors."

In the proposed amendment by the committee to Section 5, after the word "village" strike out the period and add "or township." And after the word "city" strike out the word "or" and insert a comma.

In the amendment to Section 11 as recommended by the committee, after the word "emergency" insert the word "measure."

And recommend that the same do pass as amended by the committee and on the floor of the House.

Also—

House Bill No. 14: A Bill entitled, An Act Relating to Interfering with Rights of Employees.

And recommend that the same be amended as follows:

Strike out all of the bill following the word "directing" in line six of the printed bill and insert in lieu thereof the following:

"the political activities or affiliations of such employee, or any of them, or to coerce such employees, or any of them, through or by means of threats of discharge or loss of employment, to adopt or follow, or to restrain them from adopting or following any particular course of political action or political activities.

(b) It shall be unlawful for any person, association, company or corporation, or any agent, officer or employee thereof, to coerce any person or persons to enter into any agreement, written or verbal, to join or not to join, remain or not to remain, a member or members of any lawful labor, religious, charitable, political or fraternal organization or asso-

ciation, as a condition to securing or retaining employment of such person, firm or corporation. It shall be unlawful for any two or more persons, associations, corporations or employers to combine, or agree to combine, or confer together, for the purpose of maliciously interfering with any person in procuring, or preventing him from procuring, employment or to maliciously procure the discharge of any employee by threats, promises, circulating black lists, or any other means whatsoever

(c) It shall be unlawful for any person, association, company or corporation, or any agent or employee thereof, to blacklist any discharged employee, or by word or writing, maliciously seek to prevent, hinder, or restrain a discharged employee, or one who has voluntarily left its employ, from obtaining employment elsewhere. Any person, association or corporation violating any of the provisions of this act shall be guilty of a misdemeanor and upon conviction thereof shall be punishable by imprisonment in the county jail for a term of not to exceed six months, or by a fine of not to exceed Five Hundred Dollars (\$500.00), or by both such fine and imprisonment.

(d) Nothing herein shall be construed to preclude the injured employee from recovering damages from his employer for injuries that are due to the violation of this act.

(e) "Employer of labor" shall mean any person, firm or corporation having one or more persons in its employ.

And recommend that the bill do pass as amended by the committee.

Also—

House Bill No. 136: A Bill for an Act to Amend and Re-enact Section 8205, Compiled Laws of North Dakota for 1913, Defining the Private Property Which May be Taken by Eminent Domain.

And recommend that the same be re-referred to the committee.

Also—

House Bill No. 101: A Bill for an Act Entitled, An Act Establishing a System of State Free Employment Service, Providing for the Maintenance Thereof, Defining the Duties of Such Department, Its Officers and Employees, and Appropriating Money for the Carrying Out of the Provisions of This Act.

And recommend that the same be amended as follows:

In the printed bill, Section 4, line 6 on page 3, strike out the word "five" and insert in lieu thereof the word "ten." On page 4 section 8 line 3 strike out the word "twelve" and insert in lieu thereof the word "six." On line 4 in the same section strike out the numerals \$12,000.00 and insert in lieu thereof the numerals \$6,000.00.

And recommend that the same do pass as amended by the committee.

Also—

House Bill No. 41: A Bill for an Act, Providing for the Preservation and Control of the Artesian Waters of the State.

On which no action was taken.

Also—

House Bill No. 72: A Bill for an Act to Amend and Re-enact Section 4924 of the Compiled Laws of North Dakota for the Year 1913, Relating to Taxation of Insurance Companies:

And recommend that the same be amended as follows:

Strike out everything in line six of Section one after the word "year" also all of lines seven and eight and the syllable "ment" in line (9) nine.

And recommend that the same do pass as amended by the committee.

Also—

House Bill No. 112: A Bill for an Act to Amend and Re-enact Section 2955, 2956, of the Compiled Laws of the State of North Dakota for the Year 1913.

And recommend that the same be amended as follows:

In Section 2, page 2 of the Printed Bill, on line 3 strike out the word "fifty" and insert in lieu thereof the word "five." Also the word "two" in the same line and insert in lieu thereof "twenty-five dollars."

And recommend that the same do pass as amended by the committee.

Also—

House Bill No. 20: A Bill for an Act to Amend and Re-enact Section 8 of Chapter 162 of the Laws of North Dakota for the Year 1919, Relating to the Enforcement of Payment of Premiums to the Workmen's Compensation Fund.

And recommend that the same be amended as follows:

Strike out everything after the words "A Bill" and insert in lieu thereof the following:

For an Act to Amend and Re-enact Section 8 of Chapter 162 of the Laws of North Dakota for the Year 1919, Relating to the Manner and Enforcement of Payment of Premiums to the Workmen's Compensation Fund.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE STATE OF NORTH DAKOTA:

Section 1. AMENDMENT. That Section 8 of Chapter 162 of the Laws of North Dakota for 1919, relating to the enforcement of payment of premiums to the Workmen's Compensation Fund, is hereby amended and re-enacted to read as follows, to-wit:

Section 8. If any employer fails, neglects or refuses to make any payments required to be made by him or it to the

Workmen's Compensation Fund, it shall be conclusively presumed that such employer has elected to pay his or its full premium into the Workmen's Compensation Fund, and the Bureau shall then determine the amount of premium due from said employer for the next succeeding twelve (12) months from the date notice is given by the Bureau of the amount so due and shall inform said employer of the amount thereof in such notice, and shall order the same paid into said fund; provided, that, if the annual premium payable to the Fund by any employer amounts to \$200.00 or more, one-half thereof shall be paid in cash within a period of ten (10) days from date said notice is received, and one-half thereof shall be paid within a period of six (6) months from date of said notice, provided such employer files a certified check, a Certificate of Deposit, or a bond within said period of ten (10) days with the Workmen's Compensation Bureau with sureties to the approval of said Bureau, guaranteeing that such portion to be paid after the said ten (10) days will be paid to said Bureau within said period of six (6) months, together with the court costs which may be incurred on account of suit on such bond; and provided, also, if the annual premium payable to the Fund by any employer amounts to more than \$100.00 and less than \$200.00, \$100.00 thereof shall be paid in cash within said period of ten (10) days, and the remaining portion thereof shall be paid within said period of six (6) months, provided a certified check, a Certificate of Deposit or a bond is filed with said Bureau within said period of ten (10) days with sureties to the approval of the Bureau guaranteeing that such portion to be paid after the said ten (10) days will be paid to said Bureau within said period of six (6) months, together with court costs as aforesaid. Nothing in this act shall be construed to prevent any employer from paying the whole amount of premium in cash.

In case of default of any employer in making any payment or in filing any proper bond as herein required, it shall be the duty of the workmen's Compensation Bureau to certify, or cause to be certified, to the Attorney General of the State the name and place of business of such employer and the amount due from such employer, and it shall then be the duty of the Attorney General forthwith to bring, or cause to be brought, for the collection of such amount so due, a civil action against such employer, in the name of the state, and such action shall be brought in either the District Court of Burleigh County, North Dakota, or in any county in which such employer is engaged in business, at the option of the Attorney General.

If, upon final hearing of said cause, it is found and determined that the defendant is an employer within the meaning of this act, the court shall render judgment against said defendant for the amount of said premium, with interest from the date of the determination of said amount by the Bureau, together with costs, which judgment shall be paid into the Workmen's Compensation Fund. The payment of such judgment shall entitle such employer and the employees of such employer to the benefits of this act from the date said notice is issued by this Bureau notifying such employer of the amount of premium due. If the judgment cannot be paid in full, the Bureau shall determine the date upon which said employees' right to participate in the fund shall inure.

The payment of premium into the Workmen's Compensation Fund by an employer shall entitle such employer and the employees of such employer to the benefits of this act from the time of payment of said money into the Workmen's Compensation Fund, except as otherwise provided in this section with reference to payment of judgments.

All judgments obtained in any action prosecuted by the Bureau, or by the state under authority of this act, shall be a prior lien over all other judgments and liens, except those now in existence.

If any employer, who has complied with this act, shall default in any payment required to be made by him or it to the Workmen's Compensation Fund for a period of ten (10) days after notice that such payment is due, the same proceedings shall be had as in the case of an employer against whom the Bureau has made a finding as hereinbefore provided.

All such cases shall have precedence over all other civil actions and shall be assigned for trial as soon as the issues are made up.

If the defendant is a non-resident of this state, or a foreign corporation doing business in this state, service of summons may be made upon any agent, representative or foreman of said defendant wherever found in the state, or service may be made in any other manner designated by statute.

In any action, provided for herein for the collection of premiums, the remedies of garnishment or attachment or both shall be available, and in any action for the collection of premiums no exemptions, except absolute exemptions, shall be claimed by or allowed to such employer.

Section 2. All acts, and parts of acts, in so far as they are in conflict with provisions of this act, are hereby repealed.

And recommend that the same do pass as amended by the committee.

Also—

House Bill No. 69: A Bill for an Act to Amend and Re-enact Section 6 of Chapter 162 of the Session Laws of North Dakota for the Year 1919, Relating to and for the Benefit of Employees Injured and the Dependents of Employees Killed in Hazardous Employments, Fixing the Duties and Liabilities of Employees and Employers, and Providing Methods of Securing the Payment of Obligations Arising in Favor of Injured Employees and their Dependents.

And recommend that the same be amended as follows:

In the second line of Section one, strike out the words, "any obligation" and insert in lieu thereof the following: "all benefits provided for in this act." Strike out all of Section 6-N on page 7 of printed bill.

And recommend the same do pass as amended by the committee.

Also:

House Bill No. 68: A bill for an Act to Amend and Re-enact Section 27 of Chapter 162 of the Session Laws of North Dakota for the Year 1919, Relating to and for the Benefit of Injured Employees and their Dependents in Hazardous Employments, and Providing Funds with which to Carry on the Work of the Workmen's Compensation Bureau.

And recommend that the same be amended as follows:

In the second line of Section one, strike out everything after the numerals "27," all of lines 2, 3, 4, 5, and 6, and everything line line 7 preceding the word "as."

And recommend that the same do pass as amended by the committee.

Also:

House Bill No. 125: A Bill for an Act to Amend and Re-enact Section 2681 of the Compiled Laws of the State of North Dakota for 1913, Compensation for Members of State Live Sock Sanitary Board.

And recommend that the same be amended as follows:

On line seven (7) strike out the word three (3) and insert in lieu thereof the word "five."

And recommend that the same do pass as amended by the committee.

Also:

House Bill No. 126: A Bill for an Act Relating to the Application of the Tuberculin Test and Eradication of Bovine Tuberculosis in Townships in Counties in North Dakota Under Direction of the State Live Stock Sanitary Board by Petition of a Majority of Freeholders in Such Township.

And recommend that the same be amended as follows:

On page (2) two, line (15) fifteen, after the word "Dollars" strike out the balance of line (15) fifteen and all of line (16) sixteen.

And recommend that the same do pass as amended by the committee.

Also:

House Bill No. 134: A Bill for an Act to Amend and Re-enact Sub-division 70 of Section 3818, Compiled Laws of North Dakota for 1913, Relating to the Purchase and Acquisition by a City of Any System or Part of System of Water Works.

On which no action was taken.

Also:

House Bill No. 137: A Bill for an Act Amending and Re-enacting Section 5742, Compiled Laws of North Dakota for 1913, Relating to the Application of the Provisions of Article

20, Compiled Laws of 1913, to Water Main and Water Works Systems, and to the Purchase Thereof.

On which no action was taken.

Also:

House Bill No. 97: A Bill for an Act Permitting the City to Make Advancements Upon Material Purchased by a Contractor for Use in the Performance of Contracts for Municipal Improvements.

And recommend that the same be amended as follows:

Section 1, to be amended to read as follows: "The City Council or City Commission or Board of Trustees, County Commissioners, or Board of Supervisors of County Subdivision by a three-fourths vote of its governing body may make advancements not to exceed eighty-five per cent of the values thereof, to contractors on account of material purchased by the contractor paid for and delivered upon the premises for use in the construction of improvements of any City, County or County Sub-division."

And that the amendment of the committee be amended by striking out the words "eighty-five" and inserting in lieu thereof the words "seventy-five."

And when so amended by the committee and on the floor of the House the same do pass.

Also:

House Bill No. 98: A Bill for an Act to Amend and Re-enact Section 3710 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Contractors. How Paid.

And recommend that the same be amended as follows:

In Section 3710, line 5, after the word "contractor," strike out the words "at least" and insert the words "not to exceed."

And recommend that the same do pass as amended by the committee.

Also:

House Bill No. 201: A Bill for an Act Entitled, "An Act Whereby Teachers Teaching in the Public Schools of North Dakota be United States Citizens.

And recommend that the same be amended as follows:

On line 4 of the printed bill, after the word "States" strike out the period (punctuation mark) and insert a comma; after this comma adding the words, "or shall have declared their intentions to become citizens of the United States."

And recommend that the same do pass as amended by the committee.

C. H. STARKE,
Chairman.

Mr. Kelly moved that the report be adopted, which motion prevailed and the report was adopted.

The courtesies of the floor were extended to Miss Hedwig Brodersen, Hon. H. McLean, Robt. Murie, J. W. Mahon, Francis Murphy, R. A. Nestos, Staale Hendrickson, W. H. Keyser, George Papermaster, A. J. Hauge.

Mr. Kitchen moved that the House do now recess until one o'clock February 15, 1921. which motion prevailed.

C. L. DAWSON,
Chief Clerk.

FORTY-SECOND DAY AFTER RECESS AND
FORTY-THIRD DAYHouse of Representatives,
Bismarck, North Dakota,
February 15, 1921.

The House convened at 1 o'clock P. M., pursuant to recess taken, the Speaker presiding.

GENERAL ORDERS

Mr. Watt moved that the House resolve itself into a committee of the whole for the consideration of general orders; which motion prevailed, and the House resolved itself into a committee of the whole.

The Speaker called Mr. Watt to the chair.

When the committee arose it submitted the following report:

Mr. Speaker: The committee of the whole have had under consideration:

House Bill No. 136: A Bill for an Act to Amend and Re-enact Section 8205, Compiled Laws of North Dakota for 1913, Defining the Private Property Which May be Taken by Eminent Domain.

And recommend that the same be amended as follows:

Strike out all of lines 22, 23, 24.

Strike out the number six (6) at the beginning of line 25 and insert in lieu thereof the number five (5).

Strike out the number seven (7) at the beginning of line 34 and insert in lieu thereof the number six (6).

Strike out all of section two (2).

On which action was deferred.

Also:

House Bill No. 134: A Bill for an Act to Amend and Re-enact Sub-division 70 of Section 3818, Compiled Laws of North Dakota for 1913, Relating to the Purchase and Acquisition by a City of Any System or Part of System of Water-Works.

And recommend the same be referred to the committee on State Affairs.

Also:

House Bill No. 137: A Bill for an Act Amending and Re-

enacting Section 5742, Compiled Laws of North Dakota for 1913, Relating to the Application of the Provisions of Article 20, Compiled Laws of 1913, to Water Main and Water Works Systems, and to the Purchase Thereof.

And recommend that the same be amended as follows.

On line 8, Section 1, after the word "system," strike out the words "or any." Line 9, Section 1, strike out the words "or part thereof." Line 12, Section 1, after the word "system" strike out the words "or part thereof." Line 18, Section 1, after the word "system," strike out the words "or any part thereof."

Line 3 of Emergency Clause after the word "system," strike out the words "or part thereof."

And when so amended recommend the same do pass.

Also:

House Bill No. 36: A Bill for an Act to Provide for the Standardization of the One-Room Rural Schools, the Graded Schools and the High Schools of the State.

On which no action was taken.

WM. WATT,
Chairman.

Mr. Kelly moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Hanson of Grand Forks moved that the House do now adjourn, which motion prevailed and the House adjourned.

C. L. DAWSON,
Chief Clerk.

FORTY-THIRD DAY

House of Representatives,
Bismarck, North Dakota,
February 15, 1921.

The House convened at 2 o'clock P. M., the Speaker presiding.

Prayer by the Chaplain, Rev. Alfson.

Roll Call: All members present except Mr. Lazier, who was excused.

REVISION AND CORRECTION OF THE JOURNAL

The committee on revision and correction of the journal made the following report:

Mr. Speaker: Your committee on revision and correction of the journal have carefully examined the Journal of the 42nd day and find the same correct.

And recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted.

PRESENTATION OF PETITIONS AND COMMUNICATIONS

February 11, 1921.

To the Honorable: Jacob Schrenk, Adam Nagel, Jr., Henry Nathan, M. W. Kelly, Members of the Legislature of the 36th Legislative District:

Gentlemen: We, the undersigned, voters and citizens of your district, respectfully request that you vote against and oppose:

Senate Bill No. 42, permitting or requiring women to sit on juries;

Senate Bill No. 16, which provides for the taking and selling of wagons, buggies, or automobiles wherein may be put or found any amount of liquor;

House Bill No. 18, also dealing with the liquor question;

Also to give your vote and support to the bill introduced by Rep. Carlson for the repeal of the anti-cigarette law and for licensing of the same;

Also for the repeal of the present Pool Hall Bill;

And against any further liquor enforcement laws, as we have enough at present if enforced.

The Members of the House from the 36th Legislative District IF working together have the balance of power in the House and we do not APPROVE of your following any factions blindly without regard for our interests as represented in the bills enumerated herein.

We are now tax ridden enough and we object to the further squandering of public funds to gratify the whims of reformers in either faction.

We expect you to do more than vote for everything presented to you at the expense of our personal rights and financial welfare.

GOTTLIEB JANKE,
And 248 Others.

A petition was received from Steele County asking the legislature to make some provision for dividing Griggs and Steele counties into two separate legislative districts, said petition being signed by over 100 citizens of said county. The same was read by the Chief Clerk.

A petition was received from Mayville, protesting against the closing of the Mayville Normal School, said petition being signed by the students of said school, and the same was read by the Chief Clerk.

REPORTS OF STANDING COMMITTEES

The Committee on Ways and Means made the following report:

Mr. Speaker: Your Committee on Ways and Means to whom was referred:

House Bill No. 167: A Bill for an Act Authorizing Cities and Organized Villages in the State of North Dakota to Pass Ordinances Regulating and Censoring the Exhibition of Moving Pictures.

Have had the same under consideration and recommend that the same be indefinitely postponed.

M. W. KELLY,
Chairman.

Mr. Kelly moved that the report be adopted, which motion prevailed and the report of the committee was adopted.

Mr. Speaker: Your committee on Game & Fish to whom was referred:

House Bill No. 159: A Bill for an Act to Amend and Re-enact Section 26 of Chapter 161 of the Session Laws of 1915, Relating to Hours for Shooting.

Have had the same under consideration and recommend that the same do pass.

WM. BAUER,
Chairman.

Mr. Bauer moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

Mr. Speaker: Your committee on Game & Fish to whom was referred:

House Bill No. 160: A Bill for an Act to Amend and Re-enact Section 52 of Chapter 161 of the Session Laws of North Dakota for the Year 1915, as Amended by Section 52 of Chapter 122 of the Session Laws for the Year 1917, Relating to Bag Limit of Game Birds.

Have had the same under consideration and recommend that the same do pass.

WM. BAUER,
Chairman.

Mr. Bauer moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

Mr. Speaker: Your committee on Game & Fish to whom was referred:

House Bill No. 177: A Bill for an Act to Amend and Re-enact Section 27 of Chapter 161 of the Laws of North Dakota for the Year 1915, as Amended by Chapter 134 of the Laws of North Dakota of the Year 1919, Relating to the Use of Hunting Dogs.

Have had the same under consideration and return the same to the House with the recommendation that it be referred to the Committee of the Whole.

WM. BAUER,
Chairman.

Mr. Bauer moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Temperance to whom was referred:

House Bill No. 138: A Bill for an Act to Amend and Re-

enact Section 432 of the Compiled Laws of North Dakota for the Year 1913.

Have had the same under consideration and recommend that the same be indefinitely postponed.

WALTER MADDOCK,
Chairman.

Mr. Maddock moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Agriculture to whom was referred:

House Bill No. 124: A Bill for an Act to Amend and Re-enact Chapter 205 of the Session Laws of the State of North Dakota for the Year 1919 Prohibiting the Sale of Any New Draft Sleds Within the State of Which the Runners Measure Less Than Four Feet Six Inches from Center to Center and Making the Sale of Same a Misdemeanor and Providing for the Revocation of the License of Any Foreign Corporation to do Business in the State Which Fails to Comply With the Terms of this Act.

Have had the same under consideration and recommend that the same do pass.

VICTOR L. ANDERSON,
Chairman.

Mr. Anderson moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Counties to whom was referred:

House Bill No. 139: A Bill for an Act to Amend and Re-enact Section 3296 of the Compiled Laws of North Dakota for the Year 1913, Relating to County Commissioners' Powers and Duties With Respect to Contracts Let on Competitive Bids.

Have had the same under consideration and recommend that the same be amended as follows:

On page 2, line 42 after the word "of" strike out the word "five" and insert in lieu thereof the word "three."

Also, after the word "dollars" in said page 2, line 42, strike out the numerals "500" and insert in lieu thereof the numerals "\$300."

And when so amended recommend the same do pass.

GIRDELL PATTERSON,
Chairman.

Mr. Speaker: Your committee on Delayed Bills to whom was referred:

House Bill No. 208: A Bill for an Act to Require County Commissioners to Have All County Printings Done Within the County and State.

Have had the same under consideration and recommend same be permitted to be introduced.

JOHN G. PLATH,
Chairman.

Mr. Plath moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Delayed Bills to whom was referred:

House Bill No. 210: A Bill for an Act to Cancel Uncollected Personal Property Taxes Assessed for 1910 and Prior Years.

Have had the same under consideration and recommend same be permitted to be introduced.

JOHN G. PLATH,
Chairman.

Mr. Plath moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Delayed Bills to whom was referred:

House Bill No. 211.

Have had the same under consideration and recommend that the same be not permitted to be introduced.

JOHN G. PLATH,
Chairman.

Mr. Plath moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Municipal Corporations to whom was referred:

House Bill No. 103: A Bill for an Act to Amend and Re-enact Section 4059 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 71, Session Laws of 1915, and House Bill No. 192 of the Session Laws of 1917, Relating to the Powers of Park Commission.

Have had the same under consideration and recommend that the same be indefinitely postponed.

For the reason that the provisions of House Bill 103 are fully covered in Senate Bill No. 41, which this Committee have reported for passage.

JOHN T. FREEMAN,
Chairman.

Mr. Freeman moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your Committee on Municipal Corporations have had under consideration Senate Bill No. 41 and recommend that the same be amended as follows:

In line 6, page 1, of the printed bill, preceding the figures (1), insert "Section 4059. POWERS OF PARK COMMISSION, LIMITED LEVY, BONDS; THE PARK COMMISSION SHALL HAVE POWER."

In Sub-division 5, on page 2, line 24, of the printed bill, after the word "engineer" insert "and surveyor of such park commission, and to procure the services of a clerk for such commission."

In line 26 strike out "twenty-five dollars" and insert "fifty dollars."

In line 27 of said sub-division 5, on page 2, strike out the words "for the performance of manual labor."

Strike out sub-division 6 and insert in lieu thereof as sub-division 6 the following:

Sub-division 6. To issue negotiable bonds of such park district in an amount not to exceed one per cent (1%) of the assessed value of the taxable property within such park district for the preceding year; provided, further, that no bonds shall be issued as hereinbefore provided, unless at a general or special election after twenty days notice in a newspaper published in the city, stating the purpose for which such bonds are to be issued and the amount thereof, the legal voters of such park district shall by a majority vote, determine in favor of issuing such bonds; provided, further, that at or before the time of issuing such bonds or incurring the indebtedness for which the same are to be issued provision shall be made for the collection of direct annual tax sufficient to pay the interest upon said debt or such bonds when the same falls due and to pay and discharge the principal thereof when the same becomes due, and such provisions for the collection of such annual tax shall be ir-repealable until such debt is paid; provided, further, that no bonds issued under the provisions of this chapter shall be issued for a longer period than twenty years and that such bonds shall bear interest at a rate not to exceed six per cent (6%) and shall be sold for not less than their par value. Bonds as hereinbefore provided to be issued, shall be so issued and used exclusively for the purchasing and acquiring of land, boulevards and ways for such parks or park system or for the permanent improvement thereof including the erection of buildings, pools, ponds and the erection of dams in waters adjacent thereto. The Board of Park Commissioners are hereby empowered and authorized to issue bonds in place of or to supply means to meet maturing bonds or for the consolidation or funding of the same.

In Sub-division 7, on page 3, in line 43, after the word "Board" insert "the proceeds of which said taxes shall also be available for use in payment for any land in such year or theretofore purchased or for improvements theretofore made for park purposes."

In line 44 of said sub-division 7, strike out the word "one and one-half" and insert in lieu thereof the word "two."

Strike out all of such sub-division 7 after the word "government" in line 48 thereof.

And when so amended recommend that the bill do pass.

JOHN T. FREEMAN,
Chairman.

Mr. Speaker: Your committee on Appropriations to whom was referred:

House Bill No. 156: A Bill for an Act Entitled, an Act to Meet an Emergency in the Operating of the Schools Located on the Fort Berthold Reservation in Mountrail County, North Dakota.

Have had the same under consideration and recommend that the same be indefinitely postponed.

WM. WATT,
Chairman.

Mr. Watt moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Enrollment and Engrossment have examined the following bills:

House Bill No. 37: A Bill for an Act to Amend and Re-enact Section 466 of the Compiled Laws of North Dakota for the Year 1913, Relating to Preliminary Qualifications of Applicants for Licenses to Practice Medicine in the State of North Dakota.

House Bill No. 127: A Bill for an Act to Amend and Re-enact Section 2702 of the Compiled Laws of the State of North Dakota for 1913, as Amended by Chapter 263, Session Laws of North Dakota for the Year 1915, and Amending and Re-enacting Section 2706 of the Compiled Laws of the State of North Dakota for 1913, Relating to the Reimbursement of Owners of Tubercular Cattle.

House Bill No. 199: A Bill for an Act to Amend and Re-enact Sections 1589, 1594, and 1595 of the Compiled Laws of 1913, Relative to Normal Schools.

House Bill No. 6: A Bill for an Act to Amend and Re-enact Section 7949 of North Dakota, 1913, Relating to Continuances of Cases.

House Bill No. 63: A Bill for an Act to Amend and Re-enact Section 7644 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 1 of the Session Laws for the Year 1919, (Regular Session), Relating to Change of Judges in Civil and Criminal Actions in the District Court, for Prejudice or Bias of Judge Thereof; Providing for the Calling in of Another Judge of Another Judicial District, and the Payment of his Expenses, and the Discharge of Jurors therein.

House Bill No. 66: A Bill for an Act to Provide for the Payment of Non-resident Tuition Fee in the High School Department of Standardized Graded and Standardized High Schools Receiving State Aid.

House Bill No. 67: A Bill for an Act to Amend and Re-enact Sections 2462, 2463, 2466, 2487, 2489, 2490 Compiled Laws 1913, Relating to Drains.

House Bill No. 106: A Bill for an Act to Amend and Re-enact Section 46 of Chapter 161 of the Laws of North Dakota for the Year 1915, as Amended by Chapter 63, of the Laws of North Dakota for the Year 1917, as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Prohibiting the Trapping, Catching, Killing, or Destroying of Beaver and Otter, for a Limited Period.

And find the same correctly engrossed.

ADAM PRESZLER,
Chairman.

Mr. Preszler moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Judiciary to whom was referred:

House Bill No. 155: A Bill for an Act to Amend and Re-enact Section 4624 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Conveyances and Mortgages of Railroad Corporations, so as to Provide the Manner of Execution and Manner and Place of Record of Every Conveyance or Lease, Deed of Trust, Mortgage or Assignment, or Satisfaction Thereof, Made by Any Railroad, Telegraph or Telephone Corporation.

Have had the same under consideration and recommend that the same do pass.

C. H. STARKE,
Chairman.

Mr. Starke moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

Mr. Speaker: Your committee on Judiciary to whom was referred:

House Bill No. 49: A Bill for an Act to Amend and Re-enact Section 814 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Jurors.

Have had the same under consideration and recommend that the same be amended as follows:

SECTION 1. That after the last word in line eleven (11) of Section one (1) the following be inserted, "female persons."

And when so amended recommend the same do pass.

C. H. STARKE,
Chairman.

Also:

Mr. Speaker: Your committee on Judiciary to whom was referred:

House Bill No. 148: A Bill for an Act Making it a Felony for Any Person to Enter Any Room Wherein, in Whole or in Part, a General Banking Business is Carried on, or Wherein in Whole or in Part, a Business of Receiving Securities, Evidence of Debts or Any Other Valuable Papers on Deposit or for Safe Keeping, in Which There is at the Time a Human Being, With Intent to Commit a Felony Therein by Means of Threats, Force or Violence, and Prescribing the Punishment Therefor.

Have had the same under consideration and recommend that the same be amended as follows:

TITLE: That the Title be amended to read as follows: "For an Act Making it a Felony for Any Person to Enter Any Room Wherein a General Banking Business is Carried on, in Which There is at the Time a Human Being, With Intent to Commit a Felony by Means of Threats, Force or Violence, and Prescribing the Punishment Therefor."

SECTION 1. That Section one (1) be amended to read as follows: "SECTION 1. IMPRISONMENT FOR ENTRY INTO BANKING ROOM WITH INTENT TO COMMIT A ROB-

BERY. Every person who with intent to commit a robbery therein, shall enter in the day time, any room wherein a general banking business is carried on, in which room, there shall be at the time a human being, shall be guilty of a felony and punished by imprisonment in the State Penitentiary for a term of not more than thirty years."

And when so amended recommend the same do pass.

C. H. STARKE,
Chairman.

Mr. Speaker: Your Majority committee on Judiciary to whom was referred:

House Bill No. 117: A Bill for an Act Prohibiting the Manufacture, Sale, Barter, Exchange or Giving Away of Cigarettes, Cigarette Papers, Cigarette Wrappers, or Any Paper Made or Prepared for the Purpose of Being Filled With Tobacco for Smoking, Except by Duly Licensed Persons, Firms, Associations, Partnerships or Corporations; Fixing the Fee for Said License; Providing for the Issuance Thereof; Prohibiting the Use of Cigarettes by Minors and the Sale of Cigarettes, Cigarette Papers or Wrappers to Minors; Providing Penalties for the Violation of the Provisions of this Act, and for the Repeal of Sections 10184 and 10185 of the Compiled Laws of North Dakota for 1913, and all Acts or Parts of Acts in Conflict Herewith.

Have had the same under consideration and recommend that the same be indefinitely postponed.

C. H. STARKE,
Chairman.

Mr. Speaker: A Minority of the committee on Judiciary to whom was referred:

House Bill No. 117: A Bill for an Act Prohibiting the Manufacture, Sale, Barter, Exchange or Giving Away of Cigarettes, Cigarette Papers, Cigarette Wrappers, or Any Paper Made or Prepared for the Purpose of Being Filled With Tobacco for Smoking, Except by Duly Licensed Persons, Firms, Associations, Partnerships or Corporations; Fixing the Fee for Said License; Providing for the Issuance Thereof; Prohibiting the Use of Cigarettes by Minors and the Sale of Cigarettes, Cigarette Papers or Wrappers to Minors; Providing Penalties for the Violation of the Provisions of this Act, and for the Repeal of Sections 10184 and 10185 of the Compiled Laws of North Dakota for 1913, and all Acts or Parts of Acts in Conflict Herewith.

Have had the same under consideration and recommend that the same be amended as follows:

Section 1, line 8, strike out "from the." Section 1, line 9, strike out "State of North Dakota as." Strike out all of balance of bill beginning with line 1, Section 2. Insert in lieu thereof the following: Section 2. On or before July 1st of each year any person desiring a license for the manufacture or sale of any cigarettes or cigarette papers shall make application for such license, to the City Auditor of the City, or the Clerk of the Village or Township within which it is desired to conduct such business. Such application shall

state the name of the owner, manager and proprietor of the place wherein it is desired to conduct such business, a general description of the building, and the character of the business therein conducted. It shall state that the sale of cigarettes and cigarette papers will be conducted in accordance with the laws of this State and the ordinances of such city or village.

Section 3. The city council, city commission, Board of trustees or township supervisors, as the case may be, shall examine into the qualifications of every applicant for a license, and being satisfied of the character of the applicant shall issue to him a license for the sale or manufacture of cigarettes or cigarette papers for the period of one year, upon the payment of a fee of \$50.00.

Section 4. Such City Council, City Commission, Board of Trustees, or Board of Township Supervisors may after hearing, refuse to issue a license to any person, when in the opinion of the Board such person is not a proper person to be so licensed, and such council, commission or board shall be authorized upon violation of any of the laws of the state or of any ordinance of such city or village to revoke any license granted under the provisions of this act, after hearing had thereon; Provided, further, that where any such licensee has pleaded guilty to a violation of any of the provisions of this act his license shall be revoked and he shall not again be licensed.

Section 5. All license fees herein prescribed to be paid shall be paid to the city, village or township treasurer as the case may be, and shall be by such treasurer deposited in the general fund of such village or city.

Section 6. It shall be unlawful for any person, firm, partnership, association or corporation to sell, give, or dispose of, in any way to any minor in this state any cigarettes, or cigarette paper.

Section 7. Any violation of Section 6 hereof shall be a misdemeanor and upon conviction thereof shall be punishable by a fine of not less than \$100.00 nor more than \$500.00 or by imprisonment in the county jail for not more than ninety days or both such fine and imprisonment.

Section 8. Any person who manufactures, sells, or gives away any cigarettes or cigarette papers without first having obtained a license therefor as herein provided shall be liable to a fine of not less than \$100.00 nor more than \$500.00.

Section 9. A separate license must be obtained for each place of business where cigarettes or cigarette papers are sold.

Section 10. All Acts or parts of Acts in conflict herewith are hereby repealed.

C. H. STARKE,
E. O. ELLINGSON,
WM. MARTIN.

Mr. Miller moved that the majority report of the committee be adopted.

Mr. Starke moved that the minority report be substituted for the majority report.

Roll call being demanded.

The roll was called and there were ayes 31, nays 76, absent and not voting 6.

Ayes: Boyd, Burns, Carlson, Durkee, Ellingson, Elmer, Hartl, Jardine, Johnson of Sargent, Johnson of Ward, Kelly, Kjos, Kopp, Lackey, Martin of Bottineau, Mikkelson, Mouck, Ness, Nagel, Nathan, Olsgard, Olsen of Billings, Ophaug, Prezler, Semling, Shipley, Sims, Starke, Weld of Wells, Whitmer, Mr. Speaker.

Nays: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Brady, Bratsberg, Bryans, Burkhart, Cart, Cole, Doyle, Eckert, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Hempel, Heaton, Johnson of Cass, Johnson of Pembina, Johnson of Steele, Johnson of Traill, Kamrath, Kitchen, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGävran, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olafson, Olson of Barnes, Opland, Patterson, Peters, Plath, Quade, Reichert, Renauld, Root, Sagen, Sherman, Shimmin, Slominski, Sproul, Strain, Ulland, Vogel, Watt, Wood, Yeater.

Absent and not voting: Harding, Kellogg, Lazier, Maddock of Mountrail, Olson of Ramsey, Weld of Kidder.

And the motion was lost.

The question being on the adoption of the majority report, the motion prevailed, and further consideration of House Bill No. 117 was indefinitely postponed.

Mr. Speaker: Your committee on Judiciary to whom was referred:

House Bill No. 154: A Bill for an Act to Amend and Re-enact Section 10184 and 10185 of the Compiled Laws of North Dakota for 1913, Prohibiting the Manufacture, Sale, Disposing of, Giving Away, and Soliciting Orders for Cigarettes, or Cigarette Papers and Providing Penalties.

Have had the same under consideration and recommend that the same be amended as follows:

TITLE: That the word "prohibition" in the second line of the title be stricken out and in lieu thereof inserted the word "prohibiting."

And when so amended recommend the same do pass.

C. H. STARKE,
Chairman.

Also:

Mr. Speaker: Your committee on Judiciary to whom was referred:

Senate Bill No. 42: A Bill for an Act to Amend and Re-enact Sections 814 of the Compiled Laws of North Dakota for the Year 1913, Relating to the Qualifications of Jurors.

Have had the same under consideration and recommend that the same be indefinitely postponed.

C. H. STARKE,
Chairman.

Mr. Starke moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

Mr. Speaker: Your Majority committee on Judiciary to whom was referred:

House Bill No. 163: A Bill for an Act to Amend and Re-enact Section Ten (10) of Chapter 174 of the Session Laws of North Dakota for the Year 1919, Relating to Appeals From the Decision of Minimum Wage Commission, and Providing the Procedure of Such Appeals.

Have had the same under consideration and recommend that the same be amended as follows:

SECTION 1. That in line twenty-five (25) of Section (1) the words "without a jury," be stricken out and in lieu thereof the following be inserted "and all questions of fact shall be submitted by the court to a jury." That after the word "actions," at the end of line twenty-seven (27) in section one (1), there be placed a period (.). That all of lines twenty-eight (28) and twenty-nine (29) be stricken out.

And when so amended recommend the same do pass.

C. H. STARKE,
Chairman.

Mr. Speaker: You minority members of the committee on judiciary to whom was referred:

House Bill No. 163: A Bill for an Act to Amend and Re-enact Section Ten (10) of Chapter 174 of the Session Laws of North Dakota for the Year 1919, Relating to Appeals From the Decision of Minimum Wage Commission, and Providing the Procedure of Such Appeals.

Have had the same under consideration and recommend that the same be indefinitely postponed.

Signed:

OLSON, of Barnes.
LARKIN,
BRADY,
STRAIN.

Mr. Olson of Barnes moved that the minority report of the committee be adopted, which motion prevailed and further consideration of the bill was indefinitely postponed

Mr. Speaker: Your committee on Judiciary to whom was referred:

House Bill No. 171: A Bill for an Act Authorizing the

Board of Administration to Create a Students Loaning Fund in State Normal Schools.

Have had the same under consideration and recommend that the same do pass.

C. H. STARKE,
Chairman.

Mr. Starke moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Enrollment and Engrossment have examined the following bills:

House Bill No. 116: A Bill for an Act providing for the Furnishing by the Register of Deeds of Each County to Elevators Making Application and Paying the Fee Provided Therefor, of an Abstract of all Mortgages and Liens Upon Grain Grown During Each Year, and Filed in the Office of the Register of Deeds.

House Bill No. 140: A Bill for an Act to Amend and Re-enact Chapter 271 of the Session Laws of North Dakota for the Year 1915, Relating to Qualifications of Signers on Petition of County Commissioners.

House Bill No. 188. A Bill for a Concurrent Resolution, to Amend and Re-enact Section 45 of the Constitution of the State of North Dakota, Relating to Compensation of Members of the Legislative Assembly.

House Bill No. 98: A Bill for an Act to Amend and Re-enact Section 3710 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Contractors' How Paid.

House Bill No. 112: A Bill for an Act to Amend and Re-enact Section 2955, 2956, of the Compiled Laws of the State of the North Dakota for the Year 1913.

House Bill No. 118: A Bill for an Act to Amend and Re-enact Sections 624 and 625 of the Compiled Laws of North Dakota for the Year 1913 as Amended by Chapter 252 of the Laws of North Dakota for the Year 1917 and by Chapter 25 of the Laws Passed by the Special Session of the Legislative Assembly of North Dakota in 1919, Relative to the Commissioner of Noxious Weeds.

House Bill No. 201: A Bill for an Act Entitled, "An Act Whereby Teachers Teaching in the Public Schools of North Dakota be United States Citizens.

House Bill No. 125: A Bill for an Act to Amend and Re-enact Section 2681 of the Compiled Laws of the State of North Dakota for 1913, Compensation for Members of State Live Stock Sanitary Board.

House Bill No. 72: A Bill for an Act to Amend and Re-enact Section 4924 of the Compiled Laws of North Dakota for the Year 1913, Relating to Taxation of Insurance Companies.

House Bill No. 97: A Bill for an Act Permitting the City to Make Advancements Upon Material Purchased by a Con-

tractor for Use in the Performance of Contracts for Municipal Improvements.

House Bill No. 69: A Bill for an Act to Amend and Re-enact Section 6 of Chapter 162 of the Session Laws of North Dakota for the Year 1919, Relating to and for the Benefit of Employees Injured and the Dependents of Employees Killed in Hazardous Employments, Fixing the Duties and Liabilities of Employees and Employers, and Providing Methods of Securing the Payment of Obligations Arising in Favor of Injured Employees and Their Dependents.

House Bill No. 101: A Bill for an Act Entitled, an Act Establishing a System of State Free Employment Service, Providing for the Maintenance Thereof, Defining the Duties of Such Department, Its Officers and Employees, and Appropriating Money for the Carrying Out of the Provisions of This Act.

House Bill No. 34: A Bill for an Act to Fix the Salaries of Certain County Officers, to Provide for the Payment Thereof, for the Employment and Payment of Deputies and Clerk Hire in Such Offices, the Collection and Deposit of Fees, and the Repeal of Certain Laws.

House Bill No. 126: A Bill for an Act Relating to the Application of the Tuberculin Test and Eradication of Bovine Tuberculosis in Townships in Counties in North Dakota under Direction of the State Live Stock Sanitary Board by Petition of a Majority of Freeholders in Such Township.

House Bill No. 14: A Bill Entitled, an Act Relating to Interfering with Rights of Employees.

House Bill No. 20: A Bill for an Act to Amend and Re-enact Section 8 of Chapter 162 of the Laws of North Dakota for the Year 1919, Relating to the Enforcement of Payment of Premiums to the Workmen's Compensation Fund. and find the same correctly engrossed.

ADAM PRESZLER,
Chairman.

Mr. Preszler moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Bauer moved that the House do now recess for ten minutes, which motion was lost.

MOTIONS AND RESOLUTIONS.

Mr. Allen presented the following resolution:

WHEREAS: It has come to the notice of the members of the House of Representatives of the State of North Dakota that the Heavenly Father in His infinite wisdom has taken from the activities of his life, the soul of the Honorable Richard Pendray of Stutsman County, and

WHEREAS: The Honorable Richard Pendray served his country and the people of this state efficiently and well in the legislative sessions of 1909 and 1911, where by marked ability, his fair, impartial and gentlemanly demeanor, endeared himself to his colleagues and constituents, and,

WHEREAS: The members of the House of Representatives of the Seventeenth Legislative Assembly, many of whom served with him as legislators, are stricken with profound sorrow because of his death;

That we sincerely regret the passing of the man of noble character, the patriotic citizen, the loving husband and father and loyal friend. For the life he led, the friendship he enjoyed, the unfailing kindness, sympathy and charity that he displayed, his genial frankness and the bright flowers of life's goodness he scattered along the way, must bring their own reward, and because of these most excellent of all human attributes has written into the history of his neighborhood, his county and state, the record of an ideal and well spent life. He was a religious man, not in the sense of loud profession of theology and boast of creed, though he attended divine services as regularly as he could and supported the church work regularly. His religion was a real part of his life and the inspiration of his sunny disposition.

THEREFORE BE IT RESOLVED: That as a token of the respect, love and esteem in which he was held by the members of this House of Representatives, that our profound sympathy be extended to the bereaved wife and family of our deceased colleague in their sad bereavement; the loss of a loving husband and indulgent and provident father, and that this resolution be spread upon the official Journal of this House of Representatives to that the memory of our co-worker may be perpetuated and that the Secretary of State be and is hereby directed to forward to the saddened wife of our departed friend a properly engrossed copy of this resolution.

Mr. Allen moved that the resolution be adopted by a rising vote, which motion prevailed and the resolution was adopted.

MESSAGES FROM THE SENATE.

Bismarck, N. D., Feb. 15, 1921.

Mr. Speaker: I have the honor to return herewith the following bills:

House Bill No. 11: A Bill entitled, An Act to Amend Chapter 7567 of the Compiled Laws of North Dakota for the Year 1913, and Relating to Garnishments.

which the Senate has passed unchanged.

Very respectfully,
W. J. PRATER,
Secretary.

Bismarck, N. D., Feb. 14, 1921.

Also:

Mr. Speaker: I have the honor to transmit herewith the following bills:

Senate Bill No. 17: A Bill for an Act to appropriate \$10,000 to Aid in the Educational Work Being Carried on by North Dakota Tuberculosis Association, and the Prevention of the Spread of Tuberculosis more Definitely Prescribed in Chapter 7 of the Session Laws of North Dakota for the year 1915, for the Salary and Traveling Expenses of Field Workers and Nurses.

Senate Bill No. 66: A Bill for an Act to Promote, Foster and Encourage the Proper Marketing of Agricultural Products and By-Products, and for the Creation of a Co-operative Marketing Association and Providing for License Fees.

Senate Bill No. 31: A Bill for an Act to Amend and Re-enact Section 780 of the Compiled Laws of North Dakota, for the Year 1913, as Amended by Chapter 30, of the Special Session Laws of North Dakota, for the Year 1919, Relating to Compensation of Court Stenographers, and Providing for the Payment of Expenses.

Senate Bill No. 116: A Bill for an Act to Amend and Re-enact Chapter 179 of the Session Laws of 1915; an Act to Amend Chapter 177 of the Laws of 1911 (Same Being Sections 11402 to 11428, Inclusive, Compiled Laws 1913), Entitled "Juvenile Court," by Adding Thereto Certain Provisions Giving the Court Power When Necessary to Appoint District Juvenile Commissioners, Guardians ad litem, and to Make Rules and Regulations Prescribing Their Duties and Fixing Their Compensation; also to Enact Such Other Provisions Which Are Best Calculated to Carry Out the Purpose of Said Chapter 177.

Senate Bill No. 11: A Bill for an Act Amending and Re-enacting Section 10251 of the Compiled Laws of North Dakota for the Year 1913, Relating to Unlawful Obligations in Writing.

which the Senate has passed and your favorable consideration is respectfully requested.

Very respectfully,

W. J. PRATER,
Secretary.

Bismarck, N. D., Feb. 15, 1921.

Mr. Speaker: I have the honor to return:

House Bill No. 52: A Bill for an Act Levying a Tax of One Mill Upon Each Dollar of Assessed Valuation of all Taxable Property Within the State for Each Year for the Purpose of Creating a fund to be known as the "Returned Soldiers' Fund." Providing for the Payment Thereof to Returned Soldiers, Defining the Powers and Duties of the Adjutant General and of the Industrial Commission with Reference Thereto and Making an Appropriation Therefor.

which the Senate has amended as follows:

That Section 1 line 21 after word "Levied" add a comma, also strike out word "and" in same line. Also add a comma after word "collected" same line.

Section 3 line 19 after word "State" strike out word "Auditor" and insert the words "Auditing Board."

Section 6 line 7 after the word "State" strike out the word "Auditor" and insert the words "Auditing Board."

Very respectfully,

W. J. PRATER,
Secretary.

FIRST AND SECOND READING OF HOUSE BILLS.

Mr. Boyd introduced:

House Bill No. 208: A Bill for an Act to Require County Commissioners to Have All County Printings Done Within the County and State.

Was read the first and second time and referred to the committee on Public Printing.

Mr. Jardine introduced:

House Bill No. 210: A Bill for an Act to Cancel Uncollected Personal Property Taxes Assessed for 1910 and Prior Years.

Was read the first and second time and referred to the committee on Taxes and Tax Laws.

THIRD READING OF HOUSE BILLS.

House Bill No. 67: A Bill for an Act to Amend and Re-enact Sections 2462, 2463, 2466, 2487, 2489, 2490, Compiled Laws 1913, Relating to Drains.

Was read the third time.

Mr. Johnson of Sargent asked unanimous consent to amend tht bill.

There being no objection, Mr. Johnson offered the following amendment and moved its adoption:

In line 10, page 3, of the printed bill after the word "drain" strike out "If the chief purpose of such drain is the drainage of agricultural meadow, grazing or other lands," and start the next word with a capital letter. Strike out all after the word "drain" in line 13, and down to and including the word "length" in line 17, and place a period after the word "drain" in line 13.

Which motion prevailed, and the amendment was adopted.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 103, nays 0, absent and not voting 10.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olsgard, Olson of Barnes, Olsen of Billings, Ophaug, Opland, Patterson, Peters, Plath, Quade, Reichert, Renauld, Root, Semling, Sherman, Shimin, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel,

Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Durkee, Lazier, Maddock of Mountrail, Maxwell, Olafson, Olson of Ramsey, Preszler, Sagen, Shipley, Watt.

So the bill passed as amended and the title was agreed to.

House Bill No. 63: A Bill for an Act to Amend and Re-enact Section 7644 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 1 of the Session Laws for the Year 1919, (Regular Session), Relating to Change of Judges in Civil and Criminal Actions in the District Court, for Prejudice or Bias of Judge Thereof; Providing for the Calling in of Another Judge of Another Judicial District, and the Payment of His Expenses, and the Discharge of Jurors Therein.

Was read the third time.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 99, nays 0, absent and not voting 14.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Oberg, Olafson, Olson of Barnes, Olsen of Billings, Ophaug, Opland, Patterson, Peters, Plath, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Sims, Slominski, Sproul, Starke, Strain, Ulland, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Bryans, Flom, Johnson of Ward, Kopp, Lazier, Maxwell, Nathan, Olsgard, Olson of Ramsey, Preszler, Shipley, Vogel, Watt, Weld of Kidder.

So the bill passed and the title was agreed to.

House Bill No. 6:

A Bill for an Act to Amend and Re-enact Section 7949 of North Dakota, 1913, Relating to Continuances of Cases.

Was read the third time.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 105, nays 0, absent and not voting 8.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger,

Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Trail, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Oberg, Olafson, Olson of Barnes, Olsen of Billings, Opland, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renault, Root, Sagen, Semling, Sherman, Shimmin, Sims, Slominski, Sproul, Starke, Strain, Ulland, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Larson of Ransom, Lazier, Maxwell, Nathan, Olsgard, Olson of Ramsey, Shipley, Vogel.

So the bill passed and the title was agreed to.

House Bill No. 106: A Bill for an Act to Amend and Re-enact Section 46 of Chapter 161 of the Laws of North Dakota for the Year 1915, as Amended by Chapter 63, of the Laws of North Dakota for the Year 1917, as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Prohibiting the Trapping, Catching, Killing, or Destroying of Beaver and Otter, for a Limited Period.

Was read the third time.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 87, nays 18, absent and not voting 8.

Ayes: Allen, Anderson of Burleigh, Arduser, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Grangaard, Hanson of Benson, Hanson of Grand Forks, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Trail, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larson of Pierce, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Mikkelson, Miller, Morton, Ness, Oberg, Olafson, Olsgard, Olsen of Billings, Opland, Patterson, Peters, Plath, Quade, Reichert, Renault, Sagen, Semling, Sims, Slominski, Sproul, Starke, Strain, Ulland, Watt, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Anderson of Griggs, Babcock, Ellingson, Frandson, Hagelbarger, Johnson of Ward, Larkin, Larson of Ransom, Maxwell, Mouck, Nagel, Nathan, Olson of Barnes, Opland, Root, Sherman, Shimmin, Weld of Kidder.

Absent and not voting: Halcrow, Hall, Lazier, Maddock of Benson, Olson of Ramsey, Preszler, Shipley, Vogel.

So the bill passed and the title was agreed to.

House Bill No. 34: A Bill for an Act to Fix the Salaries of Certain County Officers, to Provide for the Payment Thereof, for the Employment and Payment of Deputies and Clerk Hire in Such Offices, the Collection and Deposit of Fees, and the Repeal of Certain Laws.

Was read the third time.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 105, nays 0, absent and not voting 8.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Harding, Hartl, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Trail, Johnson of Ward, Kamrath, Kelly, Kitchen, Kjos, Kopp, Lackey, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renault, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Cole, Hanson of Grand Forks, Hall, Hempel, Kellogg, Lakie, Lazier, Vogel.

So the bill passed and the title was agreed to.

House Bill No. 116: A Bill for an Act Providing for the Furnishing by the Register of Deeds of Each County to Elevators Making Application and Paying the Fee Provided Therefor, of an Abstract of All Mortgages and Liens Upon Grain Grown During Each Year, and Filed in the Office of the Register of Deeds.

Was read the third time.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 108, nays 0, absent and not voting 5.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Trail, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDow-

ell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Yeater, Mr. Speaker.

Absent and not voting: Cole, Hanson of Grand Forks, Lazier, Shipley, Wood.

So the bill passed and the title was agreed to.

House Bill No. 118: A Bill for an Act to Amend and Re-enact Sections 624 and 625 of the Compiled Laws of North Dakota for the Year 1913 as Amended by Chapter 252 of the Laws of North Dakota for the Year 1917 and by Chapter 25 of the Laws Passed by the Special Session of the Legislative Assembly of North Dakota in 1919, Relative to the Commissioner of Noxious Weeds.

Was read the third time.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 98, nays 7, absent and not voting 8.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Bratsberg, Bryans, Burkhardt, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, McDowell, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Mikkelson, Miller, Morton, Mouck, Ness, Oberg, Olsgard, Olson of Barnes, Olsen of Billings, Ophaug, Opland, Patterson, Peters, Plath, Quade, Reichert, Renauld, Root, Semling, Sherman, Shimmin, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Hagelbarger, Johnson of Sargent, Levin, McGauvran, Nagel, Nathan, Olafson.

Absent and not voting: Brady, Hanson of Grand Forks, Lazier, Maxwell, Olson of Ramsey, Preszler, Sagen, Shipley.

So the bill passed and the title was agreed to.

House Bill No. 140: A Bill for an Act to Amend and Re-enact Chapter 271 of the Session Laws of North Dakota for the Year 1915, Relating to Qualifications of Signers on Petition of County Commissioners.

Was read the third time.

The question being on the final passage of the bill, the roll

was called and there were ayes 101, nays 0, absent and not voting 12.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olgard, Olson of Barnes, Olsen of Billings, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Semling, Sherman, Shimmin, Sims, Slominski, Sproul, Starke, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Brady, Hanson of Grand Forks, Kamrath, Kellogg, Lackey, Lazier, Maddock of Benson, Maxwell, Olson of Ramsey, Sagen, Shipley, Strain.

So the bill passed and the title was agreed to.

House Bill No. 188. A Bill for a Concurrent Resolution, to Amend and Re-enact Section 45 of the Constitution of the State of North Dakota, Relating to Compensation of Members of the Legislative Assembly.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 81, nays 22, absent and not voting 10.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Babcock, Bilquist, Bjerke, Bjorgo, Bollinger, Boyd, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Grangaard, Halcrow, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kamrath, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, McDowell, McGauvran, McLarty, McManus, Maddock of Mountrail, Martin of Slope, Maxwell, Mikkelson, Morton, Mouck, Ness, Nagel, Oberg, Olgard, Olson of Barnes, Olsen of Billings, Opland, Peters, Preszler, Quade, Reichert, Root, Semling, Sherman, Shimmin, Slominski, Starke, Strain, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater.

Nays: Arduser, Bauer, Botz, Frandson, Hagelbarger, Hanson of Benson, Hall, Johnson of Pembina, Johnson of Steele, Levin, Magnuson, Martin of Bottineau, Miller, Nathan, Olafson, Ophaug, Patterson, Renauld, Sims, Ulland, Vogel, Mr. Speaker.

Absent and not voting: Brady, Hanson of Grand Forks, Kellogg, Lazier, Maddock of Benson, Olson of Ramsey, Plath, Sagen, Shipley, Sproul.

So the bill passed and the title was agreed to.

Mr. Bauer asked permission to explain his vote and have it recorded in the Journal. "I vote 'no' on this bill for the reason the time of high cost of living is past, everything is going down and I do not believe we members of the legislature ought to raise their salaries at this time. I supported a measure a few days ago to allow the members of this legislature \$150.00 for expenses. I voted for that at that time because I thought it was just, but that time has passed and I think we ought not at this time under the existing conditions of the state of North Dakota raise the pay of the members of the legislature."

Mr. Hemple asked permission to explain his vote and have it recorded in the Journal. "I honestly believe that the representatives sent down here to represent the people are entitled to more than they are getting at the present time, and as I understand from the chair that this is to go before the people first, so there would be nothing wrong in voting aye."

House Bill No. 66: A Bill for an Act to Provide for the Payment of Non-resident Tuition Fee in the High School Department of Standardized Graded and Standardized High Schools Receiving State Aid.

Was read the third time.

The question being on the final passage of the bill, as amended by the Senate, the roll was called and there were ayes 71, nays 31, absent and not voting 11.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Babcock, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Burkhart, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hartl, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Trail, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larson of Pierce, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Mikkelson, Mouck, Ness, Nagel, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Preszler, Quadz, Reichert, Root, Semling, Shimmin, Slominski, Starke, Strain, Ulland, Vogel, Watt, Weld of Wells, Wood, Mr. Speaker.

Nays: Arduser, Bratsberg, Bryans, Cart, Doyle, Eckert, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hempel, Larkin, Larson of Ransom, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Nathan, Oberg, Olson of Barnes, Patterson, Renauld, Sherman, Sims, Weld of Kidder, Whitmer, Yeater.

Absent and not voting: Bauer, Elmer, Hanson of Grand Forks, Johnson of Steele, Lazier, Maddock of Mountrail, Op-land, Plath, Sagen, Shipley, Sproul.

So the bill passed and the title was agreed to.

Mr. Vogel asked permission to explain his vote and have same recorded in the Journal.

I fought this bill on the floor of this House because I felt it was detrimental to the rural districts of this state. However, it is apparent that no legislation other than this for the assistance of the high schools of this state is possible during this session. I therefore vote "aye."

The courtesies of the floor were extended to A. J. Hauge, P. J. Seefeld, Mr. and Mrs. O. M. Rognlien, W. J. Mayer, Alex McDonald, J. E. Pfeifer, Bert Yeager, H. A. Kirklic, John O. Grubb, G. L. Elken.

Mr. Watt moved that the House do now recess until 1 o'clock P. M. February 16, 1921, which motion prevailed and House so recessed.

C. L. DAWSON,
Chief Clerk.

FORTY-THIRD DAY AFTER RECESS AND
FORTY-FOURTH DAY

House of Representatives,
Bismarck, North Dakota,
February 16, 1921.

The House convened at 1 o'clock P. M., pursuant to recess taken, the Speaker presiding.

THIRD READING OF HOUSE BILLS

House Bill No. 37: A Bill for an Act to Amend and Re-enact Section 466 of the Compiled Laws of North Dakota for the Year 1913, Relating to Preliminary Qualifications of Applicants for Licenses to Practice Medicine in the State of North Dakota.

Was read the third time.

The question being on the final passage of the bill, as amended, by the Senate, the roll was called and there were ayes 96, nays 0, absent and not voting 17.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bjerke, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Cart, Doyle, Durkee, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Harding, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olsgard, Olson of Barnes, Olsen of Billings, Ophaug, Opland, Patterson, Peters, Plath, Quade, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Strain, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Bilquist, Bjorgo, Carlson, Cole, Eckert, Grangaard, Hall, Hartl, Kamrath, Kellogg, Lazier, McDowell, Olafson, Olson of Ramsey, Preszler, Reichert, Ulland.

So the bill passed as amended by the Senate and the title was agreed to.

House Bill No. 14: A Bill entitled, An Act Relating to Interfering with Rights of Employees.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 73, nays 26, absent and not voting 14.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bjerke, Botz, Boyd, Brady, Bryans, Burkhart, Burns, Cart, Cole, Doyle, Durkee, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Freeman, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Ward, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Ransom, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Quade, Reichert, Renauld, Root, Sherman, Shimmin, Shipley, Sims, Slominski, Starke, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Bratsberg, Flom, Halcrow, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Kelly, Kitchen, Larson of Pierce, McGauvran, Ness, Nagel, Nathan, Olafson, Olgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Sagen, Semling, Sproul, Ulland, Watt.

Absent and not voting: Bilquist, Bjorgo, Bollinger, Carlson, Eckert, Graugaard, Johnson of Traill, Kamrath, Kellogg, Lazier, McDowell, Mouck, Prezler, Strain.

So the bill passed and the title was agreed to.

House Bill No. 101: A Bill for an Act Entitled, An Act Establishing a System of State Free Employment Service, Providing for the Maintenance Thereof, Defining the Duties of Such Department, Its Officers and Employees, and Appropriating Money for the Carrying Out of the Provisions of This Act.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 83, nays 11, absent and not voting 19.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Carlson, Cart, Cole, Doyle, Durkee, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Ward, Kitchen, Kjos, Kopp, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McGauvran, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Oberg, Olson of Barnes, Olsen of Bil-

lings, Olson of Ramsey, Ophaug, Plath, Preszler, Reichert, Renauld, Semling, Sherman, Shipley, Sims, Slominski, Sproul, Starke, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater.

Nays: Hanson of Grand Forks, Jardine, Kelly, Nagel, Nathan, Peters, Root, Sagen, Shimmin, Ulland, Mr. Speaker.

Absent and not voting: Bollinger, Burns, Eckert, Grangaard, Heaton, Johnson of Traill, Kamrath, Kellogg, Lackey, Lazier, McDowell, Maddock of Mountrail, Martin of Bottineau, Olafson, Olsgard, Opland, Patterson, Quade, Strain.

So the bill passed and the title was agreed to.

House Bill No. 72: A Bill for an Act to Amend and Re-enact Section 4924 of the Compiled Laws of North Dakota for the Year 1913, Relating to Taxation of Insurance Companies.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 95, nays 3, absent and not voting 15.

Ayes: Allen, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Ellingson, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Steele, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Miller, Morton, Mouck, Ness, Nagei, Nathan, Oberg, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Johnson of Pembina, Johnson of Sargent, McGauvran.

Absent and not voting: Anderson of Burleigh, Bollinger, Eckert, Elmer, Grangaard, Johnson of Traill, Kamrath, Kellogg, Lazier, Maddock of Mountrail, Maxwell, Mikkelson, Olafson, Olsgard, Strain.

So the bill passed and the title was agreed to.

House Bill No. 112: A Bill for an Act to Amend and Re-enact Section 2955, 1956, of the Compiled Laws of the State of North Dakota for the Year 1913.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 91, nays 12, absent and not voting 10.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Walsh, Freeman, Fredrickson, Frandson, Halcrow, Hanson of Benson, Hartl, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Slope, Maxwell, Mikkelson, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Vogel, Watt, Weld of Wells, Whitmer, Wood, Mr. Speaker.

Nays: Flom, Hagelbarger, Hanson of Grand Forks, Harding, McDowell, McCauvran, Patterson, Sagen, Semling, Ulland, Weld of Kidder, Yeater.

Absent and not voting: Erickson of Divide, Grangaard, Hall, Hempel, Johnson of Traill, Lazier, Martin of Bottineau, Miller, Olsgard, Strain.

So the bill passed and the title was agreed to.

House Bill No. 20: A Bill for an Act to Amend and Re-enact Section 8 of Chapter 162 of the Laws of North Dakota for the Year 1919, Relating to the Enforcement of Payment of Premiums to the Workmen's Compensation Fund.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 99, nays 9, absent and not voting 5.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Elmer, Erickson of Divide, Erickson of Walsh, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, McDowell, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Semling, Sherman, Shimmin, Shipley, Sims, Sproul, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Bratsberg, Ellingson, Flom, Freeman, Hanson of Grand Forks, Levin, McCauvran, Slominski, Ulland.

Absent and not voting: Kjos, Lazier, Sagen, Starke, Watt.

So the bill passed and the title was agreed to.

House Bill No. 69: A Bill for an Act to Amend and Re-enact Section 6 of Chapter 162 of the Session Laws of North Dakota for the Year 1919, Relating to and for the Benefit of Employees Injured and the Dependents of Employees Killed in Hazardous Employments, Fixing the Duties and Liabilities of Employees and Employers, and Providing Methods of Securing the Payment of Obligations Arising in Favor of Injured Employees and their Dependents.

Was read the third time.

Mr. Allen moved that the House do now adjourn, which motion prevailed and the House adjourned.

C. L. DAWSON,
Chief Clerk.

FORTY-FOURTH DAY.

House of Representatives,
Bismarck, North Dakota,
February 16, 1921.

The House convened at 2 o'clock P. M., the Speaker presiding.

Prayer by Chaplain, Mrs. Elizabeth Preston Anderson.

Roll call; all members present except Mr. Lazier.

REVISION AND CORRECTION OF THE JOURNAL.

The committee on revision and correction of the Journal made the following report:

Mr. Speaker: Your committee on revision and correction of the Journal have carefully examined the Journal of the Forty-third Day and recommend that the same be corrected as follows: On page 2, strike out lines 1, 2, 3, 4, 5, 6, 7. On page 2 strike out line 30 and all the balance of the page. On page 3 strike out lines 1, 2, 3, 4, 5, 6, 7, 8. At the top of page 26 insert the following: "Mr. Vogel asked permission to explain his vote and have it recorded in the Journal."

And when so corrected recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted.

PRESENTATION OF PETITIONS AND COMMUNICATIONS.

To the Senate and House of Representatives of the State of North Dakota:

WHEREAS, the necessity presents itself for Legislation making more effective the enforcement of the Volstead Act and believing that such enforcement can more fully be accomplished by the State than by local police authorities.

We, the Nonpartisan Clubs in Convention assembled most respectfully petition the Legislative Assembly of the State to pass Senate Bill No. 18, as originally passed by the Senate.

RESOLUTION COMMITTEE,
HATTIE GROSS,
Chairman.

February 4, 1921.

To the Senator and Representatives of LaMoure County,
North Dakota:

We, the undersigned residents of LaMoure county, North Dakota, respectfully urge you to vote against any and all bills which have for their purpose the abolishment of the State Normal and Industrial School at Ellendale.

We believe that more people will secure educational privileges with the schools as now constituted rather than if centralized.

M. P. McNALLY,
And 50 Others.

Petitions were received from Eckelson, Sanborn, Tower City, Kathryn, Valley City, Arnegard, Devils Lake, Alexander, Kintyre, Newville, Cartwright, Shields, Regent, Fairdale, Grafton, Park River, Conway, and Balfour; said petitions asking for the repeal of the bird dog law, and same was signed by fifteen hundred people.

REPORTS OF STANDING COMMITTEES.

Mr. Speaker: Your committee on State Affairs, to whom was referred House Bill No. 43 and had the same under consideration and recommend that the same be amended as follows:

In Section 3, line 15, after the word constructed, strike out the word "for" and insert in lieu thereof the word "by". In line 23, after the words "construction of" strike out the remainder of the line, all of line 24, and line 25 to the word "works". Section 4, strike out lines 6, 7 and 8 to the period and insert in lieu thereof the following: "One of the said members of the Board shall be a Professor of engineering at the University of North Dakota, one a professor of engineering at the Agricultural College, one the State engineer and two to be selected from a list submitted by the engineering societies of the State." Section 8, line 3, insert a comma after the word "evidence," and after the word "oath". Line 9 change the period to a comma, and add the following: "that he is qualified in the knowledge and practical application of the principles of physics, strength of materials, and mathematics including trigonometry." Line 13, strike out the word "four" and insert in lieu thereof the word "two." Section 9, line 3, after the period, strike out everything to the period in line 10. In line 12, change the period to a comma and insert the following: "as the applicant may decide. The examination shall cover only the fundamental principles of physics, strength of materials and mathematics, including trigonometry, which are essential to the branch or branches

of engineering in which the applicant desires to practice. Examinations shall be held separately in surveying or in any of the branches of engineering, embracing civil, mechanical, electrical, or mining. No misleading or catch questions shall be asked the applicant either in the oral or the written examination. The applicant's rating shall be made on the following basis: References and experience, forty points; examination by the Board, sixty points; necessary to pass, seventy-five points."

And when so amended recommend that the same do pass.

MARTIN OLSEN,
Chairman.

Mr. Speaker: Your committee on State Affairs to whom was referred:

House Bill No. 144: A Bill for an Act to Amend and Re-enact Section 988 of the Compiled Laws of North Dakota for the Year 1913, Relating to Disability of Elector and Providing a Penalty for Violation Thereof.

Have had the same under consideration and recommend that the same be indefinitely postponed.

MARTIN OLSEN,
Chairman.

Mr. Olsen moved that the report be adopted, which motion prevailed and the further consideration of the bill was indefinitely postponed.

Also:

Mr. Speaker: Your committee on State Affairs to whom was referred:

House Bill No. 202: A Bill for an Act to Abolish the Office of School District Treasurer and to Make the County Treasurer Exofficio Treasurer of all School Districts in His County.

Have had the same under consideration and recommend that the same do pass.

MARTIN OLSEN,
Chairman.

Mr. Olsen moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on Enrollment and Engrossment made the following report:

Mr. Speaker: Your committee on Enrollment and Engrossment have examined the following bills:

House Bill No. 159: A Bill for an Act to Amend and Re-enact Section 26 of Chapter 161 of the Session Laws of 1915, Relating to Hours for Shooting.

House Bill No. 160: A Bill for an Act to Amend and Re-enact Section 52 of Chapter 161 of the Session Laws of North Dakota for the Year 1915, as Amended by Section 52 of Chapter 122 of the Session Laws for the Year 1917, Relating to Bag Limit of Game Birds.

House Bill No. 124: A Bill for an Act to Amend and Re-enact Chapter 205 of the Session Laws of the State of North Dakota for the Year 1919 Prohibiting the Sale of Any New Draft Sleds Within the State of Which the Runners Measure Less Than Four Feet Six Inches from Center to Center and Making the Sale of Same a Misdemeanor and Providing for the Revocation of the License of Any Foreign Corporation to do Business in the State Which Fails to Comply With the Terms of this Act.

House Bill No. 137: A Bill for an Act Amending and Re-enacting Section 5742, Compiled Laws of North Dakota for 1913, Relating to the Application of the Provisions of Article 20, Compiled Laws of 1913, to Water Main and Water Works Systems, and to the Purchase Thereof.

House Bill No. 155: A Bill for an Act to Amend and Re-enact Section 4624 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Conveyances and Mortgages of Railroad Corporations, so as to Provide the Manner of Execution and Manner and Place of Record of Every Conveyance or Lease, Deed of Trust, Mortgage or Assignment, or Satisfaction Thereof, Made by Any Railroad, Telegraph or Telephone Corporation.

House Bill No. 171: A Bill for an Act Authorizing the Board of Administration to Create a Students Loaning Fund in State Sormal Schools.

And find the same correctly engrossed.

ADAM PRESZLER,
Chairman.

Mr. Preszler moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Appropriations to whom was referred:

House Bill No. 92: A Bill for an Act Providing for a Committee to Investigate the Proposed Roosevelt Park.

Have had the same under consideration and recommend that the same do pass.

WM. WATT,
Chairman.

Mr. Watt moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Sneaker: Your committee on Appropriations to whom was referred:

House Bill No. 19: A Bill for an Act to Amend and Re-enact Section 4 of Chapter 162 of the Session Laws of the State of North Dakota for the Year 1919, as Amended by Chapter 73 of the Laws Passed at the Special Session of the Sixteenth Legislative Assembly in December, 1919, Relating to the Creation of the Workmen's Compensation Bureau of North Dakota, the Appointment and Removal of the Commissioners Thereof, the Salary of such Commissioners and the Powers and Duties of such Bureau.

Have had the same under consideration and recommend that the same be amended as follows:

In the printed bill, page 2 line 4 in paragraph B, strike out the words "Thirty-Five Hundred" and insert in lieu thereof the words "Twenty-Five Hundred." In Line 5 of the Same paragraph strike out the numerals "\$3,500.00" and insert in lieu thereof "\$2,500.00." On page 4 in paragraph B, line 13, strike out the word "Seventy-five" and insert in lieu thereof the word "Fifty-five." In the same line strike out the numerals "\$75,000.00" and insert in lieu thereof the numerals "\$55,000.00."

And when so amended recommend the same do pass.

WM. WATT,
Chairman.

Mr. Speaker: Your committee on Warehouse and Grain Grading to whom was referred:

House Bill No. 187: A Bill for an Act to Amend and Re-enact Chapter 138 of the Session Laws of North Dakota for the Year 1919, Creating and Establishing the Department of Grades, Weights, and Measures Under the Direction and Supervision of the Board of Railroad Commissioners; Defining and Prescribing the Duties and Powers Thereof; Providing for the Licensing of Public Warehouses, Grain Buyers and Persons Engaged in Soliciting or Procuring Consignments of Grain, Seeds or Other Agricultural Products; Providing for the Establishing of Central Marketing Places; Providing for the Appointment of State Inspector, State Deputy Inspectors and Deputy Inspectors, Chief Elevator Accountant and Warehouse Inspectors, Defining Their Duties and Powers; Providing for Bonds from Public Warehouses to Secure all Moneys due the holders of Outstanding Grain Tickets; Requiring Public Warehouses to Keep Records of Their Business; Authorizing the fixing of a Reasonable Margin to be Paid the Producer of Grain; Providing for the Inspection of Public Warehouses; Providing for the Payment of Dockage Having Value; Authorizing Investigation of All Matters Bearing Upon the Marketing of Grain; Authorizing the Employment of Clerks, Experts and All Other Employees Necessary to Carry Out the Provisions of This Act, and Making an Appropriation Therefor; and Providing Penalties for the Violation of Any of the Provisions of This Act.

Have had the same under consideration and recommend that the same do pass.

L. A. LARSON,
Chairman.

Mr. Larson moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Railroads to whom was referred:

House Bill No. 169: A Bill for an Act to Amend and Re-enact Section 4671 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to the Size and Construction of Caboose Cars.

Have had the same under consideration and recommend that the same be amended as follows:

Strike out the word "June" and the numbers "1923" in line 2 of Section 4671 and insert in lieu thereof the word "January" and the numerals "1924." In line 7 of the same section strike out the words "under frame" and insert in lieu thereof the words "center sill."

And when so amended recommend the same do pass.

J. D. ROOT,
Chairman.

Mr. Speaker: Your committee on Warehouse and Grain Grading to whom was referred:

House Bill No. 191: A Bill for an Act Empowering the State Inspector of Grades, Weights and Measures to Waive Certain Requirements of the Laws, Rules, and Regulations of the State of North Dakota Relating to Public Grain Warehouses in the Case of Grain Warehouses Which Have Given Bond and are Licensed Under the United States Warehouse Act.

Have had the same under consideration and recommend that the same do pass.

L. A. LARSON,
Chairman.

Mr. Larson moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Warehouse and Grain Grading to whom was referred:

House Bill No. 190: A Bill for an Act Empowering the State Inspector of Grades, Weights and Measures to Fix Maximum Rates for the Storage, Insurance, and Handling of Grain in Public Grain Warehouses; Requiring Warehousemen to Insure all Grain Stored in Public Grain Warehouses; and Repealing Section 3116 of the Compiled Laws of 1913.

Have had the same under consideration and recommend that the same do pass.

L. A. LARSON,
Chairman.

Mr. Larson moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Railroads to whom was referred:

House Bill No. 111: A Bill for an Act to Require Railroad Companies to Install and Maintain Stock Scales in Railroad Stock Yards at All Stations or Points From Which an Average of Fifty Car Loads or More of Stock Were Shipped During the Three Years Next Preceding Such Application and Prescribing Penalties for Violations of This Act and Defining Powers of Railroad Commissioners.

Have had the same under consideration and recommend that the same be indefinitely postponed.

J. D. ROOT,
Chairman.

Mr. Root moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Railroads to whom was referred:

House Bill No. 38: A Bill for an Act Authorizing the Board of Railroad Commissioners to Establish Rules and Regulations for the Distribution of Cars, and to Appoint Inspectors to Investigate and Report Car Situations to Said Board; Defining Their Duties and Providing for Their Compensation.

Have had the same under consideration and recommend that the same be indefinitely postponed.

J. D. ROOT,
Chairman.

Mr. Root moved that the report be adopted, which motion prevailed and the further consideration of the bill was indefinitely postponed.

Mr. Speaker: Your committee on Education to whom was referred:

House Bill No. 174: A Bill for an Act to Amend and Re-enact Section 1190 of the Compiled Laws of North Dakota, for the Year 1913, as Amended by Chapter 199 of the Laws of North Dakota for the Year 1919, as Amended by Chapter 53 of the Laws of North Dakota, Special Session of the Year 1919, Relating to the Consolidation of Schools; and Contracting for the Transportation of Pupils and From Said Schools; and Providing for a Board of Arbitration.

Have had the same under consideration and recommend that the same be amended as follows:

On page 2 of the printed bill strike out all of bill after line 10 and insert in place thereof the following:

"(3) To decide whether transportation shall be by public conveyance or otherwise; such transportation shall be by public conveyance unless two-thirds of the votes cast at such election are opposed to such mode of transportation.

"Said election shall be conducted, both as to notices and as to manner of canvassing the votes, in the same manner as the annual school elections. If a majority of the votes cast at such an election are in favor of either proposal, then the board shall carry out the decision of the district within four months thereafter. In the event of carrying out either proposal prior to or after the passage of this Act, it shall be the duty of the board to provide for the transportation of the pupils at public expense to and from the consolidated school, except to those pupils living less than one and one-half miles from such school; and it shall also be the duty of the board if deemed expedient, to move to the site selected school houses already built or to sell such school houses. Pro-

vided, that transportation may be furnished either by the use of public conveyances or by allowing to each family as compensation a sum of not less than twenty cents nor more than one dollar and fifty cents per school day of attendance, such compensation to be equitably based upon the distance traveled and the number of children transported. Provided, further, that the sum total of expenses to a district for transportation shall not be greater where the family system of payment is used than would be the case under a system of public conveyances. Provided, also, that in case a patron is dissatisfied with the arrangement made by the School Board with regard to the transportation of his children, he may apply to the School Board for a Board of Arbitration consisting of one selected by the patron, one selected by the School Board and another chosen by the two already selected; the School District to pay all costs thereof; said cost not to exceed three dollars per diem per member of said Arbitration Board. The decision of said Arbitration Board shall be final and binding on the Board."

And when so amended recommend the same do pass.

JOSEPH A. KITCHEN,
Chairman.

Mr. Speaker: Your committee on Education to whom was referred:

House Bill No. 183: A Bill for an Act to Amend and Re-enact Chapter 1342 of the Compiled Laws of North Dakota for 1913, as Amended by Chapter 141 of the Session Laws of North Dakota for the Year 1915 and Chapter 206 of the Session Laws of North Dakota for the Year 1917, Relating to Compulsory Attendance, School Age and the Transportation of Pupils.

Have had the same under consideration and recommend that the same do pass.

JOSEPH A. KITCHEN,
Chairman.

Mr. Kitchen moved that the report be adopted, which motion prevailed and the report was adopted.

MOTIONS AND RESOLUTIONS

Mr. Kelly moved that House Bills Nos. 136 and 137 be referred to the committee on State Affairs, which motion prevailed and said bills were so referred.

Mr. Shipley moved that the vote by which House Bill No. 163 was indefinitely postponed on the last legislative day be reconsidered.

Roll call demanded.

The roll was called and there were ayes 54, nays 58, absent and not voting 1.

Ayes: Allen, Anderson of Burleigh, Bauer, Bollinger, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand

Forks, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Ward, Kelly, Kitchen, Kjos, Lackey, Larson of Pierce, McDowell, McGauvran, McManus, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Heaton, Johnson of Steele, Johnson of Traill, Kamrath, Kellogg, Kopp, Lakie, Larkin, Larson of Ransom, Levin, McLarty, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Lazier.

And the motion to reconsider was lost.

UNFINISHED BUSINESS.

House Bill No. 69: A Bill for an Act to Amend and Re-enact Section 6 of Chapter 162 of the Session Laws of North Dakota for the Year 1919, Relating to and for the Benefit of Employees Injured and the Dependents of Employees Killed in Hazardous Employments, Fixing the Duties and Liabilities of Employees and Employers, and Providing Methods of Securing the Payment of Obligations Arising in Favor of Injured Employees and Their Dependents.

The question being on the final passage of the bill, the roll was called and there were ayes 58, nays 54, absent and not voting 1.

Ayes: Allen, Anderson of Burleigh, Bauer, Bollinger, Botz, Boyd, Burns, Carlson, Coie, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Graugaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman,

Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Lazier.

So the bill passed and the title was agreed to.

Mr. Burkhart asked permission to explain his vote and have it recorded in the Journal. "I haven't in the last few years known of any objection to the Workmen's Compensation Bureau. At the special session of 1919 there was an additional provision made in regard to the officers of the Compensation Bureau, giving the employers representation. Now, as I said a while ago, the Compensation Bureau is represented by labor and by employers and by the public, and for that reason the commission is workable as the law has demonstrated itself to me. I think we should not make any amendments at this time but give it two years more of a trial. Therefore, I vote 'no'."

Mr. Sherman asked permission to explain his vote and have it recorded in the Journal. "I vote 'no' on this bill because it is an attempt on the part of the liability companies to virtually repeal the Workmen's Compensation Act and thus bring all adjustments back into litigation."

INTRODUCTION OF BILLS.

House Bill No. 212 was filed and referred to the committee on Delayed Bills.

THIRD READING OF HOUSE BILLS.

House Bill No. 68: A bill for an Act to Amend and Re-enact Section 27 of Chapter 162 of the Session Laws of North Dakota for the Year 1919, Relating to and for the Benefit of Injured Employees and their Dependents in Hazardous Employments, and Providing Funds with which to Carry on the Work of the Workmen's Compensation Bureau.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 63, nays 48, absent and not voting 2.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Bauer, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kamrath, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Magnuson, Mikkelson, Mouck, Ness, Nagel, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Patterson, Peters, Plath, Preszler, Quade, Reichert, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger,

Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kellogg, Lakie, Larkin, Larson of Ransom, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Nathan, Oberg, Olson of Barnes, Renauld, Sims, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Lazier, Opland.

So the bill passed and the title was agreed to.

House Bill No. 125: A Bill for an Act to Amend and Re-enact Section 2681 of the Compiled Laws of the State of North Dakota for 1913, Compensation for Members of State Live Sock Sanitary Board.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 108, nays 0, absent and not voting 5.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhardt, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Wood, Yeater, Mr. Speaker.

Absent and not voting: Lazier, Maddock of Mountrail, Olson of Ramsey, Starke, Whitmer.

So the bill passed and the title was agreed to.

House Bill No. 126: A Bill for an Act Relating to the Application of the Tuberculin Test and Eradication of Bovine Tuberculosis in Townships in Counties in North Dakota Under Direction of the State Live Stock Sanitary Board by Petition of a Majority of Freeholders in Such Township.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 103, nays 0, absent and not voting 10.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bryans, Burkhardt, Burns, Carlson, Cart,

Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McLarty, McManus, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Clafson, Olsgard, Oilson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Vogel, Watt, Weld of Kidder, Weld of Wells, Wood, Mr. Speaker.

Absent and not voting: Bratsberg, Harding, Lakie, Lazier, McGauvran, Maddock of Benson, Maddock of Mountrail, Strain, Ulland, Whitmer, Yeater.

So the bill passed and the title was agreed to.

On motion the House reverted to the Thirteenth Order of Business.

FIRST AND SECOND READING OF SENATE BILLS.

Senate Bill No. 53: A Bill for an Act to Amend and Re-enact Chapter 160 of the Session Laws of North Dakota for the Year 1919 as Amended by Chapter No. 38 of the Special Session Laws of the 16th Legislative Assembly of the State of North Dakota for the Year 1919 Relating to State Hail Insurance.

Was read the first and second time and referred to the committee on Insurance.

At this time the Speaker administered the oath of office to W. D. Austin as assistant chief clerk.

THIRD READING OF HOUSE BILLS.

House Bill No. 97: A Bill for an Act Permitting the City to Make Advancements Upon Material Purchased by a Contractor for Use in the Performance of Contracts for Municipal Improvements.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 94, nays 0, absent and not voting 17.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Burkhardt, Burns, Carlson, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kamrath, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson

of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, Maddock of Benson, Magnuson, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Ulland, Watt, Weld of Kidder, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Bryans, Cart, Cole, Grangaard, Hanson of Grand Forks, Johnson of Steele, Kellogg, Lakie, Larkin, Lazier, McManus, Maddock of Mountrail, Martin of Bottineau, Olsgard, Strain, Vogel, Weld of Wells.

So the bill passed and the title was agreed to.

House Bill No. 98: A Bill for an Act to Amend and Re-enact Section 3710 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Contractors. How Paid.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 93, nays 0, absent and not voting 20.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kamrath, Kelly, Kitchen, Kjos, Kopp, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, Maddock of Benson, Magnuson, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Mr. Speaker.

Absent and not voting: Bauer, Bilquist, Bjerke, Bryans, Frandson, Hanson of Grand Forks, Hall, Johnson of Steele, Kellogg, Lackey, Lakie, Larkin, Lazier, McManus, Maddock of Mountrail, Martin of Bottineau, Preszler, Starke, Strain, Yeater.

So the bill passed as amended and the title was agreed to.

House Bill No. 201: A Bill for an Act Entitled, "An Act Whereby Teachers Teaching in the Public Schools of North Dakota be United States Citizens."

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 88, nays 0, absent and not voting 25.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Burkhart, Burns, Carlson, Cart, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Grangaard, Hagelbarger, Hartl, Hempel, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olson of Barnes, Olsen of Billings, Ophaug, Opland, Peters, Plath, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Yeater, Mr. Speaker.

Absent and not voting: Bilquist, Bjerke, Bryans, Cole, Frandson, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Heaton, Johnson of Steele, Lackey, Lakie, Larkin, Lazier, Maddock of Mountrail, Martin of Bottineau, Olgard, Olson of Ramsey, Patterson, Preszler, Weld of Wells, Whitmer, Wood.

So the bill passed and the title was agreed to.

House Bill No. 17: A Bill for an Act to Make Unlawful the Unauthorized Use of the Name, Insignia of, or the Impersonation of the Membership in the American Legion, and Providing a Penalty for the Violation Thereof.

Was read the third time.

The question being on the final passage of the bill as amended by the Senate the roll was called and there were ayes 97, nays 0, absent and not voting 16.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Burkhart, Burns, Carlson, Cart, Doyle, Durkee, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Hanson of Benson, Hanson of Grand Forks, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Mikkelson, Miller, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Sproul, Starke, Ulland, Vogel, Watt, Weld of Kidder, Wood, Yeater, Mr. Speaker.

Absent and not voting: Bilquist, Bjerke, Bryans, Cole, Halcrow, Hall, Johnson of Steele, Lazier, McManus, Maddock of Benson, Maxwell, Morton, Slominski, Strain, Weld of Wells, Whitmer.

So the bill passed as amended by the Senate and the title was agreed to.

The Speaker called Mr. Watt to the chair.

House Bill No. 160: A Bill for an Act to Amend and Re-enact Section 52 of Chapter 161 of the Session Laws of North Dakota for the Year 1915, as Amended by Section 52 of Chapter 122 of the Session Laws for the Year 1917, Relating to Bag Limit of Game Birds.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 108, nays 0, absent and not voting 5.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater,

Absent and not voting: Bjerke, Lazier, McManus, Oberg, Mr. Speaker.

So the bill passed and the title was agreed to.

House Bill No. 124: A Bill for an Act to Amend and Re-enact Chapter 205 of the Session Laws of the State of North Dakota for the Year 1919 Prohibiting the Sale of Any New Draft Sleds Within the State of Which the Runners Measure Less Than Four Feet Six Inches from Center to Center and Making the Sale of Same a Misdemeanor and Providing for the Revocation of the License of Any Foreign Corporation to do Business in the State Which Fails to Comply With the Terms of this Act.

was read the third time.

Mr. Johnson of Pembina asked unanimous consent to amend the bill.

Objection being made. Mr. Miller moved that the rules be suspended, and Mr. Johnson be permitted to offer an amendment, which motion prevailed.

Mr. Johnson offered the following amendment and moved its adoption:

"In Section* 2, line 2 of the printed bill after the word "any" insert the word "new."

Which motion prevailed and the amendment was adopted.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 88, nays 17, absent and not voting 8.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cole, Doyle, Durkee, Eckert, Ellingson, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Larkin, Larson of Pierce, Larson of Ransom, McDowell, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Oberg, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Prezler, Quade, Reichert, Sagen, Sherman, Shimmin, Shipley, Slominski, Starke, Strain, Vogel, Watt, Weld of Kidder, Weld of Wells, Wood, Yeater, Mr. Speaker.

Nays: Cart, Elmer, Hanson of Grand Forks, Hall, Lakie, Levin, McGauvran, Ness, Nagel, Nathan, Peters, Renauld, Root, Sims, Sproul, Ulland, Whitmer.

Absent and not voting: Bjerke, Kamrath, Lazier, McLarty, Olafson, Olsgard, Plath, Semling.

So the bill passed as amended and the title was agreed to.

House Bill No. 155: A Bill for an Act to Amend and Re-enact Section 4624 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Conveyances and Mortgages of Railroad Corporations, so as to Provide the Manner of Execution and Manner and Place of Record of Every Conveyance or Lease, Deed of Trust, Mortgage or Assignment, or Satisfaction Thereof, Made by Any Railroad, Telegraph or Telephone Corporation.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 103, nays 2, absent and not voting 9.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Eckert, Ellingson, Elmer, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larson of Pierce, Larson of Ransom,

Levin, McDowell, McGauvran, McManus, Maddock of Mountrail, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelsen, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Durkee, Larkin.

Absent and not voting: Brady, Erickson of Divide, Hanson of Benson, Kamrath, Lazier, McLarty, Maddock of Benson, Magnuson, Shipley.

So the bill passed and the title was agreed to.

The Speaker returned to the Chair.

House Bill No. 159: A Bill for an Act to Amend and Re-enact Section 26 of Chapter 161 of the Session Laws of 1915, Relating to Hours for Shooting.

Was read the third time.

Mr. Bauer moved that the rules be suspended for the purpose of making an amendment, which motion prevailed, and the rules were suspended.

Mr. Bauer offered the following amendment:

Strike out all of line 4 of the printed bill after the word "between" and all of line 5, and insert the following: "Actual sunset and one-half hour before sunrise."

Which motion prevailed, and the amendment was adopted.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 84, nays 20, absent and not voting 9.

Ayes: Allen, Anderson of Burleigh, Arduser, Babcock, Bauer, Bjerke, Bjorgo, Bollinger, Botz, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Durkee, Eckert, Elmer, Erickson of Divide, Erickson of Walsh, Freeman, Fredrickson, Hagelbarger, Halcrow, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Kelly, Kjos, Kitchen, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Mountrail, Magnuson, Martin of Bottineau, Maxwell, Mikkelsen, Miller, Morton, Ness, Nagel, Nathan, Oberg, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Plath, Preszler, Quade, Reichert, Root, Sagen, Semling, Sherman, Shimmin, Sims, Slominski, Sproul, Strain, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Anderson of Griggs, Boyd, Ellingson, Flom, Frandson, Hanson of Benson, Hanson of Grand Forks, Johnson of Trall, Johnson of Ward, Kellogg, Kopp, Maddock of Benson, Martin of Slope, Mouck, Peters, Renauld, Shipley, Starke, Ulland, Vogel.

Absent and not voting: Bilquist, Cole, Doyle, Grangaard, Kamrath, Lazier, Olafson, Olson of Barnes.

So the bill passed as amended and the title was agreed to.

House Bill No. 171: A Bill for an Act Authorizing the Board of Administration to Create a Students Loaning Fund in State Sormal Schools.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 97, nays 10, absent and not voting 6.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhardt, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McLarty, McManus, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Olsen of Billings, Ophaug, Opland, Patterson, Plath, Preszler, Quade, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Frandson, McDowell, McGauvran, Maddock of Benson, Nagel, Nathan, Oberg, Peters, Reichert, Renauld.

Absent and not voting: Kamrath, Lazier, Olafson, Olsgard, Olson of Barnes, Olson of Ramsey.

So the bill passed and the title was agreed to.

MESSAGES FROM THE SENATE.

Bismarck, N. D., Feb. 15, 1921.

Mr. Speaker: I have the honor to transmit herewith the following bills:

Senate Bill No. 133: A Bill for an Act to Empower Cities and Villages to Levy and Collect a Tax for the Purpose of Furnishing Musical Concerts to the Public.

Senate Bill No. 64: A Bill for an Act to Repeal Chapter 222, Laws 1919, in Regard to Taxes on Shares of Stock.

Senate Bill No. 141: A Bill for An Act to Amend and Re-enact Section 1717 of the Compiled Laws of North Dakota for the year 1913, as Amended by Section 4 of Chapter 113 of the Session Laws of 1915, and Chapter 145 of Session Laws of North Dakota for the Year 1917, Relating to the Support of Feeble Minded Persons in the Institution of the Feeble Minded.

Senate Bill No. 163: A Concurrent Resolution for an Amendment to the Constitution of the State of North Dakota, Relating to the Compensation and Mileage of Legislative Members.

Senate Bill No. 172: A Bill for an Act to Repeal Sections 1960, 1961, 1962, 1963, 1964, 1965, 1966, 1967, and 1968 Compiled Laws of the State of North Dakota for 1913 and Amend Section 1969 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to the Levy and Collection of Poll Tax.

Senate Bill No. 187: A Bill for an Act Amending and Re-enacting Section 1334 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to the Interest on Bonds of Common School Districts.

Senate Bill No. 89: A Bill for an Act to Amend and Re-enact Section 1 of Chapter 204 of the Laws of North Dakota for the Year 1915; an Act to Compel Railroad Companies to Maintain Suitable Stock Yards and Erect Suitable Barns for the Convenience of the Public; to Restrain Any Person From Using the Stock Yards for Any Other Purpose Than Shipping; and to Provide a Penalty for the Violation Thereof.

Which the Senate has passed and your favorable consideration is respectfully requested.

Very respectfully,

W. J. PRATER,
Secretary.

Bismarck, N. D., Feb. 15, 1921.

Also—

Mr. Speaker: I have the honor to transmit the following concurrent resolution:

WHEREAS, H. R. 11461, introduced by Mr. French in the House of Representatives at Washington, provides for the labeling of fabrics purporting to contain virgin wool, requiring that such label correctly indicate the wool and silk content of such fabrics.

AND WHEREAS, The said bill provides further for publicity which will correctly and truthfully indicate the composition, including the wool and silk content, of woven fabrics purporting to contain, silk or other materials out of which fabrics may be woven.

AND WHEREAS, The purpose of said bill is, as indicated therein, to insure that the truth shall be known to the consuming public as to the composition of fabrics.

AND WHEREAS, We believe that a bill should be passed by Congress for accomplishing the general purpose contemplated in this act;

NOW, THEREFORE, BE IT RESOLVED, That the Senate of the Seventeenth Legislative Assembly of the State of North Dakota, and the House of Representatives thereof, concurring therein, urges upon our senators and representatives in Congress, and upon the Congress of the United

States, to enact some law having for its purpose the general purpose outlined in the bill hereinbefore referred to.

BE IT FURTHER RESOLVED, That a copy of this resolution be forwarded by the Secretary of State to each representative in the National House of Representatives from North Dakota, and to each of the two Senators from the State of North Dakota at Washington.

Which the Senate adopted and your favorable consideration is respectfully requested.

Very respectfully,

W. J. PRATER,
Secretary.

CONSIDERATION OF MESSAGES FROM THE SENATE.

Mr. Starke moved that the House do now concur in Senate amendment to House Bill 52, which motion prevailed and the Senate amendment was adopted.

Senate Concurrent Resolution urging Congress to enact into a law a bill entitlel "A Bill for the Public Protection of Maternity and Infancy," was referred to the committee on military affairs.

Mr. Carlson moved that the House do not concur in the Senate amendments to House Bill No. 23, and that the Speaker appoint a conference committee to confer with a like committee from the Senate, which motion prevailed, and the Speaker appointed as such committee Messrs. Carlson, Boyd and Bjorgo.

FORTY-FOURTH DAY AFTER RECESS AND
FORTY-FIFTH DAY

House of Representatives,
Bismarck, North Dakota,
February 17, 1921.

The House convened at 1 o'clock P. M., pursuant to recess taken, the Speaker presiding.

House Bills Nos. 213 and 214 were filed and referred to the committee on Delayed Bills.

GENERAL ORDERS

Mr. Johnson of Ward moved that the house resolve itself into a committee of the whole for the consideration of general orders; which motion prevailed, and the house resolved itself into a committee of the whole.

The Speaker called Mr. Johnson to the chair.

When the committee arose it submitted the following report:

Mr. Speaker: Your committee of the whole have had under consideration:

House Bill No. 177: A Bill for an Act to Amend and Re-enact Section 27 of Chapter 161 of the Laws of North Dakota for the Year 1915, as Amended by Chapter 134 of the Laws of North Dakota of the Year 1919, Relating to the Use of Hunting Dogs.

And recommend the same be indefinitely postponed.

ANDREW JOHNSON,
Chairman.

Mr. Peters moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Mikkleson moved that the House do now adjourn, which motion prevailed and the House adjourned.

C. L. DAWSON,
Chief Clerk.

FORTY-FIFTH DAY

House of Representatives,
Bismarck, North Dakota,
February 17, 1921.

The House convened at 2 o'clock P. M., the Speaker presiding.

Prayer by Chaplain, Rev. Postlethwaite.

Roll Call: All members present except Mr. Lazier.

REVISION AND CORRECTION OF THE JOURNAL

The committee on revision and correction of the journal made the following report:

Mr. Speaker: Your committee on revision and correction of the journal have carefully examined the Journal of the 43rd day after recess and 44th day and recommend that the same be corrected as follows:

In line 1, page 2, after the word "amended," insert "by the Senate." At the end of line 5, page 2, strike out the word "as;" also line 6, strike out the word "amended;" also in line 30, page 2, strike out the words "as amended;" also at end of line 38, strike out the word "as;" at the beginning of line 39, strike out the word "amended;" also in line 11, page 3, strike out the words "as amended;" also at end of line 16, page 3, strike out the word "as," and strike out the word "amended" in line 17; also in line 42, page 3, strike out the words "as amended;" at end of line 47, same page, strike out the word "as;" line 48, same page, strike out the word "amended."

On page 4, line 24, strike out the words "as amended;" also at end of line 30, strike out the word "as;" also strike out the word "amended" in line 31.

In line 1, page 5, strike out the words "as amended;" page 7, line 24, strike out the words "report was adopted" and insert in lieu thereof the words "further consideration of the bill was indefinitely postponed."

On page 11, line 20, strike out the words "report was adopted," and insert in lieu thereof the words "and the further consideration of the bill was indefinitely postponed;" also at end of line 36, page 11, add the words "Public."

Page 13, line 20, after the word "motion" insert the words "to reconsider;" also at end of line 30, page 13, strike out the word "as," and the word "amended" in line 31.

Page 14, line 4, strike out the words "as amended;" also at end of line 33, strike out the word "as," and strike out the word "amended" in line 37.

Page 15, line 8, strike out the words "as amended;" also also the word "as" at end of line 14, and word "amended" at beginning of line 15; also in line 39, strike out the words "as amended;" also strike out the word "as" at end of line 46, and strike out the word "amended" in line 47.

Page 16, line 20, strike out the words "as amended;" also the word "as" at end line 40; also strike out the word "amended" in line 41.

Page 17, line 14, strike out the words "as amended;" also at end of line 20, strike out the word "as;" also strike out the word "amended" in line 21; also strike out the word "as" at end of line 50, and strike out the word "amended," line 51.

Page 18, line 23, strike out the words "as amended."

Page 19, line 1, after the word "amended" insert the words "by the Senate;" also in line 34, strike out the words "as amended."

And when so corrected recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted.

PRESENTATION OF PETITIONS AND COMMUNICATIONS

Grand Forks, North Dakota, February 15, 1921.

Hon. John T. Freeman, Representative, 6th Dist., Bismarck, N. D.:

The Board of Directors of the Grand Forks Trades and Labor Assembly, February 14th, 1921, adopted the following resolution:

WHEREAS, The eight hour day law for women has been approved by the greatest social workers in the United States, by physicians acquainted with the physical constitution of woman, by religious workers cognizant with the effects of such a law on the moral life of the community, and by presidents of the United States, governors and other statesmen interested in the general welfare of the country; and

WHEREAS, Such law has everywhere and always been upheld and approved by the highest courts of the land; and

WHEREAS, The State of North Dakota has already enacted such a law, and thus placed itself in line with the best thought and practice of the day;

THEREFORE, BE IT RESOLVED, By Grand Forks Trades and Labor Assembly, that we view with alarm any and all attempts to repeal or change this law and we respectfully ask the members of the legislature who are representing us both to safeguard our interests and to look after the best interest of society using their influence to preserve the law now resting upon the statutes of this state.

WHEREAS, The minimum wage law for women which we have in the State of North Dakota rest upon fundamental principles of sound economics, tends to the development of good citizenship, and meets with the approval of those who are interested in social welfare and the advancement of their state and civilization;

THEREFORE, BE IT RESOLVED, By Grand Forks Trades and Labor Assembly, that it would be an unwise and backward step for this law to be repealed or changed, and that we respectfully ask the Senators and Representatives from 5th, 6th and 7th Districts to use their utmost endeavors to prevent any such action.

Respectfully submitted,
 GRAND FORKS TRADES & LABOR ASSEMBLY,
 PETER MORGAN, President.
 ADOLPH LANGSETH, Secretary-Treasurer.

REPORTS OF STANDING COMMITTEES

Mr. Speaker: Your committee on Tax and Tax Laws to whom was referred:

House Bill No. 61: A Bill for an Act to Amend and Re-enact Section 5 of Chapter 224 of the Session Laws of North Dakota, for the Year 1919, Relating to Income Taxes.

Have had the same under consideration and recommend that the same do pass.

J. A. JARDINE,
 Chairman.

Mr. Jardine moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: The majority members of your committee on Tax and Tax Laws to whom was referred:

House Bill No. 83: A Bill for an Act Repealing the Penalty and Interest on Real Estate Taxes for the Year 1920, Up to the Date of November 1, 1921.

Have had the same under consideration and recommend that the same be indefinitely postponed.

J. A. JARDINE,
 Chairman.

Also:

Mr. Speaker: The minority members of your committee on Tax and Tax Laws to whom was referred:

House Bill No. 83: A Bill for an Act Repealing the Penalty and Interest on Real Estate Taxes for the Year 1920, Up to the Date of November 1, 1921.

Have had the same under consideration and recommend that the same do pass:

J. A. JARDINE,
 Chairman.

Mr. Miller moved that further consideration of House Bill No. 83 be indefinitely postponed, which motion prevailed, and further consideration of the bill was indefinitely postponed.

Mr. Speaker: Your committee on State Affairs to whom was referred:

House Bill No. 168: A Bill for an Act to Amend and Re-enact Section 287 of the Compiled Laws of North Dakota

for the Year 1913, as Amended by Chapter 241 of the Session Laws of 1915, as Amended by Chapter 204 of the Session Laws of 1917, and as Amended by Chapter 198 of the Session Laws of 1919, Relating to the Investment of University and School Land Funds.

Have had the same under consideration and recommend that the same do pass.

MARTIN OLSEN,
Chairman.

Mr. Olsen moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

Mr. Speaker: Your committee on State Affairs to whom was referred:

House Bill No. 137: A Bill for an Act Amending and Re-enacting Section 5742, Compiled Laws of North Dakota for 1913, Relating to the Application of the Provisions of Article 20, Compiled Laws of 1913, to Water Main and Water Works Systems, and to the Purchase Thereof.

Have had the same under consideration and recommend that the same be amended as follows:

Lines 8 and 9, Section 1, strike out the words "or any part thereof."

Line 12, Section 1, strike out the words "or part thereof."

Line 18, Section 1, strike out the words "or any part thereof."

Line 3, Section 2, strike out the words, "or any part thereof."

And when so amended recommend the same do pass.

MARTIN OLSEN,
Chairman.

Also:

Mr. Speaker: Your committee on State Affairs to whom was referred:

House Bill No. 136: A Bill for an Act to Amend and Re-enact Section 8205, Compiled Laws of North Dakota for 1913, Defining the Private Property Which May be Taken by Eminent Domain.

Have had the same under consideration and recommend that the same be amended as follows:

Line 22, Section 1, strike out the words "or part of system."

Line 2, Section 2, strike out "or parts thereof."

And when so amended recommend the same do pass.

MARTIN OLSEN,
Chairman.

Also:

Mr. Speaker: Your committee on State Affairs to whom was referred:

House Bill No. 143: A Bill for an Act to Amend and Re-enact Section 2190 of the Compiled Laws of North Dakota for the Year 1913, Relating to the Disposition of Penalty and Interest.

Have had the same under consideration and recommend that the same be amended as follows:

In the title of the Bill after the word "system," strike out the words, "or part of system." Section 1, line 5, after the word "system," strike out the words "or part of system." Line 12, same section, strike out the "period" and insert a "comma" after the word "erected," and add the following: "and to fix and regulate the rates, use and sale of water." Section 11, line 3, after the word "system," strike out the "comma" and the words "or a part thereof."

And when so amended recommend the same do pass.

MARTIN OLSEN,
Chairman.

Mr. Speaker: Your committee on Railroads to whom was referred:

House Bill No. 90: A Bill for an Act Requiring Railroad Companies to Provide Separate Compartments for Carriage of Sick People and Providing a Penalty for Violation Thereof.

Have had the same under consideration and recommend that the same be amended as follows:

In line three, Sec. 1, strike out the words "is hereby required" and insert in lieu thereof "shall when required by order of the Board of Railroad Commissioners."

And when so amended recommend the same do pass.

J. D. ROOT,
Chairman.

Mr. Speaker: Your committee on Insurance to whom was referred:

House Bill No. 121: A Bill for an Act to Amend and Re-enact Section 4926, Compiled Laws 1913, Relating to Resident and Non-resident Insurance Agents.

Have had the same under consideration and recommend that the same be indefinitely postponed.

ROY JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed, and the further consideration of the bill was indefinitely postponed.

Mr. Speaker: Your committee on Municipal Corporations to whom was referred:

House Bill No. 164: A Bill for an Act to Amend and Re-enact Section 4, Chapter 61 of the Laws Passed by the Special Session of the Sixteenth Legislative Assembly, 1919, Relating to the Debt Limit of Any County or Political Subdivision Thereof, or of Any Town or Village.

Have had the same under consideration and recommend that the same do pass.

JOHN T. FREEMAN,
Chairman.

Mr. Freeman moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

Mr. Speaker: Your committee on Municipal Corporations to whom was referred:

House Bill No. 109: A Bill for an Act Legalizing Certain Acts of City, Village and School District Officials.

Have had the same under consideration and recommend that the same do pass.

JOHN T. FREEMAN,
Chairman.

Mr. Freeman moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

Mr. Speaker: Your committee on Municipal Corporations to whom was referred:

House Bill No. 161: A Bill for an Act Providing that Chapter 174 of the Session Laws of North Dakota for the Year 1919 Shall not Apply in Cities, Villages, and Towns, Having a Population of Five Thousand (5,000) or Less; and Repealing All Acts and Parts of Acts in Conflict Therewith.

Have had the same under consideration and recommend that the same be amended as follows.

In line 3, Section 1, after the word of, strike out the word "five" and insert the word "two;" and after the word "thousand," insert the numeral "(2,000)."

And when so amended recommend the same do pass.

JOHN T. FREEMAN,
Chairman.

The Speaker called Mr. Sagen to the chair:

The Speaker returned to the chair.

The committee on Judiciary made the following report:

Mr. Speaker: Your majority committee on Judiciary to whom was referred:

House Bill No. 181: A Bill for an Act to Amend and Re-enact Section 7753; Sections 7754 and 7758 of the Compiled

Laws of North Dakota for the Year 1913, as Amended by Chapter 223 of the Laws of North Dakota for the Year 1915, and as Amended by Chapter 109 of the Laws of North Dakota for the Year 1917; and Sections 8085 and 8115 of the Compiled Laws of North Dakota for the Year 1913, Relating to Redemption From Sales of Real Estate Under Execution and Foreclosure.

Have had the same under consideration and recommend that the same be indefinitely postponed.

C. H. STARKE,
Chairman.

The committee on Judiciary made the following report:

Mr. Speaker: Your minority committee on Judiciary to whom was referred:

House Bill No. 181: A Bill for an Act to Amend and Re-enact Section 7753; Sections 7754 and 7758 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 223 of the Laws of North Dakota for the Year 1915, and as Amended by Chapter 109 of the Laws of North Dakota for the Year 1917; and Sections 8085 and 8115 of the Compiled Laws of North Dakota for the Year 1913, Relating to Redemption From Sales of Real Estate Under Execution and Foreclosure.

Have had the same under consideration and recommend that the same be amended as follows.

Section two (2), strike out all of lines 15, 16, 17, 18, 19, 20, 21, 22 and 23, and insert in lieu thereof the following:

"Provided, that if at the expiration of one year from the date of sale a mortgagor or his successor in interest shall pay all taxes due on the land and all interest due under the provision of the mortgage and interest for one year in advance, at the rate of interest originally provided for in the mortgage, then the time for redemption shall be extended for one year. Such payment shall be evidence by the certificate of the Sheriff or holder of the certificate of sale duly acknowledged, which shall be recorded in the office of the Register of Deeds, and such certificate, or the record thereof, or a certified copy of the record, shall be conclusive proof of such payment."

And when so amended recommend the same do pass.

S. W. JOHNSON,
A. J. McLARTY,
J. J. STRAIN,
WM. BAUER,
C. J. OLSON,
GEO. MARTIN,
B. C. LARKIN.

C. H. STARKE,
Chairman.

Mr. Patterson moved that the minority report of the committee be adopted, which motion was lost.

Mr. Starke moved that the majority report of the committee be adopted, which motion prevailed, and further consideration of House Bill No. 181 was indefinitely postponed.

Also:

The committee on Judiciary made the following report:

Mr. Speaker: Your committee on Judiciary to whom was referred:

House Bill No. 184: A Bill for an Act Limiting and Defining the Powers of County Commissioners in Certain Counties.

Have had the same under consideration and recommend that the same be indefinitely postponed.

C. H. STARKE,
Chairman.

Mr. Starke moved that the report be adopted, which motion prevailed, and the further consideration of the bill was indefinitely postponed.

Also:

The committee on Judiciary made the following report:

Mr. Speaker: Your committee on Judiciary to whom was referred:

House Bill No. 189: A Bill for an Act to Repeal Sections 811 and 812 of the Compiled Laws of North Dakota for 1913, as Amended and Re-enacted by Chapter 69 of the Laws of North Dakota (Regular Session) for 1919, Relating to License Fees for Attorneys and Counsellors at Law.

Have had the same under consideration and recommend that the same do pass.

C. H. STARKE,
Chairman.

Mr. Starke moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

The committee on Judiciary made the following report:

Mr. Speaker: Your committee on Judiciary to whom was referred:

House Bill No. 170: A Bill for an Act to Amend and Re-enact Section 7633 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to When Special Verdicts Directed to Special Findings, How Prepared and Judgment Entered Thereon.

Have had the same under consideration and recommend that the same do pass.

C. H. STARKE,
Chairman.

Mr. Starke moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

The committee on Judiciary made the following report:

Mr. Speaker: Your committee on Judiciary to whom was referred:

House Bill No. 194: A Bill for an Act to Repeal Chapter 130 of the Laws of North Dakota (Regular Session) for 1919, Relating to Attorney Fees and Sheriff's Fees on Foreclosure of Liens and Mortgages by Advertisement.

Have had the same under consideration and recommend that the same be indefinitely postponed.

C. H. STARKE,
Chairman.

Mr. Starke moved that the report be adopted, which motion prevailed, and the further consideration of the bill was indefinitely postponed.

Also:

The committee on Judiciary made the following report:

Mr. Speaker: Your committee on Judiciary to whom was referred:

House Bill No. 185: A Bill for an Act to Amend and Re-enact Section One, Chapter 124, of Session Laws of 1917, as Amended by Chapter 136, Session Laws of 1919, Relating to Witness Fees in Garnishment Proceedings.

Have had the same under consideration and recommend that the same be amended as follows.

That after the word "shall" in line nine (9), section one (1), the following be inserted: "at the time issue is taken."

And when so amended recommend the same do pass.

C. H. STARKE,
Chairman.

Mr. Speaker: Your committee on Election and Election Privileges to whom was referred:

House Bill No. 96: A Bill for an Act to Amend and Re-enact Sections 869 and 983 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 117, Session Laws of 1919, Relating to the Opening and Closing of Polls in Primary and General Elections.

Have had the same under consideration and recommend that the same be indefinitely postponed.

D. E. SHIPLEY,
Chairman.

Mr. Shipley moved that the report be adopted, which motion prevailed, and the further consideration of the bill was indefinitely postponed.

Also:

Mr. Speaker: Your committee on Election and Election Privileges to whom was referred:

House Bill No. 73: A Bill for an Act Fixing the Compensation of Election Officers for Services at Elections.

Have had the same under consideration and recommend that the same be indefinitely postponed.

D. E. SHIPLEY,
Chairman.

Mr. Shipley moved that the report be adopted, which motion prevailed, and the further consideration of the bill was indefinitely postponed.

Also:

Mr. Speaker: Your committee on Election and Election Privileges to whom was referred:

House Bill No. 105: A Bill for an Act to Amend and Re-enact Chapter 118 of the Session Laws of 1919, Which Amends and Re-enacts Section 890 of the Compiled Laws of North Dakota, for the Year 1913, Pertaining to the Selection of County and State Committeemen.

Have had the same under consideration and recommend that the same do pass.

D. E. SHIPLEY,
Chairman.

Mr. Shipley moved that the report be adopted, which motion prevailed and the report was adopted.

MESSAGE FROM THE SENATE

SENATE CHAMBER

Bismarck, N. D., Feb. 17, 1921.

Mr. Speaker: I have the honor to inform you that the President has appointed Senators Ployhar, Patton and Berg as conferees on the part of the Senate to consider House Bill No. 23.

Very respectfully,
W. J. PRATER,
Secretary.

REPORTS OF STANDING COMMITTEES

Mr. Speaker: Your committee on Election and Election Privileges to whom was referred:

House Bill No. 197: A Bill for an Act to Provide for State and County Ballots for the Primary and General Elections and for Nomination and Election of all Elective State Officers, Members of the Legislative Assembly, Judges of the Supreme Court and District Court, Superintendent of Public Instruction and all Elective County Officers and to Repeal Sections 904, 905, 906, 907, 908, 909, 917, 918, 919 of the Compiled Laws of the State of North Dakota for the Year 1913 and Chapter 117 of the Session Laws of 1919, as Well as All Other Acts or Parts of Acts That are in Conflict With the Provisions Hereof.

The majority have had the same under consideration and recommend that the same be amended as follows:

In line 2 of printed bill, after the word "elections" insert the words "to be held under Sec. 852 of the Compiled Laws of 1913."

And when so amended recommend the same do pass.

D. E. SHIPLEY,
Chairman.

Also:

Mr. Speaker: Your committee on Election and Election Privileges to whom was referred:

House Bill No. 197: A Bill for an Act to Provide for State and County Ballots for the Primary and General Elections and for Nomination and Election of all Elective State Officers, Members of the Legislative Assembly, Judges of the Supreme Court and District Court, Superintendent of Public Instruction and all Elective County Officers and to Repeal Sections 904, 905, 906, 907, 908, 909, 917, 918, 919 of the Compiled Laws of the State of North Dakota for the Year 1913 and Chapter 117 of the Session Laws of 1919, as Well as All Other Acts or Parts of Acts That are in Conflict With the Provisions Hereof.

The minority have had the same under consideration and recommend that the same be indefinitely postponed.

J. RENAULD.

Mr. Renauld moved that the minority report of the committee be adopted.

Mr. Shipley moved that the majority report of the committee be substituted for the minority report, which motion prevailed, and the majority report was adopted.

Also:

Mr. Speaker: Your committee on Election and Election Privileges to whom was referred:

House Bill No. 198: A Bill for an Act to Provide for Nomination of Candidates for the Offices of Presidential Electors, United States Senator, and Member of Congress and to Elect Delegates to the National Party Convention, National Committeeman and Party Precinct Committeeman and to Repeal Sections 917, 918 and 919 of the Compiled Laws of North Dakota for the Year 1913, and All Other Acts or Parts of Acts That are in Conflict With the Provisions Hereof.

The majority have had the same under consideration and recommend that the same do pass.

D. E. SHIPLEY,
Chairman.

Also:

Mr. Speaker: Your committee on Election and Election Privileges to whom was referred:

House Bill No. 198: A Bill for an Act to Provide for Nomination of Candidates for the Offices of Presidential Electors, United States Senator, and Member of Congress and to Elect

Delegates to the National Party Convention, National Committeeman and Party Precinct Committeeman; and to Repeal Sections 917, 918 and 919 of the Compiled Laws of North Dakota for the Year 1913, and All Other Acts or Parts of Acts That are in Conflict With the Provisions Hereof.

The minority have had the same under consideration and recommend that the same be indefinitely postponed.

J. RENAULD.

Mr. Shipley moved that the majority report be adopted.

Mr. Patterson moved as a substitute that the minority report be adopted.

Roll call demanded.

The question being on the substitute motion, the roll was called and there were ayes 51, nays 61, absent and not voting 1.

Ayes: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kellogg, Lakie, Larkin, Larson of Ransom, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Nays: Allen, Anderson of Burleigh, Bauer, Bjorgo, Bolinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kamrath, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Absent and not voting: Lazier.

So the substitute motion was lost.

The question being on the motion of Mr. Shipley to adopt the majority report, the motion prevailed, and the majority report was adopted.

Mr. Speaker: Your committee on Election and Election Privileges to whom was referred:

House Bill No. 77: A Bill for an Act Fixing the Compensation of Election Officers.

The majority members have had the same under consideration and recommend that the same be indefinitely postponed.

D. E. SHIPLEY.

Chairman.

Mr. Speaker: Your committee on Election and Election Privileges to whom was referred:

House Bill No. 77: A Bill for an Act Fixing the Compensation of Election Officers.

The minority have had the same under consideration and recommend that the same do pass.

D. E. SHIPLEY,
Chairman.

Mr. Shipley moved that further consideration of House Bill 77 be deferred until after Senate Bill No. 27 is considered, which motion prevailed and the further consideration of the bill was deferred.

Mr. Speaker: Your committee on Elections and Election privileges to whom was referred:

Senate Bill No. 27: A Bill for an Act to Amend and Re-enact Section 1045 of the Compiled Laws of North Dakota for the Year 1913 as Amended by Chapter 148 of the Laws of North Dakota for the Year 1919, Relating to the Compensation of Election Officers.

Have had the same under consideration and recommend that the same be amended as follows:

In line 6 insert the word "inspectors" after the word "officers."

In line 3 of the title change the numeral "1919" to "1915."

And when so amended recommend the same do pass.

D. E. SHIPLEY,
Chairman.

The committee on Delayed Bills made the following report:

Mr. Speaker: Your committee on Delayed Bills to whom was referred:

House Bill No. 209: A Bill for an Act to Abolish the Present and to Provide a New System of Legal Procedure Both Civil and Criminal, by Authorizing the Supreme Court to Prescribe Forms and Rules, and Generally to Regulate Pleading, Evidence and Practice.

Have had the same under consideration and recommend that the same be permitted to be introduced.

JOHN G. PLATH,
Chairman.

Mr. Plath moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Delayed Bills to whom was referred:

House Bill No. 212: A Bill for an Act, Designating Depositories of all Public Funds and Fixing the Minimum rate of Interest; Requiring Competitive Bids for Such Deposits;

Providing for Publicity with Reference to Such Funds and Depositories; Prescribing Penalties for Violation of this Act; Defining terms used Herein, and Repealing Sections 370 to 374, inclusive, Sections 1472 to 1488, inclusive, and Sections 3315 to 3329, inclusive, of the Compiled Laws of 1913.

Have had the same under consideration and recommend that the same be permitted to be introduced.

JOHN G. PLATH,
Chairman.

Mr. Plath moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Delayed Bills to whom was referred:

House Bill No. 213: A Bill for an Act to Amend and Re-enact Chapter 151 of the Session Laws of 1919, creating an Industrial Commission and Defining the Powers and Duties Thereof, and Authorizing the Same to Manage, in Behalf of the State, the Mill and Elevator Association and the Home Building Association, Established by Chapters 152 and 150 of the Session Laws of 1919, Respectively, and to Repeal such Portions of Chapter 151 of the Session Laws of 1919, as are Not Re-enacted Herein.

Have had the same under consideration and recommend that the same be permitted to be introduced.

JOHN G. PLATH,
Chairman.

Mr. Plath moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Delayed Bills to whom was referred:

House Bill No. 214: A Bill for an Act to Create a Rural Credits Board, to Establish a System of Rural Credits, and to Provide for the Assumption by Such Rural Credits Board of the Farm Loan Business of the Bank of North Dakota, and to Provide for taking charge of the North Dakota Bonds-Real Estate Series, provided for in Chapter one Hundred Fifty-four, (154) of the Session Laws of 1919.

Have had the same under consideration and we recommend that the same be permitted to be introduced.

JOHN G. PLATH,
Chairman.

Mr. Plath moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on Engrossment made the following report:

Mr. Speaker: Your committee on Enrollment and Engrossment have examined the following bills:

House Bill No. 191: A Bill for an Act Empowering the State Inspector of Grades, Weights and Measures to Waive Certain Requirements of the Laws, Rules, and Regulations of the State of North Dakota Relating to Public Grain Warehouses in the Case of Grain Warehouses Which Have Given Bond and are Licensed Under the United States Warehouse Act.

House Bill No. 92: A Bill for an Act Providing for a Committee to Investigate the Proposed Roosevelt Park.

House Bill No. 183: A Bill for an Act to Amend and Re-enact Chapter 1342 of the Compiled Laws of North Dakota for 1913, as Amended by Chapter 141 of the Session Laws of North Dakota for the Year 1915 and Chapter 206 of the Session Laws of North Dakota for the Year 1917, Relating to Compulsory Attendance, School Age and the Transportation of Pupils.

House Bill No. 202: A Bill for an Act to Abolish the Office of School District Treasurer and to Make the County Treasurer Exofficio Treasurer of all School Districts in His County.

House Bill No. 190: A Bill for an Act Empowering the State Inspector of Grades, Weights and Measures to Fix Maximum Rates for the Storage, Insurance, and Handling of Grain in Public Grain Warehouses; Requiring Warehousemen to Insure all Grain Stored in Public Grain Warehouses; and Repealing Section 3116 of the Compiled Laws of 1913.

House Bill No. 16: A Bill for An Act Relative to Scaffoldings and Providing Safety Appliances in Construction Work.

House Bill No. 172: A Bill for a Concurrent Resolution to Amend and Re-enact Section 173 of the Constitution of the State of North Dakota, Relating to County Officers.

And find the same correctly engrossed.

A. J. PRESZLER,
Chairman.

Mr. Preszler moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Engrossment have examined the following bills:

House Bill No. 52: A Bill for an Act Levying a Tax of One Mill Upon Each Dollar of Assessed Valuation of all Taxable Property Within the State for Each Year for the Purpose of Creating a fund to be known as the "Returned Soldiers' Fund," Providing for the Payment Thereof to Returned Soldiers, Defining the Powers and Duties of the Adjutant General and of the Industrial Commission with Reference Thereto and Making an Appropriation Therefor.

House Bill No. 124: A Bill for an Act to Amend and Re-enact Chapter 205 of the Session Laws of the State of North Dakota for the Year 1919 Prohibiting the Sale of Any New Draft Sleds Within the State of Which the Runners Measure Less Than Four Feet Six Inches from Center to Center and

Making the Sale of Same a Misdemeanor and Providing for the Revocation of the License of Any Foreign Corporation to do Business in the State Which Fails to Comply With the Terms of his Act.

House Bill No. 159: A Bill for an Act to Amend and Re-enact Section 26 of Chapter 161 of the Session Laws of 1915, Relating to Hours for Shooting.

And find the same correctly re-engrossed.

A. J. PRESZLER,
Chairman.

Mr. Preszler moved that the report be adopted, which motion prevailed and the report was adopted.

MOTIONS AND RESOLUTIONS.

Mr. Watt moved that the vote by which the report of the committee indefinitely postponing House Bill No. 96 was adopted, be re-considered.

Mr. Maddock of Mountrail moved that the motion to reconsider be laid on the table, which motion prevailed.

FIRST AND SECOND READING OF HOUSE BILLS.

Messrs. Olafson and Maddock of Benson introduced:

House Bill No. 209: A Bill for an Act to Abolish the Present and to Provide a New System of Legal Procedure Both Civil and Criminal, by Authorizing the Supreme Court to Prescribe Forms and Rules, and Generally to Regulate Pleading, Evidence and Practice.

Was read the first and second time and referred to the committee on Judiciary.

Mr. Hanson of Grand Forks introduced:

House Bill No. 212: A Bill for an Act, Designating Depositories of all Public Funds and Fixing the Minimum rate of Interest; Requiring Competitive Bids for Such Deposits; Providing for Publicity with Reference to Such Funds and Depositories; Prescribing Penalties for Violation of this Act; Defining terms used Herein, and Repealing Sections 370 to 374, inclusive, Sections 1472 to 1488, inclusive, and Sections 3315 to 3329, inclusive, of the Compiled Laws of 1913.

Was read the first and second time and referred to the committee on State Affairs.

Mr. Olsgard introduced:

House Bill No. 213: A Bill for an Act to Amend and Re-enact Chapter 151 of the Session Laws of 1919, creating an Industrial Commission and Defining the Powers and Duties Thereof, and Authorizing the Same to Manage, in Behalf of the State, the Mill and Elevator Association and the Home Building Association, Established by Chapters 152 and 150 of the Session Laws of 1919, Respectively, and to Repeal such Portions of Chapter 151 of the Session Laws of 1919, as are Not Re-enacted Herein.

Was read the first and second time and referred to the committee on State Affairs.

Mr. Hanson of Grand Forks introduced:

House Bill No. 214: A Bill for an Act to Create a Rural Credits Board, to Establish a System of Rural Credits, and to Provide for the Assumption by Such Rural Credits Board of the Farm Loan Business of the Bank of North Dakota, and to Provide for taking charge of the North Dakota Bonds, Real Estate Series, provided for in Chapter one Hundred Fifty-four, (154) of the Session Laws of 1919.

Was read the first and second time and referred to the committee on State Affairs.

THIRD READING OF HOUSE BILLS.

House Bill No. 202: A Bill for an Act to Abolish the Office of School District Treasurer and to Make the County Treasurer Exofficio Treasurer of all School Districts in His County.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 50, nays 60, absent and not voting 2; 1 passed.

Ayes: Allen, Anderson of Burleigh, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Boyd, Bryans, Burkhart, Burns, Carlson, Cole, Doyle, Durkee, Eckert, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Halcrow, Heaton, Jardine, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Ward, Kellogg, Kelly, Kitchen, Larson of Pierce, McDowell, McGauvran, McLarty, Miller, Mouck, Olafson, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Preszler, Quade, Sagen, Semling, Shimmia, Slominski, Wood.

Nays: Anderson of Griggs, Arduser, Babcock, Botz, Brady, Bratsberg, Cart, Ellingson, Elmer, Grangaard, Hagelbarger, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Johnson of Cass, Johnson of Traill, Kamrath, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Ransom, Levin, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Morton, Ness, Nagel, Nathan, Oberg, Olsgard, Opland, Patterson, Plath, Reichert, Renauld, Root, Sherman, Shipley, Sims, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Yeater, Mr. Speaker.

Absent and not voting: Lazier, Maddock of Mountrail.

Olson of Barnes passed.

So the bill was lost.

Mr. Allen moved that the House do now recess for fifteen minutes which motion prevailed.

AFTER RECESS.

The House reconvened pursuant to recess taken, the Speaker presiding.

THIRD READING OF HOUSE BILLS.

House Bill No. 92: A Bill for an Act Providing for a Committee to Investigate the Proposed Roosevelt Park.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 78, nays 34, absent and not voting 1.

Ayes: Allen, Anderson of Burleigh, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Boyd, Bratsberg, Burkhart, Burns, Carlson, Cole, Durkee, Ellingson, Elmer, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hartl, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Ward, Kamrath, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larson of Pierce, Levin, McDowell, McGauvran, Maddock of Benson, Maddock of Mountrail, Martin of Bottineau, Mikkelson, Mouck, Ness, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Opland, Opland, Patterson, Plath, Preszler, Quade, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Ulland, Vogel, Watt, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Botz, Brady, Bryans, Cart, Doyle, Eckert, Erickson of Divide, Hall, Harding, Hempel, Johnson of Traill, Kellogg, Larson of Ransom, McLarty, McManus, Magnuson, Martin of Slope, Maxwell, Miller, Morton, Nagel, Nathan, Oberg, Olson of Barnes, Peters, Reichert, Renauld, Root, Strain, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Mr. Lazier.

So the bill passed and the title was agreed to.

House Bill No. 191: A Bill for an Act Empowering the State Inspector of Grades, Weights and Measures to Waive Certain Requirements of the Laws, Rules, and Regulations of the State of North Dakota Relating to Public Grain Warehouses in the Case of Grain Warehouses Which Have Given Bond and are Licensed Under the United States Warehouse Act.

Was read the third time.

The question being on the final passage of the bill the roll was called and there were ayes 69, nays 40, absent and not voting 4.

Ayes: Allen, Anderson of Burleigh, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Eckert, Ellingson, Erickson of Walsh, Flom, Freeman, Fredrickson, Grangaard, Halcrow, Hall, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kamrath, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larson of Pierce, McDowell, McGauvran, McLarty, McManus, Mikkelson, Miller, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen of Bill-

ings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Arduser, Bratsberg, Bryans, Burkhart, Cart, Doyle, Elmer, Erickson of Divide, Frandson, Hagelbarger, Hanson of Benson, Harding, Hartl, Hempel, Johnson of Steele, Kellogg, Larkin, Larson of Ransom, Levin, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin, of Bottineau, Martin of Slope, Maxwell, Morton, Oberg, Olson of Barnes, Opland, Reichert, Renauld, Sherman, Sims, Straia, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Brady, Hanson of Grand Forks, Lazier, Patterson.

So the bill passed and the title was agreed to.

House Bill No. 190: A Bill for an Act Empowering the State Inspector of Grades, Weights and Measures to Fix Maximum Rates for the Storage, Insurance, and Handling of Grain in Public Grain Warehouses; Requiring Warehousemen to Insure all Grain Stored in Public Grain Warehouses; and Repealing Section 3116 of the Compiled Laws of 1913.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 100, nays, 9, absent and not voting 4.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cole, Durkee, Ellingson, Elmer, Erickson of Walsh, Flom, Freeman, Fredrickson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Halt, Harding, Hartl, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelsou, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Peters, Plath, Preszler, Quade, Reichert, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watr, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Arduser, Cart, Doyle, Eckert, Erickson of Divide, Frandson, Hempel, Kellogg, Renauld.

Absent and not voting: Brady, Hanson of Grand Forks, Lazier, Patterson.

So the Bill passed and the title was agreed to.

House Bill No. 183: A Bill for an Act to Amend and Re-enact Chapter 1342 of the Compiled Laws of North Dakota

for 1913, as Amended by Chapter 141 of the Session Laws of North Dakota for the Year 1915 and Chapter 206 of the Session Laws of North Dakota for the Year 1917, Relating to Compulsory Attendance, School Age and the Transportation of Pupils.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 102, nays 5, absent and not voting 6.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Mouck, Ness, Nagel, Nathan, Oberg, Ols-gard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Peters, Plath, Preszler, Quade, Reicher, Renault, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Arduser, Grangaard, Hempel, Morton, Olafson.

Absent and not voting: Brady, Hanson of Grand Forks, Lakie, Lazier, Patterson, Strain.

So the bill passed and the title was agreed to.

FIRST AND SECOND READING OF SENATE BILLS.

Senate Bill No. 118: A Bill for an Act to Amend and Re-enact Section 5097 of the Compiled Laws of the State of North Dakota, for the Year 1913, Relating to Cemetery Corporations.

Was read the first and second time and referred to the committee on Ways and Means.

The courtesies of the floor were extended to Dr. C. E. Allen, S. F. Crabbe, Morton Page, C. S. Asleman, John O. Stromen.

Mr. Peters moved that the House do now recess until 1 o'clock P. M. February 18, 1921, which motion prevailed and the House so recessed.

C. L. DAWSON,
Chief Clerk.

FORTY-FIFTH DAY AFTER RECESS AND
FORTY-SIXTH DAY

House of Representatives,
Bismarck, North Dakota,
February 18, 1921.

The House convened at 1 o'clock P. M., pursuant to recess taken, the Speaker presiding.

REPORTS OF STANDING COMMITTEES

Mr. Speaker: Your committee on Enrollment have examined the following bills:

House Bill No. 11: A Bill Entitled, An Act to Amend Chapter 7567 of the Compiled Laws of North Dakota for the Year 1913, and Relating to Garnishments.

House Bill No. 5:

A Bill for an Act to prohibit intoxicating liquors and beverages with exceptions for nonbeverage and sacramental purposes and provide for its enforcement and the repeal of laws in conflict therewith.

House Bill No. 17: A Bill for an Act to Make Unlawful the Unauthorized Use of the Name, Insignia of, or the Impersonation of the Membership in the American Legion, and Providing a Penalty for the Violation Thereof.

House Bill No. 48: A Bill for an Act to Amend and Re-enact Section 9997 of the Compiled Laws of North Dakota for the Year 1913, Relating to Butchers' Reports of Branded Animals Killed.

House Bill No. 74: A Bill for an Act to Amend and Re-enact Section 7660, Compiled Laws of 1913, Relating to Causes for a New Trial.

House Bill No. 56: A Bill for an Act to Provide for the Payment of Non-Resident Tuition Fee in the High School Department of Standardized Graded and Standardized High Schools Receiving State Aid.

House Bill No. 9: A Bill entitled, An Act to Protect Trade Mark of Workmen's Unions and the Wearing of Union Buttons.

House Bill No. 45: A Bill for an Act Entitled an Act to Amend and Re-enact Section 3967 of the Compiled Laws of

North Dakota for the Year 1913, Relating to Errors and Deficiencies in City, Town or Village Plats.

House Bill No. 66: A Bill for an Act to Provide for the Payment of Non-resident Tuition Fee in the High School Department of Standardized Graded and Standardized High Schools Receiving State Aid.

House Bill No. 37: A Bill for an Act to Amend and Re-enact Section 466 of the Compiled Laws of North Dakota for the Year 1913, Relating to Preliminary Qualifications of Applicants for Licenses to Practice Medicine in the State of North Dakota.

And find the same correctly enrolled.

ADAM PRESZLER,
Chairman.

Mr. Preszler moved that the report be adopted, which motion prevailed and the report was adopted.

SIGNING OF BILLS

The Chief Clerk announced that the Speaker was about to sign:

House Bill No. 5: A Bill for an Act to Prohibit Intoxicating Liquors and Beverages With Exceptions for Nonbeverage and Sacramental Purposes and Provide for Its Enforcement and the Repeal of Laws in Conflict Therewith.

House Bill No. 9: A Bill entitled, An Act to Protect Trade Mark of Workmen's Unions and the Wearing of Union Buttons.

House Bill No. 11: A Bill entitled, An Act to Amend Chapter 7567 of the Compiled Laws of North Dakota for the Year 1913, and Relating to Garnishments.

House Bill No. 17: A Bill for an Act to Make Unlawful the Unauthorized Use of the Name, Insignia of, or the Impersonation of the Membership in the American Legion, and Providing a Penalty for the Violation Thereof.

House Bill No. 37: A Bill for an Act to Amend and Re-enact Section 466 of the Compiled Laws of North Dakota for the Year 1913, Relating to Preliminary Qualifications of Applicants for Licenses to Practice Medicine in the State of North Dakota.

House Bill No. 45: A Bill for an Act Entitled an Act to Amend and Re-enact Section 3967 of the Compiled Laws of North Dakota for the Year 1913, Relating to Errors and Deficiencies in City, Town or Village Plats.

House Bill No. 48: A Bill for an Act to Amend and Re-enact Section 9997 of the Compiled Laws of North Dakota for the Year 1913, Relating to Butchers' Reports of Branded Animals Killed.

House Bill No. 56: A Bill for an Act to Amend and Re-enact Section 7643 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Judgments, District and Supreme Courts to Direct.

House Bill No. 66: A Bill for an Act to Provide for the Payment of Non-Resident Tuition Fee in the High School Department of Standardized Graded and Standardized High Schools Receiving State Aid.

House Bill No. 74: A Bill for an Act to Amend and Re-enact Section 7660, Compiled Laws of 1913, Relating to Causes for a New Trial.

Senate Bill No. 15: A Bill for an Act to Amend and Re-enact Section 1340, Compiled Laws of North Dakota for 1913, Relating to Proposals for Building School Houses.

And the Speaker signed the same in the presence of the House.

The committee on Enrollment made the following report:

Mr. Speaker: Your committee on Enrollment respectfully report that:

House Bill No. 5: A Bill for an Act to Prohibit Intoxicating Liquors and Beverages with Exceptions for Non-beverage and Sacramental Purposes and Provide for Its Enforcement and the Repeal of Laws in Conflict Therewith.

House Bill No. 74: A Bill for an Act to Amend and Re-enact Section 7660, Compiled Laws of 1913, Relating to Causes for a New Trial.

House Bill No. 66: A Bill for an Act to Provide for the Payment of Non-Resident Tuition Fee in the High School Department of Standardized Graded and Standardized High Schools Receiving State Aid.

House Bill No. 56: A Bill for an Act to Amend and Re-enact Section 7643 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Judgments, District and Supreme Courts to Direct.

House Bill No. 48: A Bill for an Act to Amend and Re-enact Section 9997 of the Compiled Laws of North Dakota for the Year 1913, Relating to Butchers' Reports of Branded Animals Killed.

House Bill No. 45: A Bill for an Act to Amend and Re-enact Section 3967 of the Compiled Laws of North Dakota for the Year 1913, Relating to Errors and Deficiencies in City, Town or Village Plats.

House Bill No. 37: A Bill for an Act to Amend and Re-enact Section 466 of the Compiled Laws of North Dakota for the Year 1913, Relating to Preliminary Qualifications of Applicants for Licenses to Practice Medicine in the State of North Dakota.

House Bill No. 17: A Bill for an Act to Make Unlawful the Unauthorized Use of the Name, Insignia of, or the Impersonation of the Membership in the American Legion, and Providing a Penalty for the Violation Thereof.

House Bill No. 11: A Bill entitled, An Act to Amend Chapter 7567 of the Compiled Laws of North Dakota for the Year

House Bill No. 9: A Bill Entitled, an Act to Protect Trade Mark of Workmen's Unions and the Wearing of Union Buttons.

Were delivered to the governor for his approval at the hour of 1:40 o'clock P. M.

ADAM PRESZLER,
Chairman.

PRESENTATION OF BILLS

House Bill No. 215 was presented and same was referred to the committee on Delayed Bills.

GENERAL ORDERS

Mr. Watt moved that the house resolve itself into a committee of the whole for the consideration of general orders; which motion prevailed, and the house resolved itself into a committee of the whole.

The Speaker called Mr. Watt to the chair.

When the committee arose it submitted the following report:

Mr. Speaker: The committee of the whole have had under consideration:

House Bill No. 139: A Bill for an Act to Amend and Re-enact Section 3296 of the Compiled Laws of North Dakota for the Year 1913, Relating to County Commissioners' Powers and Duties With Respect to Contracts Let on Competitive Bids.

And recommend that the same be amended as follows.

On page 2, line 42, after the word "of" strike out the word "five" and insert in lieu thereof the word "three."

Also, after the word "dollars" in said page 2, line 42, strike out the numerals "500" and insert in lieu thereof the numerals "\$300."

And when so amended recommend the same do pass.

Also:

Senate Bill No. 41: A Bill for an Act to Amend and Re-enact Section 4059 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 71, Session Laws of 1915, and Chapter 178, Session Laws of 1917, Relating to Powers of Park Commission, be Amended and Re-enacted to Read as Follows:

And recommend that the same be amended as follows.

In line 6, page 1, of the printed bill, preceding the figures (1), insert "Section 4059. POWERS OF PARK COMMISSION, LIMITED LEVY, BONDS; THE PARK COMMISSION SHALL HAVE POWER."

In Sub-division 5, on page 2, line 24, of the printed bill, after the word "engineer" insert "and surveyor of such park commission, and to procure the services of a clerk for such commission."

In line 26 strike out "twenty-five dollars" and insert "fifty dollars."

In line 27 of said sub-division 5, on page 2, strike out the words "for the performance of manual labor."

Strike out sub-division 6 and insert in lieu thereof as sub-division 6 the following:

Sub-division 6. To issue negotiable bonds of such park district in an amount not to exceed one per cent (1%) of the assessed value of the taxable property within such park district for the preceding year; provided, further, that no bonds shall be issued as hereinbefore provided, unless at a general or special election after twenty days notice in a newspaper published in the city, stating the purpose for which such bonds are to be issued and the amount thereof, the legal voters of such park district shall by a majority vote, determine in favor of issuing such bonds; provided, further, that at or before the time of issuing such bonds or incurring the indebtedness for which the same are to be issued provision shall be made for the collection of direct annual tax sufficient to pay the interest upon said debt or such bonds when the same falls due and to pay and discharge the principal thereof when the same becomes due, and such provisions for the collection of such annual tax shall be ir-repealable until such debt is paid; provided, further, that no bonds issued under the provisions of this chapter shall be issued for a longer period than twenty years and that such bonds shall bear interest at a rate not to exceed six per cent (6%) and shall be sold for not less than their par value. Bonds as hereinbefore provided to be issued, shall be so issued and used exclusively for the purchasing and acquiring of land, boulevards and ways for such parks or park system or for the permanent improvement thereof including the erection of buildings, pools, ponds and the erection of dams in waters adjacent thereto. The Board of Park Commissioners are hereby empowered and authorized to issue bonds in place of or to supply means to meet maturing bonds or for the consolidation or funding of the same.

In Sub-division 7, on page 3, in line 43, after the word "Board" insert "the proceeds of which said taxes shall also be available for use in payment for any land in such year or theretofore purchased or for improvements theretofore made for park purposes."

In line 44 of said sub-division 7, strike out the word "one and one-half" and insert in lieu thereof the word "two."

Strike out all of such sub-division 7 after the word "government" in line 48 thereof.

Strike out all of Section 2 and add the following:

"(12) To plat and lay out such portions of park property as is not needed for the accommodation of the general public and to lease, let and demise such lots or portions as are now or may hereafter be laid out for residential or concession purposes, and to provide by ordinances the use that shall be made of said leaseholds, the character of structures

that may be reared or placed thereon and to generally regulate the use and enjoyment thereof by the lessees or their successors.

Section 2. This act is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval."

And when so amended recommend the same do pass.

Also:

House Bill No. 49: A Bill for an Act to Amend and Re-enact Section 814 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Jurors.

And recommend that the same be amended as follows.

In line 14, after the word "schools," add the words "teacher in the public schools."

At the end of the bill add the following: "that any female person shall be excused from jury service upon written application made to the court at least five days before the calling of the term of court."

And when so amended recommend the same do pass.

WM. WATT,
Chairman.

Mr. Watt moved that the report of the committee of the whole be adopted except as to Senate Bill No. 41, which motion prevailed and the report was adopted.

Mr. Jardine moved that the report of the committee of the whole as to Senate Bill No. 41 be adopted, which motion prevailed and the report was adopted.

Mr. Kitchen moved that the House do now adjourn, which motion prevailed and the House adjourned.

C. L. DAWSON,
Chief Clerk.

FORTY-SIXTH DAY

House of Representatives,
Bismarck, North Dakota,
February 18, 1921.

The House convened at 2 o'clock P. M., the Speaker presiding.

Prayer by Chaplain, Rev. Waghorne.

Roll Call: All members present except Mr. Lazier.

REVISION AND CORRECTION OF THE JOURNAL

The committee on revision and correction of the journal made the following report:

Mr. Speaker: Your committee on revision and correction of the journal have carefully examined the Journal of the 36th day and recommend that the same be corrected as follows:

Page 25, after the 18th line insert the following: "Mr. Starke moved that the report of the committee be adopted which motion prevailed and the report was adopted."

And when so corrected recommend that the same be approved.

Also:

Mr. Speaker: Your committee on revision and correction of the journal have carefully examined the Journal of the 46th day and found the same correct.

And recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted.

PRESENTATION OF PETITIONS AND COMMUNICATIONS

Grand Forks, North Dakota, Feb. 7, 1921.

Seventeenth N. D. State Legislative Assembly, Bismarck, N. D.:

Gentlemen: At the regular meeting of the Grand Forks Trades and Labor Assembly Jan. 26, 1921, the following resolution was passed:

WHEREAS, The salaries of teachers in the state educational institutions have not risen to correspond with the cost of living; and

WHEREAS, the teachers have suffered a serious deficit of purchasing power for several years; and

WHEREAS, The state is losing the services of experienced teachers who are needed to maintain the high standard of education; and

WHEREAS, On the present low salary basis our institution finds it impossible to compete with other first class universities for men of proved ability and experience;

NOW, THEREFORE, BE IT RESOLVED, By the Trades and Labor Assembly of Grand Forks, that whatever cuts may be made in the appropriations asked for in behalf of the state educational institutions, the estimates for salaries of teachers be not diminished under any circumstances; and

BE IT FURTHER RESOLVED, That copies of this resolution be sent to the governor, the board of administration, the chairman of the committee on appropriations in the state legislature, and to the members of the legislature from Grand Forks County.

It is our sincere desire that you give this measure your most hearty support when it comes up for consideration in your body.

Respectfully submitted,

PETER MORGAN,
President.

ADOLPH LANGSETH,
Secretary-Treasurer.

And 5 Others.

Grand Forks, N. D., Feb. 15, 1921.

Seventeenth N. D. State Legislative Assembly, Bismarck, N. D.:

Gentlemen: At the regular meeting of the Laundry Workers International Union, Local No. 182, held Feb. 14, 1921, the following resolutions were passed:

WHEREAS, The eight hour day law for women has been approved by the greatest social workers in the United States, by physicians familiar with the physical constitution of woman, by religious workers cognizant with the effects of such a law on the moral life of the community, and by presidents of the United States, governors and other statesmen interested in the general welfare of the country; and

WHEREAS, Such law has everywhere and always been upheld and approved by the highest courts of the land; and

WHEREAS, The State of North Dakota has already enacted such a law, and thus placed itself in line with the best thought and practice of the day:

THEREFORE, BE IT RESOLVED, By the Laundry Workers International Union, Local No. 182, that we view with alarm any and all attempts to repeal or change this law, and we respectfully ask the members of the legislature who are representing us, both to safeguard our interests and to look after the best interests of society by using their influence to preserve the law now resting upon the statute books of this state.

WHEREAS, The minimum wage law for women which we have in the State of North Dakota rests upon fundamental principles of sound economics, tends to the development of good citizenship, and meets with the approval of those who are interested in social welfare and the advancement of their state and civilization;

THEREFORE, BE IT RESOLVED, By the Laundry Workers International Union, Local No. 182, that it would be an unwise and backward step for this law to be repealed or changed, and that we respectfully ask the senators and representatives from the fifth, sixth, and seventh legislative districts to use their utmost endeavors to prevent any such action.

It is our sincere desire that you give this measure your most hearty support when it comes up for consideration in your body.

Respectfully submitted,
MRS. MARGARET FROATS,
President.
MISS THEO ILDSTAD,
Rec.-Sec.

REPORTS OF STANDING COMMITTEES

Mr. Speaker: Your committee on Appropriations to whom was referred:

House Bill No. 75: A Bill for an Act to Appropriate Money for the Purpose of Constructing a Beef Cattle Barn at the Langdon Sub-Station.

Have had the same under consideration and recommend that the same be amended as follows.

In the printed bill, Section 1, line 3, strike out the words "Five Thousand" and insert in lieu thereof the words "Three Thousand Five Hundred." In the same line strike out the numerals "(\$5,000.00)" and insert in lieu thereof "(\$3,500.00)"

And when so amended recommend the same do pass.

WM. WATT,
Chairman.

Also:

House Bill No. 60: A Bill for an Act Appropriating Five Thousand (\$5,000.00) Dollars for the Purpose of Erecting a Suitable Dairy Barn at the Experimental Station, Situated at Hettinger, Adams County, North Dakota.

Have had the same under consideration and recommend that the same be amended as follows:

In the printed bill in line 1 of the title, strike out the words "Five Thousand" and the numerals "(\$5,000.00)" and insert in lieu thereof, "Three Thousand Five Hundred (\$3,500.00)." In line 3, of Section 1, strike out the words "Five Thousand" and the numerals "(\$5,000.00)" and insert in lieu thereof, "Three Thousand Five Hundred (\$3,500.00)."

And when so amended recommend the same do pass.

WM. WATT,
Chairman.

Also:

Senate Bill No. 54: A Bill for an Act to Appropriate Money to Take Care of the Deficit in the Maintenance Account of the Hail Insurance Department for the Year Beginning January 1st, 1920, and Ending December 31st, 1920.

Have had the same under consideration and recommend that the same be amended as follows:

In the printed bill, in the first line of the title, strike out the word appropriate and substitute in lieu thereof the word "transfer." After the word "money" in the same line, insert "from the hail insurance fund."

In line 1, Section 1, strike out the word "appropriation" and insert in lieu thereof the word "transfer." In the second line of Section 1, strike out the word "appropriated" and insert in lieu thereof the word "transferred." In line 3, of the same section, strike out the words "State Treasury, not otherwise appropriated," and insert in lieu thereof "Hail Insurance Fund." In the same section, line 6, strike out the words "said sum to be" and after the numerals "1920" insert a "period." In the same section, strike out the lines 7 and 8.

And when so amended recommend the same do pass.

WM. WATT,
Chairman.

Also:

House Bill No. 41: A Bill for an Act Providing for the Preservation and Control of the Artesian Waters of the State.

Have had the same under consideration and recommend that the same be amended as follows:

On page 6 of the printed bill, Section 9, line 2, strike out the numerals "\$7,000.00" and insert in lieu thereof the numerals "\$2,500.00."

And when so amended recommend the same do pass.

WM. WATT,
Chairman.

The Committee on Ways and Means made the following report:

Mr. Speaker: Your Committee on Ways and Means to whom was referred:

Senate Bill No. 118: A Bill for an Act to Amend and Re-enact Section 5097 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Cemetery Corporations.

Have had the same under consideration and recommend that the same be indefinitely postponed.

M. W. KELLY,
Chairman.

Mr. Kelly moved that the report be adopted, which motion prevailed and the further consideration of the bill was indefinitely postponed.

Mr. Speaker: Your Majority committee on Highways and Bridges to whom was referred:

House Bill No. 178: A Bill for an Act to Amend and Re-enact Chapter 155 of the Session Laws of 1917, Relating to Glaring Head Lights and Spotlights and Prescribing Penalty for Violation.

Have had the same under consideration and recommend that the same be indefinitely postponed.

JOSEPH McGAUVVRAN,
Chairman.

Mr. Speaker: Your Minority committee on Highways and Bridges to whom was referred:

House Bill No. 178: A Bill for an Act to Amend and Re-enact Chapter 155 of the Session Laws of 1917, Relating to Glaring Head Lights and Spotlights and Prescribing Penalty for Violation.

Have had the same under consideration and recommend that the same be amended as follows:

Strike out the period after the last word in line 8 of Section 1 of printed bill and add the following thereto: "except in emergency cases. Emergency cases are hereby defined to be cases in which it is necessary to use such spotlight as a 'trouble' light, or cases in which headlights get out of order to such an extent as to render them useless for traveling. Provided, however, that in all cases when the spotlight is

used its light must be directed not more than thirty (30) feet in front of the vehicle."

OSCAR OBERG,
CARL B. OLSEN.

And when so amended recommend the same do pass.

Mr. Speaker: Your committee on Delayed Bills to whom was referred:

House Bill No. 215: A Bill for an Act to Provide for the Service of Copy of Notice of Foreclosure of Real Estate Mortgage or Lien, When Such Foreclosure is by Advertisement, Upon the Title Owner of Record When the Postoffice Address of Such Title Owner is Shown by the Record of the Instrument by Which Such Title Acquired; and Providing for Foreclosure Fee Being Taxable as Costs, Only When Such Notice is Given as Required; and Providing for the Recording of Affidavit With Respect Thereto.

Have had the same under consideration and recommend that the same be permitted to be introduced.

JOHN G. PLATH,
Chairman.

Mr. Plath moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on Public Debt made the following report:

Mr. Speaker: Your committee on Public Debt to whom was referred:

House Bill No. 180: A Bill for an Act to Provide for the Establishment of County Hospitals and County Aid to Private Hospitals.

Have had the same under consideration and recommend that the same be indefinitely postponed.

JOHN R. MADDOCK,
Chairman.

Mr. Maddock moved that the report be adopted, which motion prevailed, and the further consideration of the bill was indefinitely postponed.

Mr. Speaker: Your committee on Military Affairs to whom was referred:

Senate Concurrent Resolution urging Congress to enact into a law a bill entitled "A Bill for the Public Protection of Maternity and Infancy."

Have had the same under consideration and recommend that the House of Representatives concur in same.

A. B. CARLSON,
Chairman.

Mr. Carlson moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Tax and Tax Laws to whom was referred:

House Bill No. 157: A Bill for an Act to Amend and Re-enact Section 2078, Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 223, Session Laws of 1919, Relating to the Exemption of Property from Taxation.

Have had the same under consideration and recommend that the same be indefinitely postponed.

J. A. JARDINE,
Chairman.

Mr. Jardine moved that the report be adopted, which motion prevailed, and the further consideration of the bill was indefinitely postponed.

Mr. Speaker: Your committee on Tax and Tax Laws to whom was referred:

House Bill No. 104: A Bill for an Act to Amend and Re-enact Chapter 59, Laws of North Dakota, 1917, and Chapter 220, Laws of North Dakota, 1919, Relating to the Classification of Property for Assessment.

Have had the same under consideration and recommend that the same be amended as follows:

Strike out all of Section 1 after the word "tax" in line 3 of the printed bill and insert in lieu thereof the following: "shall be assessed at 100% of the full and true value thereof; and all buildings and structures located thereon upon leased land shall be assessed and taxed separately from the land upon which said structure is situated."

And when so amended recommend the same to pass.

J. A. JARDINE,
Chairman.

Mr. Speaker: Your committee on Tax and Tax Laws to whom was referred:

House Bill No. 25: A Bill for an Act to Amend and Re-enact Section 2078 of the Compiled Laws of North Dakota for the Year 1913, and Chapter 223 of the Session Laws of North for the Year 1919, Relating to the Exemption of Property from Taxation.

Have had the same under consideration and recommend that the same be amended as follows:

In Section 6, line 5, page 2, of the printed bill, after the word "profits" insert the following: "and each said hospital fairly and freely allows all duly licensed practicing physicians and surgeons equal access and privileges of practicing therein."

And when so amended recommend the same do pass.

J. A. JARDINE,
Chairman.

Mr. Speaker: Your committee on Tax and Tax Laws to whom was referred:

House Bill No. 24: A Bill for an Act to amend and Re-enact Chapter 220 of the Session Laws of North Dakota for

the Year 1919, Relating to the Classification of Property for Assessment and Taxation.

Have had the same under consideration and recommend that the same be indefinitely postponed.

J. A. JARDINE,
Chairman.

Mr. Jardine moved that the report be adopted, which motion prevailed, and the further consideration of the bill was indefinitely postponed.

Mr. Speaker: Your committee on Tax and Tax Laws to whom was referred:

House Bill No. 143: A Bill for an Act to Amend and Re-enact Section 2190 of the Compiled Laws of North Dakota for the Year 1913, Relating to the Disposition of Penalty and Interest.

Have had the same under consideration and recommend that the same be indefinitely postponed.

J. A. JARDINE,
Chairman.

Mr. Johnson of Steele moved that the report of the committee be not adopted and the bill rereferred to the committee, which motion was lost.

Mr. Jardine moved that the report be adopted, which motion prevailed, and the further consideration of House Bill No. 143 was indefinitely postponed.

Mr. Speaker: Your committee on Municipal Corporations to whom was referred:

House Bill No. 129: A Bill for an Act to Empower Cities, Villages, and Towns to Purchase, Construct, Rent, Lease, Extend, Connect, or Erect, High Tension Electric Transmission Lines and Electrical Equipment, Within and Without the Corporate Limits, and Necessary Secondary Transmission Lines, and Distribution Systems Within the Corporate Limits, for the Purpose of Securing Light, Power and Electric Energy for Municipal and Commercial Use; and to Assess the Property Within the Corporate Limits, and to Provide for the Method of Such Assessment and the Collection Thereof, and to Provide for the Issuance of Bonds.

Have had the same under consideration and recommend that the same be amended as follows:

In Section 1, line 6, insert a comma after the word "systems," strike out the words "within the corporate limits." Line 7, after the word "system," insert a comma and strike out the words "within the corporate limits." Line 22, after the word "town," insert "and if there be no such paper then by publication of such resolution in the official newspaper of the County and by posting copies of such resolutions in three or more public places in the city, village or town." Line 23, strike out the words "if the owner" and insert the word "unless." Line 24, strike out the word "not" and the word "fifteen" and insert in place thereof the word "thirty."

Line 27, after the word "then," strike out the words, "the majority thereof." Line 31, change the word "bear" to "hear."

And when so amended recommend the same do pass.

JOHN T. FREEMAN,
Chairman.

Also:

House Bill No. 131: A Bill for an Act Providing for the Care of Graves in Cemeteries.

Have had the same under consideration and recommend that the same be indefinitely postponed for the reason that the provisions of this bill are already covered by a Statutory Law of 1913.

JOHN T. FREEMAN,
Chairman.

Mr. Freeman moved that the report be adopted, which motion prevailed and the further consideration of the bill was indefinitely postponed.

Mr. Speaker: Your committee on Judiciary to whom was referred:

House Bill No. 186: A Bill for a Concurrent Resolution, Amending the Constitution of the State of North Dakota Relating to the Term of Office of the Judges of the Supreme Court.

Have had the same under consideration and recommend that the same do pass.

C. H. STARKE,
Chairman.

Mr. Starke moved that the report be adopted, which motion prevailed, and the report was adopted.

Also:

House Bill No. 114: A Bill for an Act to Amend and Re-enact Chapter 171 of the Session Laws of North Dakota for the Year 1919, Limiting the Power of Courts to Grand Injunctions and Prohibiting the Issuing of Restraining Orders and Injunctions in Certain Labor Matters.

Have had the same under consideration and recommend that the same do pass.

C. H. STARKE,
Chairman.

Mr. Starke moved that the report be adopted, which motion prevailed, and the report was adopted.

Mr. Speaker: Your Majority committee on Judiciary to whom was referred:

House Bill No. 62: A Bill for an Act Repealing Chapter 171 of the Session Laws of North Dakota for the year 1919, Limiting the Power of Courts to Grant Injunctions.

Have had the same under consideration and recommend that the same do pass.

C. H. STARKE,
Chairman.

Mr. Speaker: The Minority members of the committee on Judiciary to whom was referred:

House Bill No. 62: A Bill for an Act Repealing Chapter 171 of the Session Laws of North Dakota for the year 1919, Limiting the Power of Courts to Grant Injunctions.

Have had the same under consideration and recommend that the same be indefinitely postponed.

McMANUS,
McLARTY,
LARKIN,
BRADY,
OLSON OF BARNES,
STRAIN
BILQUIST,
S. W. JOHNSON.

Mr. Patterson moved that the House defer further action on House Bill No. 62 until after the House has taken action on House Bill No. 114, which motion prevailed.

Mr. Speaker: Your committee on Judiciary to whom was referred:

House Bill No. 196: A Bill for an Act to Amend and Re-enact Chapter 131 of the Laws of North Dakota for 1919, Relating to Notices Before Foreclosures of Mortgages on Real Property.

Have had the same under consideration and recommend that the same be indefinitely postponed.

C. H. STARKE,
Chairman.

Mr. Starke moved that the report be adopted, which motion prevailed and the further consideration of the bill was indefinitely postponed.

Also:

House Bill No. 195: A Bill for an Act to Provide for the Giving of Notice Before the Commencement of Actions or Proceedings to Foreclose Mortgages Upon Real Estate.

Have had the same under consideration and recommend that the same be indefinitely postponed.

C. H. STARKE,
Chairman.

Mr. Starke moved that the report be adopted, which motion prevailed and the further consideration of the bill was indefinitely postponed.

Mr. Speaker: Your committee on Corporations other than Municipal to whom was referred:

House Bill No. 95: A Bill for an Act to Amend and Re-enact Section 4547 of the Compiled Laws of North Dakota for the Year 1913, Relating to Elections by Stockholders and Members of Corporations.

Have had the same under consideration and recommend that the same be amended as follows:

On line seventeen after the word "of," strike out the word "fifty" and insert the word "seventy-five."

And when so amended recommend the same do pass.

S. O. ALLEN,
Chairman.

Mr. Speaker: Your committee on Election and Election Privileges to whom was referred:

House Bill No. 158: A Bill for an Act to Amend and Re-enact Sections 948 and 968 of the Compiled Laws of 1913, and to Repeal Section 991 of the Compiled Laws of 1913, Relating to Elections.

Have had the same under consideration and recommend that the same do pass:

D. E. SHIPLEY,
Chairman.

Mr. Shipley moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Enrollment and Engrossment have examined the following bills:

House Bill No. 164: A Bill for an Act to Amend and Re-enact Section 4, Chapter 61 of the Laws Passed by the Special Session of the Sixteenth Legislative Assembly, 1919, Relating to the Debt Limit of Any County or Political Subdivision Thereof, or of Any Town or Village.

House Bill No. 170: A Bill for an Act to Amend and Re-enact Section 7633 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to When Special Verdicts Directed to Special Findings, How Prepared and Judgment Entered Thereon.

House Bill No. 189: A Bill for an Act to Repeal Sections 811 and 812 of the Compiled Laws of North Dakota for 1913, as Amended and Re-enacted by Chapter 69 of the Laws of North Dakota (Regular Session) for 1919, Relating to License Fees for Attorneys and Counsellors at Law.

House Bill No. 198: A Bill for an Act to Provide for Nomination of Candidates for the Offices of Presidential Electors, United States Senator, and Member of Congress and to Elect Delegates to the National Party Convention, National Committeeman and Party Precinct Committeeman and to Repeal Sections 917, 918 and 919 of the Compiled Laws of North Dakota for the Year 1913, and All Other Acts or Parts of Acts That are in Conflict With the Provisions Hereof.

House Bill No. 187: A Bill for an Act to Amend and Re-enact Chapter 138 of the Session Laws of North Dakota for

the Year 1919, Creating and Establishing the Department of Grades, Weights, and Measures Under the Direction and Supervision of the Board of Railroad Commissioners; Defining and Prescribing the Duties and Powers Thereof; Providing for the Licensing of Public Warehouses, Grain Buyers and Persons Engaged in Soliciting or Procuring Consignments of Grain, Seeds or Other Agricultural Products; Providing for the Establishing of Central Marketing Places; Providing for the Appointment of State Inspector, State Deputy Inspectors and Deputy Inspectors, Chief Elevator Accountant and Warehouse Inspectors, Defining Their Duties and Powers; Providing for Bonds from Public Warehouses to Secure all Moneys Due the Holders of Outstanding Grain Tickets; Requiring Public Warehouses to Keep Records of Their Business; Authorizing the Fixing of a Reasonable Margin to be Paid the Producer of Grain; Providing for the Inspection of Public Warehouses; Providing for the Payment of Dockage Having Value; Authorizing Investigation of all Matters Bearing Upon the Marketing of Grain; Authorizing the Employment of Clerks, Experts and all Other Employees Necessary to Carry Out the Provisions of This Act, and Making an Appropriation Therefor; and Providing Penalties for the Violation of Any of the Provisions of This Act.

House Bill No. 197: A Bill for an Act to Provide for State and County Ballots for the Primary and General Elections and for Nomination and Election of all Elective State Officers, Members of the Legislative Assembly, Judges of the Supreme Court and District Court, Superintendent of Public Instruction and all Elective County Officers and to Repeal Sections 904, 905, 906, 907, 908, 909, 917, 918, 919 of the Compiled Laws of the State of North Dakota for the Year 1913 and Chapter 117 of the Session Laws of 1919, as Well as All Other Acts or Parts of Acts That are in Conflict With the Provisions Hereof.

House Bill No. 105: A Bill for an Act to Amend and Re-enact Chapter 118 of the Session Laws of 1919, Which Amends and Re-enacts Section 890 of the Compiled Laws of North Dakota, for the Year 1913, Pertaining to the Selection of County and State Committeemen.

House Bill No. 168: A Bill for an Act to Amend and Re-enact Section 287 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 241 of the Session Laws of 1915, as Amended by Chapter 204 of the Session Laws of 1917, and as Amended by Chapter 198 of the Session Laws of 1919, Relating to the Investment of University and School Land Funds.

House Bill No. 109: A Bill for an Act Legalizing Certain Acts of City, Village and School District Officials.

House Bill No. 61: A Bill for an Act to Amend and Re-enact Section 5 of Chapter 224 of the Session Laws of North Dakota, for the Year 1919, Relating to Income Taxes.

And find the same correctly engrossed.

A. J. PRESZLER,
Chairman.

Mr. Preszler moved that the report be adopted, which motion prevailed and the report was adopted.

MESSAGE FROM THE SENATE

Bismarck, North Dakota,
February 17, 1921.

Mr. Speaker: I have the honor to transmit herewith herewith the following bills:

Senate Bill No. 51: A Bill for an Act to appropriate \$200,000.00 out of any Moneys in the Interest and Income of the Capitol Building Fund to Complete the Liberty Memorial Building, to Build a Tunnel to Connect it with the Power House, Laying Water Mains and Sewers, for the Improvement of the Grounds and Establishment of the Park.

Senate Bill No. 60: A Bill for an Act to Regulate Assignments for Benefit of Creditors, and Provide for the Carrying Out of the Same Under Court Supervision.

Senate Bill No. 83: A Bill for an Act Amending and Re-enacting Section 2618, Compiled Laws of North Dakota, for the Year 1913, as Amended by Chapter 140 of the Session Laws of North Dakota, for the Year 1919, Relating to the Herd Law.

Which the Senate has passed and your favorable consideration is respectfully requested.

Very respectfully,

W. J. PRATER,
Secretary.

Bismarck, North Dakota,
February 18, 1921.

Mr. Speaker: I have the honor to transmit the following Concurrent Resolution Memorializing Congress to Take Action for Farmers Relief in States of North and South Dakota and Montana.

Which the Senate adopted and your favorable consideration is respectfully requested.

Very respectfully,

W. J. PRATER,
Secretary.

SENATE CONCURRENT RESOLUTION

BE IT RESOLVED, By the Senate of the State of North Dakota, the House of Representatives Concurring:

WHEREAS, The Legislative Assembly of the State of North Dakota did on the 31st day of January, 1921, pass a Concurrent Resolution memorializing the Congress of the United States to take immediate action towards furnishing the means whereby the farmers of North Dakota, South Dakota and Montana might be furnished financial relief in the purchase of Seed Grains and Feed to the end that a normal crop could be seeded; and

WHEREAS, We believe that the actual situation and conditions now existing in certain localities of this State by reason of crop failures, caused by hail, drought, and grasshoppers for the past few years, making the present conditions very

acute in certain portions of the State, can best be presented by one who is entirely familiar with said conditions; and

WHEREAS, One M. O. Hall the bearer of this resolution, a man for many years a resident and practical farmer of this state, and a man in whom we have the utmost confidence to present the proper authorities the conditions as they actually exist in those portions of our state where help to obtain seed and feed is needed; and further by reason of the fact that he has made a thorough and careful study and investigation of the conditions as they exist in our state:

NOW, THEREFORE, BE IT RESOLVED, By the Senate of the State of North Dakota the House of Representatives concurring, that we hereby authorize and request said M. O. Hall to represent the State of North Dakota in Washington, D. C. before the proper authorities and committees to obtain such action as will afford the most speedy relief.

MOTIONS AND RESOLUTIONS.

Mr. Carlson introduced the following resolution:

WHEREAS, the electors of the state adopted by a majority of sixteen thousand thirty-one votes at the last general election, an initiated law, requiring the State Board of Audits to examine and audit the accounts, books and vouchers, and ascertain the assets and liabilities of the Bank of North Dakota and all other industrial institutions of the state at least twice each year, and make report thereof to the Governor and make the same public; and

WHEREAS, upon said law becoming operative, the State Board of Auditors as then constituted, caused to be made a thorough examination of the condition of accounts, assets and liabilities of the Bank of North Dakota, Mill and Elevator Association, and Home Builders' Association; and that a complete report of such examination has been filed with the said Board of Auditors, and with the House and Senate by Bishop, Brissman & Company, the accountancy company employed by said Board to make such examination; and

WHEREAS, the House Audit Committee, appointed to investigate the accuracy of said report, is conducting public hearings to determine the facts relating to the subject matter of such report, and in the course of such hearings has taken the sworn testimony of several important witnesses, including F. W. Cathro, director general of the Bank of North Dakota, O. E. Lofthus, State Bank Examiner and other State officials, and has introduced in evidence numerous original documents bearing upon the condition of the several state industrial institutions and departments examined; and

WHEREAS, F. W. Cathro, Manager and Director-General of the Bank of North Dakota, did in his testimony before the House Audit Committee on February eighth, admit that the report of the Bishop-Brissman Company was substantially correct, and the minutes of the House Audit Committee for the ninth day of February, 1921, shows that Mr. Lemke agreed in the presence of the Committee that the figures—everything in the Bishop-Brissman report, except the commentations or conclusions, are substantially correct; and

WHEREAS, no steps have been taken to make the result of such examination and the facts related in said audit public as provided by law; and

WHEREAS, the people of the State are demanding to know, and by right of law, are entitled to know the results of the examination made by said State Auditing Board, as well as the findings of the House Audit Committee, and the authentic evidence sustaining such findings; and

WHEREAS, the officers of the several political subdivisions of the state, including cities, villages, counties, townships, and school districts, have a peculiar interest in the administration and management of the Bank of North Dakota, in that they are the custodians and trustees of the public funds belonging to such political subdivisions, which funds have heretofore been required to be deposited in the Bank of North Dakota, and that the officers of such political subdivisions should have, and of right are entitled to have for their information, and for the information of the tax payers and electors of such political subdivisions, an authentic report of the results of such examination of said state industries, and particularly as it relates to the Bank of North Dakota:

THEREFORE, BE IT RESOLVED, that the House Audit Committee be authorized and directed to have printed as a public document a complete copy of the transcript of all testimony taken, properly certified to before it. Also, that the findings of the House Audit Committee in the matter of its investigations based on the evidence produced before it, be likewise printed as a public document, and that a copy of each of such public documents when so printed be immediately distributed by the Secretary of State to the Clerks of all townships, villages and school districts, and to the auditor of all counties and cities of the state, and placed on file in the offices of such clerks and auditors for public inspection; and that copies of such public documents be also placed in all public libraries of the state and each member of the Seventeenth Legislative Assembly be supplied with five copies.

The expense of the printing and distribution of such records is hereby declared to be a part of the legislative expense of the House of Representatives of the Seventeenth Legislative Assembly, and the State Auditor is hereby ordered and directed to issue his warrant to the State Treasurer in payment thereof upon receipt of proper vouchers therefor.

Mr. Carlson moved the adoption of the resolution.

Mr. Patterson moved that the resolution be referred to the committee on State Affairs. The question being on the motion of Mr. Patterson,

Roll call demanded.

A call of the House was demanded.

The roll being called all members were present except Mr. Lazier, who was excused.

On motion further proceedings under call of the House was dispensed with.

The question being on the motion of Mr. Patterson to refer the resolution to the committee on State affairs, the roll was called and there were ayes 55, nays 57, absent and not voting 1.

Ayes: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Botz, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakiz, Larkin, Larson of Ransom, Levin, McLarty, McManus, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Nays: Allen, Anderson of Burleigh, Bauer, Bollinger, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkeison, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, P^lath, Preszler, Quade, Root, Sagen, Semling, Shimmin Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Absent and not voting: Mr. Lazier.

So the motion of Mr. Patterson was lost.

Mr. Kitchen moved that further action of the resolution be deferred until the next legislative day, which motion prevailed.

There being no objection the House reverted to the fifth order of business.

REPORTS OF STANDING COMMITTEES.

Mr. Speaker: Your committee on State Affairs to whom was referred:

House Bill No. 132: A Bill for an Act Relating to Motion Picture Films, Reels, and Views, Providing a System of Examination, Approval and Regulation Thereof, and of the Banners, Posters and Other Advertising Matter Used in Connection Therewith; Creating a Bureau of Inspectors of Motion Pictures and Providing Penalties for the Violation of this Act.

Have had the same under consideration and recommend that the same be amended as follows:

Section 14 line 1. after the word "or" insert the words "duly authorized."

Line 2. same section, before the word "place" insert the word "public."

Section 17, line 2. strike out the words "the state capitol" and insert in lieu thereof the word "Fargo."

Line 4. same section, strike out the word "Burleigh" and insert in lieu thereof the word "Cass."

Section 21, line 9, after the words "six months," strike out the remainder of the section.

Section 22, line 15, after the words "six months" strike out the remainder of the section.

And when so amended recommend the same do pass.

MARTIN OLSEN,
Chairman.

Mr. Speaker: The minority committee on State Affairs to whom was referred:

House Bill No. 132: A Bill for an Act Relating to Motion Picture Films, Reels, and Views, Providing a System of Examination, Approval and Regulation Thereof, and of the Banners, Posters and Other Advertising Matter Used in Connection Therewith; Creating a Bureau of Inspectors of Motion Pictures and Providing Penalties for the Violation of this Act.

Have had the same under consideration and recommend that the same be indefinitely postponed.

S. O. ALLEN,
R. M. SPROUL,
ROY JOHNSON,
D. E. COLE
H. H. DURKEE,
A. N. FLOM
MARTIN OLSEN,

There being no objections the House reverted to the Seventh order of business.

MOTIONS AND RESOLUTIONS.

Mr. Burkhardt moved that the committee on printing be instructed to have 1,000 extra copies printed of the Journal of the 46th day, which motion prevailed.

Mr. Harding moved that each member receive six extra copies of the House Journal of the 46th day, which motion prevailed.

House Bill No. 216 was filed and referred to the committee on Delayed Bills.

FIRST AND SECOND READING OF HOUSE BILLS.

Mr. Jardine introduced:

House Bill No. 215: A Bill for an Act to Provide for the Service of Copy of Notice of Foreclosure of Real Estate Mortgage or Lien, When Such Foreclosure is by Advertise-

ment, Upon the Title Owner of Record When the Postoffice Address of Such Title Owner is Shown by the Record of the Instrument by Which Such Title Acquired; and Providing for Foreclosure Fee Being Taxable as Costs, Only When Such Notice is Given as Required; and Providing for the Recording of Affidavit With Respect Thereto.

Was read the first and second time and referred to the committee on Judiciary.

House Bill No. 172: A Bill for a Concurrent Resolution to Amend and Re-enact Section 173 of the Constitution of the State of North Dakota, Relating to County Officers.

Was read the third time.

Mr. Watt moved that further consideration of House Bill No. 172 be indefinitely postponed, which motion prevailed and further consideration of the bill was indefinitely postponed.

House Bill No. 16: A Bill for an Act Relative to Scaffoldings and Providing Safety Appliances in Construction Work.

Was read the third time.

Mr. Eckert asked unanimous consent to amend the bill.

There being no objection Mr. Eckert offered the following amendment and moved its adoption.

That wherever the words "Section 3" occurs in the bill, it be stricken out and the words "Section 2" inserted in lieu thereof.

Which motion prevailed and the amendment was adopted.

Mr. Eckert moved that the rules be suspended and the bill be considered engrossed and put upon its third and final passage.

Which motion prevailed.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 105, nays 1, absent and not voting 7.

Ayes: Allen, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Fraudson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olseu of Billings, Ophaug, Opland, Patterson, Peters, Plath, Presz-

ler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Durkee.

Absent and not voting: Anderson of Burleigh, Bjerke, Lazier, Maddock, of Benson, Olson of Barnes, Olson of Ramsey, Starke Strain.

So the bill passed as amended and the title was agreed to.
House Bill No. 52: A Bill for an Act Levying a Tax of One Mill Upon Each Dollar of Assessed Valuation of all Taxable Property Within the State for Each Year for the Purpose of Creating a fund to be known as the "Returned Soldiers' Fund," Providing for the Payment Thereof to Returned Soldiers, Defining the Powers and Duties of the Adjutant General and of the Industrial Commission with Reference Thereto and Making an Appropriation Therefor.

Was read the third time.

The question being on the final passage of the bill, as amended by the Senate, the roll was called and there were ayes 108, nays 0, absent and not voting 5.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arusser Babcock, Bauer, Bilquist, Bjorgo, Bollinger, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hemepe, Heaton, Jardine, Johnson of Cass, Johnson of Pembina Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Bjerke, Botz, Lazier, McLarty, Maddock of Mountrail.

So the bill passed as amended by the Senate and the title was agreed to.

House Bill No. 187: A Bill for an Act to Amend and Re-enact Chapter 138 of the Session Laws of North Dakota for the Year 1919, Creating and Establishing the Department of Grades, Weights, and Measures Under the Direction and Supervision of the Board of Railroad Commissioners; Defining and Prescribing the Duties and Powers Thereof; Providing for the Licensing of Public Warehouses, Grain Buyers and

Persons Engaged in Soliciting or Procuring Consignments of Grain, Seeds or Other Agricultural Products; Providing for the Establishing of Central Marketing Places; Providing for the Appointment of State Inspector, State Deputy Inspectors and Deputy Inspectors, Chief Elevator Accountant and Warehouse Inspectors, Defining Their Duties and Powers; Providing for Bonds from Public Warehouses to Secure all Moneys Due the Holders of Outstanding Grain Tickets; Requiring Public Warehouses to Keep Records of Their Business; Authorizing the Fixing of a Reasonable Margin to be Paid the Producer of Grain; Providing for the Inspection of Public Warehouses; Providing for the Payment of Dockage Having Value; Authorizing Investigation of all Matters Bearing Upon the Marketing of Grain; Authorizing the Employment of Clerks, Experts and all Other Employees Necessary to Carry Out the Provisions of This Act, and Making an Appropriation Therefor; and Providing Penalties for the Violation of Any of the Provisions of This Act.

Was read the third time.

Call of the House demanded.

The roll being called all members were present except Messrs. Lazier, Shipley, Weld of Wells, and Maddock of Mountrail.

The Speaker directed the Sergeant-at-Arms to bring Messrs. Shipley, Maddock of Mountrail and Weld of Wells before the House.

Mr. Maddock of Benson moved that further proceeding under the call of the House be dispensed with, which motion prevailed and further proceedings under call of the House was dispensed with.

The question being on the final passage of the bill, the roll was called and there were ayes 57, nays 52, absent and not voting 4.

Ayes: Allen, Anderson of Burleigh, Bauer, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Trail, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Levin, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Opland,

Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Whitmer, Yeater.

Absent and not voting: Lazier, Maddock of Mountrail, Shipley, Weld of Wells.

So the bill passed and the title was agreed to.

House Bill No. 61: A Bill for an Act to Amend and Re-enact Section 5 of Chapter 224 of the Session Laws of North Dakota, for the Year 1919, Relating to Income Taxes.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 98, nays 9, absent and not voting 6.

Ayes: Allen, Anderson of Burleigh, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg Byrans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsn, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Harding, Hartl, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Ward, Kamrath, Kellog, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Magnuson, Martin, of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Whitmer, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Arduser, Babcock, Hall, Johnson of Steele, Johnson of Traill, Patterson, Weld of Kidder, Yeater.

Absent and not voting: Hempel, Lazier, Maddock of Mountrail, Ness, Shipley, Weld of Wells.

So the bill passed and the title was agreed to.

House Bill No. 168: A Bill for an Act to Amend and Re-enact Section 287 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 241 of the Session Laws of 1915, as Amended by Chapter 204 of the Session Laws of 1917, and as Amended by Chapter 198 of the Session Laws of 1919, Relating to the Investment of University and School Land Funds.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 96, nays 3, absent and not voting 14.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjorgo, Botz, Boyd, Brady,

Byrans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hartl, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kelly, Kitchen, Kjos, Kopp, Lakie, Larkin, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Sims, Slominski, Sproul, Starke, Strain, Ulland, Watt, Weld of Kidder, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Bratsberg, Elmer, Erickson of Divide.

Absent and not voting: Bjerke, Bollinger, Eckert, Hall, Harding, Hempel, Kellogg, Lackey, Larson of Pierce, Lazier, Maxwell, Shipley, Vogel, Weld of Wells.

So the bill passed and the title was agreed to.

House Bill No. 164: A Bill for an Act to Amend and Re-enact Section 4, Chapter 61 of the Laws Passed by the Special Session of the Sixteenth Legislative Assembly, 1919, Relating to the Debt Limit of Any County or Political Subdivision Thereof, or of Any Town or Village.

Was read the third time.

Mr. Vogel moved that further consideration of House Bill No. 164 be deferred until the next legislative day, which motion prevailed.

House Bill No. 109: A Bill for an Act Legalizing Certain Acts of City, Village and School District Officials.

Was read the third time:

The question being on the final passage of the bill, the roll was called and there were ayes 103, nays 3, absent and not voting 7.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bryans, Burkhart, Burns, Carlson, Doyle, Durkee, Eckert, Ellingson, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of

Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Bratsberg, Elmer, Erickson of Divide.

Absent and not voting: Cart, Cole, Lazier, Preszler, Shipley, Weld of Kidder, Weld of Wells.

So the bill passed and the title was agreed to.

MESSAGE FROM THE SENATE

Senate Chamber,
Bismarck, North Dakota,
February 18, 1921.

Mr. Speaker: I have the honor to transmit herewith the following bills:

Senate Bill No. 145: A Bill for an Act to Create, define and Establish the Bar Association of the State of North Dakota, and Providing for the publication of its Proceedings, and Filing Copies Thereof With the State Bar Board and the State Libraries and as Otherwise Provided, and Making an Appropriation for the Expenses Connected Therewith.

Senate Bill No. 122: A Bill for An Act to Provide for the survival of Actions and Causes of Action for Damages, Pain and Suffering and Personal Injuries.

Senate Bill No. 152: A Bill for an Act to Permit the Use of Certain Ground Upon the Campus of the University and to Consent to the Erection of an Alumni Building Thereupon by the Alumni Association for Purposes of Aiding the University and the Co-operative Interest of Its Alumni and to Grant to Such Alumni Association the Right to Exercise Control and Dominion Over Such Ground and the Building to be Constructed Thereon, Subject to the Rules and Regulations of the State and of Its Board of Administration.

Senate Bill No. 143: A Bill for an Act to Prevent Any Person from Registering as a Guest in Any Hotel in the State of North Dakota Under a Fictitious or False Name.

Senate Bill No. 150: A Bill for an Act to Amend and Re-enact Section 9804 and Section 9805 of Chapter 55 of the Laws of North Dakota for the Year 1913, Regulating the Sale to and Use of Firearms by Minors and Providing a Penalty for the Violation Thereof.

Senate Bill No. 139: An Act Entitled an Act for the Protection of Employees as Members of Labor Organizations.

Senate Bill No. 153: A Bill for an Act to Amend and Re-enact Section 8122 of the Compiled Laws of North Dakota for 1913, as Amended by Chapter 180 of the Laws of 1915 and as Amended by Chapter 151 of the Laws of 1917, Relating to Foreclosure of Land Contracts.

Senate Bill No. 164: A Bill for an Act to Limit the Margin of Profit on Sales of Farm Land by Agents and Brokers.

Which the Senate has passed and your favorable consideration is respectfully requested.

Very respectfully,

W. J. PRATER,
Secretary.

FRIDAY, FEBRUARY 18, 1921

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Mr. Sproul moved that the House do now recess until 1 o'clock P. M. February 19, 1921, which motion prevailed and the House so adjourned.

C. L. DAWSON,
Chief Clerk. 3

FORTY-SIXTH DAY AFTER RECESS AND FORTY-SEVENTH DAY.

House of Representatives,
Bismarck, North Dakota
February 19 1921.

The House convened at 1 o'clock p. m. pursuant to recess taken, the Speaker presiding.

GENERAL ORDERS

Mr. Burkhart moved that the House resolve itself into a committee of the whole for the consideration of general orders; which motion prevailed, and the House resolved itself into a committee of the whole.

The Speaker called Mr. Burkhart to the chair.

When the committee arose it submitted the following report:

Mr. Speaker: The committee of the whole have had under consideration:

House Bill No. 148: A Bill for an Act Making it a Felony for Any Person to Enter Any Room Wherein, in Whole or in Part, a General Banking Business is Carried on, or Wherein in Whole or in Part, a Business of Receiving Securities, Evidence of Debts or Any Other Valuable Papers on Deposit or for Safe Keeping, in Which There is at the Time a Human Being, With Intent to Commit a Felony Therein by Means of Threats, Force or Violence, and Prescribing the Punishment Therefor.

And recommend that the same be amended as follows:

TITLE: That the title be amended to read as follows: "For an act making it a felony for any person to enter any room wherein a general banking business is carried on, in which there is at the time a human being, with intent to commit a felony by means of threats, force or violence, and prescribing the punishment therefor."

Section 1. That Section one (1) be amended to read as follows: "SECTION 1. IMPRISONMENT FOR ENTRY INTO BANKING ROOM WITH INTENT TO COMMIT A ROBBERY. Every person who with intent to commit a robbery therein, shall enter in the day time, any room wherein

a general banking business is carried on, in which room, there shall be at the time a human being, shall be guilty of a felony and punished by imprisonment in the State Penitentiary for a term of not more than thirty years."

And when so amended recommend the same do pass.

Also—

House Bill No. 43: A Bill to Create an Act Entitled an Act Providing for the Creation and Establishment of a State Board of Engineering Examiners, Granting Certain Powers to and Prescribing the Duties of Said Board; Providing for the Examination and Registration of Land Surveyors and Professional Engineers. Regulating the Practice of Engineering in the State of North Dakota, Providing Penalties for the Violation of This Act and Repealing all Acts or Parts of Acts in Conflict Therewith.

And recommend that the same be amended as follows:

In Section 3, line 15, after the word constructed, strike out the word "for" and insert in lieu thereof the word "by." In line 23, after the words "construction of" strike out the remainder of the line, all of line 24, and line 25 to the word "works." Section 4, strike out lines 6, 7 and 8 to the period and insert in lieu thereof the following: "One of the said members of the board shall be a professor of engineering at the University of North Dakota, one a professor of engineering at the Agricultural College, one the state engineer and two to be selected from a list submitted by the engineering societies of the state." Section 8, line 3, insert a comma after the word "evidence," and after the word "oath." Line 9 change the period to a comma, and add the following: "that he is qualified in the knowledge and practical application of the principles of physics, strength of materials, and mathematics including trigonometry." Line 13, strike out the word "four" and insert in lieu thereof the word "two." Section 9, line 3, after the period, strike out everything to the period in line 10. In line 12, change the period to a comma and insert the following: "as the applicant may decide. The examination shall cover only the fundamental principles of physics, strength of materials and mathematics, including trigonometry, which are essential to the branch or branches of engineering in which the applicant desires to practice. Examinations shall be held separately in surveying or in any of the branches of engineering, embracing civil, mechanical, electrical, or mining. No misleading or catch questions shall be asked the applicant either in the oral or the written examination. The applicant's rating shall be made on the following basis: References and experience, forty points; examination by the board, sixty points; necessary to pass seventy-five points."

And when so amended recommend the same do pass.

Also—

House Bill No. 19: A Bill for an Act to Amend and Re-enact Section 4 of Chapter 162 of the Session Laws of the State of North Dakota for the Year 1919, as Amended by Chapter 73 of the Laws Passed at the Special Session of the

Sixteenth Legislative Assembly in December, 1919, Relating to the Creation of the Workmen's Compensation Bureau of North Dakota, the Appointment and Removal of the Commissioners Thereof, the Salary of such Commissioners and the Powers and Duties of such Bureau.

And recommend that the same be amended as follows:

On page 4 in paragraph B, line 13, strike out the word "seventy-five" and insert in lieu thereof the word "fifty-five." In the same line strike out the numerals "\$75,000.00" and insert in lieu thereof the numerals "\$55,000.00."

In Section 4, paragraph A, line 7 on page 2, strike out everything after the "period," following the word "bureau" all of lines 8, 9, 10, 11, 12, 13, 14, 15, 16 and 17 and everything in line 18 preceding the word "one" and insert in lieu thereof the following: "At the expiration of each of the terms of the members of the bureau as legally constituted, their successors shall be appointed for a term of 5 years." Capitalize the word "One" in line 18. In line 4, paragraph F, page 4, strike out the "period" after the word "remains," and insert in lieu thereof a "comma," and add the following: "but the representatives of the employers and the employees respectively shall constitute a part of such majority."

In paragraph B of the printed bill, line 4, strike out the words "thirty-five hundred" and insert in lieu thereof the words "three thousand," and in line 5 strike out the numerals "3,500.00" and insert in lieu thereof the numerals "3,000.00."

And when so amended recommend the same do pass.

J. H. BURKHART,
Chairman.

Mr. Watt moved that the report of the committee of the whole be adopted except as to House Bill No. 19 which motion prevailed and the report of the committee was adopted.

Mr. Watt moved that House Bill No. 19 be rereferred to the committee on appropriations which motion was lost.

Mr. Maddock moved that the report of the committee of the whole on House Bill No. 19 be adopted which motion prevailed and the report of the committee was adopted.

MESSAGE FROM THE GOVERNOR

The following message was received from the Governor:

OFFICE OF THE GOVERNOR, BISMARCK

February 18, 1921.

To the Honorable Members of the House of Representatives:
Gentlemen:

You are hereby informed that I have approved and filed with the Secretary of State House Bill No. 9, being an act to protect trade mark of workmen's unions and the wearing of union emblems.

Also, House Bill No. 17, being an act to make unlawful the unauthorized use of the name, insignia of, or the imper-

sonation of the membership in the American Legion, and providing a penalty for the violation thereof.

Also, House Bill No. 5, being an act to prohibit intoxicating liquors and beverages and property intended for the manufacture of sale; prohibiting the transportation of liquor and providing for the forfeiture of property used for the transportation of same; to provide for its enforcement and the repeal of laws in conflict therewith.

Also, House Bill No. 66, being an act to provide for the payment of non-resident tuition fee in the high school department of standardized graded and standardized high schools receiving state aid; repealing acts or parts of acts in so far as they conflict with this act.

Also, House Bill No. 74, being an act to amend and reenact Section 7660, Compiled Laws of 1913, relating to causes for a new trial.

Also, House Bill No. 37, being an act to amend and reenact Section 466 of the Compiled Laws of North Dakota for the year 1913, relating to preliminary qualifications of applicants for licenses to practice medicine in the State of North Dakota.

Also, House Bill No. 56, being an act to amend and reenact Section 7643 of the Compiled Laws of the State of North Dakota for the year 1913, relating to judgments, district and supreme courts to direct.

Also, House Bill No. 48, being an act to amend and reenact Section 9997 of the Compiled Laws of the State of North Dakota for the year 1913, as amended by Chapter 143, of the Session Laws of 1917, relating to butcher's reports of branded animals killed.

Also, House Bill No. 45, being an act to amend and reenact Section 3967 of the compiled laws of North Dakota for the year 1913, relating to errors and deficiencies in city, town or village plats.

Also, House Bill No. 11, being an act to amend section 7567 of the Compiled Laws of North Dakota for the year 1913 and relating to garnishments.

Respectfully yours,

LYNN J. FRAZIER,
Governor.

Mr. Kelly moved that the House do now adjourn, which motion prevailed and the House adjourned.

C. L. DAWSON,
Chief Clerk.

FORTY-SEVENTH DAY

House of Representatives,
Bismarck, North Dakota,
February 19, 1921.

The House convened at 2 o'clock p. m., the Speaker presiding.

Prayer by Chaplain Rev. Postelthwaite.

Roll call, all members present except Messrs. Lazier and Opland.

REVISION AND CORRECTION OF THE JOURNAL

The committee on revision and correction of the journal made the following report:

Mr. Speaker: Your committee on revision and correction of the journal have carefully examined the journal of the 45th day and recommend that the same be corrected as follows:

On page 6, in line 4, strike out figures "143" and insert in lieu thereof the figures 134, and change the title of bill to correspond to House Bill 134.

And when when so corrected recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted which motion prevailed and the report was adopted.

Also—

Mr. Speaker: Your committee on revision and correction of the journal have carefully examined the journal of the 46th day and recommend that the same be corrected as follows:

On page 25, line 28, strike out word "suspended" and insert in lieu thereof the words "dispensed with" and in line 30 make the same change.

And when so corrected recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted which motion prevailed and the report was adopted.

PRESENTATION OF PETITIONS AND COMMUNICATIONS

Mr. Freeman presented the following communication:

At the regular meeting of the Laundry Workers International Union, Local No. 182, held Feb. 14, 1921 the following resolutions were passed.

1.

WHEREAS, the eight hour day law for women has been approved by the greatest social workers in the United States, by physicians familiar with the physical constitution of woman, by religious workers cognizant with the effects of such a law on the moral life of the community, and by presidents of the United States, governors and other statesmen interested in the general welfare of the country, and

WHEREAS, Such law has everywhere and always been upheld and approved by the highest courts of the land, and,

WHEREAS, The State of North Dakota has already enacted such a law, and thus placed itself in line with the best thought and practice of the day, therefore, be it

RESOLVED, By the Laundry Workers International Union, Local 182, that we view with alarm any and all attempts to repeal or change this law, and we respectfully ask the members of the legislature who are representing us, both to safeguard our interests and to look after the best interests of society by using their influence to preserve the law now resting upon the statute books of this state.

2.

WHEREAS, The minimum wage law for women which we have in the State of North Dakota rests upon fundamental principles of sound economics, tends to the development of good citizenship, and meets with the approval of those who are interested in social welfare and the advancement of their state and civilization, therefore, be it

RESOLVED, By the Laundry Workers International Union Local No. 182, that it would be unwise and backward step for this law to be repealed or changed, and that we respectfully ask the senators and representatives from the Fifth, Sixth and Seventh legislative districts to use their utmost endeavors to prevent any such action.

Respectfully submitted,

MRS. MARGARET FROATS,
President.

MISS THEA ILSTAD,
Recording Secretary.

REPORTS OF STANDING COMMITTEES

Mr. Speaker: Your committee on agriculture to whom was referred:

House Bill No. 179: A Bill for an Act to Amend and Re-enact Section 3482 of the Compiled Laws of North Dakota for the Year 1913 as Amended by Section 10 of Chapter 13 of the Laws of North Dakota for the Year 1918, as Amended by Section 2 of Chapter 177 of the Laws of North Dakota for the Year 1919; Also to Amend and Re-enact Section 4 of Chapter 54 of the Laws of the Special Session of North Dakota for the Year 1919, Relating to the Issuance of Bonds and Warrants to Procure Seed Grain and Feed.

Have had the same under consideration and recommend that the same be amended as follows:

Strike out all after the word "Section" in first line of title to figure "4" in fifth line of title.

Strike out everything beginning with Section 1 to Section 4. Change Section 4 to read Section 1.

And when so amended recommend the same do pass.

VICTOR L. ANDERSON,
Chairman.

Mr. Speaker: Your committee on banking to whom was referred:

House Bill No. 150: A Bill for an Act to Amend and Re-enact Section 7 of Chapter 126 of the Laws of North Dakota for the Year 1917, Relating to the Guarantee of Bank Deposits.

Have had the same under consideration and recommend that the same be indefinitely postponed.

M. O. GRANGAARD,
Chairman.

Mr. Grangaard moved that the report be adopted, which motion prevailed and the further consideration of the bill was indefinitely postponed.

Also—

House Bill No. 152: A Bill for an Act to Amend and Re-enact Section 8 of Chapter 126 of the Laws of North Dakota for the Year 1917, Relating to the Guarantee of Bank Deposits.

Have had the same under consideration and recommend that the same be indefinitely postponed.

M. O. GRANGAARD,
Chairman.

Mr. Grangaard moved that the report be adopted, which motion prevailed and the further consideration of the bill was indefinitely postponed.

Mr. Speaker: Your committee on delayed bills to whom was referred:

House Bill 216.

Have had the same under consideration and recommend that the same be not introduced.

JOHN G. PLATH,
Chairman.

Mr. Plath moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee of judiciary to whom was referred:

Senate Bill No. 32: A Bill for an Act to Amend and Re-enact Sections 11114 and 11115, Compiled Laws of the State of North Dakota for 1913, Relating to the Admitting to Bail of Persons Charged with the Offense of Homicide.

Have had the same under consideration and recommend that the same be amended as follows:

Section 1. That just before the word "when" and just after the word "actions," in line three (3) of Section one (1) insert the following "when the offense is punishable by death or,"

And when so amended recommend the same do pass.

C. H. STARKE,
Chairman.

Also—

Senate Bill No. 35: A Bill for an Act Repealing Section 6972 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Negotiable Instruments Made Payable at a Bank.

Have had the same under consideration and recommend that the same do pass.

C. H. STARKE,
Chairman.

Mr. Starke moved that the report be adopted, which motion prevailed and the report was adopted.

Also—

Senate Bill No. 55: A Bill for an Act to Amend and Re-enact Sections 9014 and 9015, Compiled Laws of North Dakota for the Year 1913, Relating to the Depositing of Official Dockets and Papers of Justices of the Peace.

Have had the same under consideration and recommend that the same be amended as follows:

Section 3. That Section three (3) be amended to read as follows: "Section 3. Any county justice of the peace, or any person, violating any of the provisions of this act, shall be liable to a fine of not less than ten dollars nor more than one hundred dollars, to be recovered in a civil action by the county."

C. H. STARKE,
Chairman.

Mr. Speaker: A majority of your committee on judiciary to whom was referred:

Senate Bill No. 96: A Bill for an Act to Amend and Re-enact Section 3550 of the Compiled Laws of the State of North Dakota of 1913, Relating to the Appointment of District Court Bailiff's and Compensation Thereof.

Have had the same under consideration and recommend that the same be indefinitely postponed.

C. H. STARKE,
Chairman.

Mr. Speaker: A minority of your committee on judiciary to whom was referred:

Senate Bill No. 96: A Bill for an Act to Amend and Re-enact Section 3550 of the Compiled Laws of the State of North Dakota of 1913, Relating to the Appointment of District Court Bailiff's and Compensation Thereof.

Have had the same under consideration and recommend that the same do pass.

C. H. STARKE,
Chairman.

Mr. Starke moved that the minority report be adopted which motion prevailed, and the minority report of Senate Bill No. 96 was adopted.

Also—

Mr. Speaker: Your committee on judiciary to whom was referred:

House Bill No. 206: A Bill for an Act Authorizing Boards of County Commissioners to Issue Refunding Bonds to Fund or Refund for the Purpose of Seed Grain or Seed and Feed Grain Bonds or Warrants Theretofore Issued Pursuant to Law for the Purchase of Seed Grain and Feed or Either.

Have had the same under consideration and recommend that the same do pass.

C. H. STARKE,
Chairman.

Mr. Starke moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: The majority of your committee on state affairs to whom was referred:

House Bill No. 213: A Bill for an Act to Amend and Re-enact Chapter 151 of the Session Laws of 1919, creating an Industrial Commission and Defining the Powers and Duties Thereof, and Authorizing the Same to Manage, in Behalf of the State, the Mill and Elevator Association and the Home Building Association, Established by Chapters 152 and 150 of the Session Laws of 1919, Respectively, and to Repeal such Portions of Chapter 151 of the Session Laws of 1919, as are Not Re-enacted Herein.

Have had the same under consideration and recommend that the same do pass.

MARTIN OLSEN,
Chairman.

Mr. Speaker: The minority of your committee on state affairs to whom was referred:

House Bill No. 213: A Bill for an Act to Amend and Re-enact Chapter 151 of the Session Laws of 1919, Creating an Industrial Commission and Defining the Powers and Duties Thereof, and Authorizing the Same to Manage, in Behalf of the State, the Mill and Elevator Association and the Home Building Association, Established by Chapters 152 and 150 of the Session Laws of 1919, Respectively, and to Repeal Such Portions of Chapter 151 of the Session Laws of 1919 as are not Re-enacted Herein.

Have had the same under consideration and recommend that the same be indefinitely postponed.

FRED ECKERT,
WALTER MADDOCK,
J. J. STRAIN,
J. H. BURKHART,
WILLIAM KAMRATH,
E. E. BRYANS.

Mr. Olsen of Ramsey moved the adoption of the majority report.

Mr. Maddock of Mountrail moved that the minority report be substituted for the majority report, which motion was lost.

The question being on the motion of Mr. Olson, the motion prevailed, and the majority report of the committee was adopted.

Mr. Speaker : A majority of your committee on state affairs to whom was referred:

House Bill No. 212: A Bill for an Act, Designating Depositories of all Public Funds and Fixing the Minimum rate of Interest; Requiring Competitive Bids for Such Deposits; Providing for Publicity with Reference to Such Funds and Depositories; Prescribing Penalties for Violation of this Act; Defining terms used Herein, and Repealing Sections 370 to 374, inclusive, Sections 1472 to 1488, inclusive, and Sections 3315 to 3329, inclusive, of the Compiled Laws of 1913.

Have had the same under consideration and recommend that the same do **pass**,

MARTIN OLSON,
Chairman.

Mr. Speaker: A minority of your committee on state affairs to whom was referred:

House Bill No. 212: A Bill for an Act, Designating Depositories of all Public Funds and Fixing the Minimum rate of Interest; Requiring Competitive Bids for Such Deposits; Providing for Publicity with Reference to Such Funds and Depositories; Prescribing Penalties for Violation of this Act; Defining terms used Herein, and Repealing Sections 370 to 374, inclusive, Sections 1472 to 1488, inclusive, and Sections 3315 to 3329, inclusive, of the Compiled Laws of 1913.

Have had the same under consideration and recommend that the same be indefinitely postponed.

FRED ECKERT,
WALTER MADDOCK,
J. J. STRAIN,
J. H. BURKHART,
WILLIAM KAMRATH,
E. E. BRYANS.

Mr. Olsen of Ramsey moved that the majority report of the committee be adopted.

Mr. Burkhart moved that the minority report of the committee be substituted for the majority report which motion was lost.

The question being on motion of Mr. Olsen to adopt the majority report the motion prevailed and the majority report was adopted.

Mr. Speaker: Your committee on agriculture to whom was referred:

House Bill No. 173: A Bill for an Act to Amend and Re-enact Section 2846 of the Compiled Laws of North Dakota

for the Year 1913, as Amended by Chapter 104 of the Laws of North Dakota for the Year 1917, Relating to Price Discrimination in Purchasing Dairy Products.

Have had the same under consideration and recommend that the same be indefinitely postponed.

VICTOR L. ANDERSON,
Chairman.

Mr. Anderson moved that the report be adopted, which motion prevailed and the further consideration of the bill was indefinitely postponed.

Also—

Mr. Speaker: Your committee on agriculture to whom was referred:

Senate Bill No. 33: A Bill for an Act to Amend and Re-enact Section 2625, Compiled Laws of North Dakota for 1913. Relating to Trespass of Animals.

Have had the same under consideration and recommend that the same do pass.

VICTOR L. ANDERSON,
Chairman.

Mr. Anderson moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on enrollment and engrossment have examined the following bills:

House Bill No. 52: A Bill for an Act Levying a Tax of Company May File a Statement with the Register of Deeds One Mill Upon Each Dollar of Assessed Valuation of all Taxable Property Within the State for Each Year for the Purpose of Creating a fund to be known as the "Returned Soldiers' Fund," Providing for the Payment Thereof to Returned Soldiers, Defining the Powers and Duties of the Adjutant General and of the Industrial Commission with Reference Thereto and Making an Appropriation Therefor.

And find the same correctly enrolled.

A. J. PRESZLER,
Chairman.

Mr. Preszler moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on enrollment and engrossment have examined the following bills:

House Bill No. 114: A Bill for an Act to Amend and Re-enact Chapter 171 of the Session Laws of North Dakota for the Year 1919, Limiting the Power of Courts to Grant Injunctions and Prohibiting the Issuing of Restraining Orders and Injunctions in Certain Labor Matters.

House Bill No. 158: A Bill for an Act to Amend and Re-enact Sections 948 and 968 of the Compiled Laws of 1913, and to Repeal Section 991 of the Compiled Laws of 1913, Relating to Elections.

House Bill No. 186: A Bill for a Concurrent Resolution, Amending the Constitution of the State of North Dakota Relating to the Term of Office of the Judges of the Supreme Court.

House Bill No. 49: An Act to Amend and Re-enact Section 814 of the Compiled Laws of North Dakota for the year 1913 Relating to Jurors.

House Bill No. 139: A Bill for an Act to Amend and Re-enact Section 3296 of the Compiled Laws of North Dakota for the Year 1913, Relating to County Commissioners' Powers and Duties With Respect to Contracts Let on Competitive Bids.

And find the same correctly engrossed.

A. J. PRESZLER,
Chairman.

Mr. Preszler moved that the report be adopted, which motion prevailed and the report was adopted.

MOTIONS AND RESOLUTIONS

CONCURRENT RESOLUTION

Introduced by Messrs. Bjorgo, Boyd, Carlson, Kitchen, Semling, Preszler, Starke.

WHEREAS, Ignorance of the English language, American ideals, the history of our country and its form of government, is America's most powerful enemy; and

WHEREAS, A shameful condition exists in many of the schools of the nation which makes it impossible for them to build a patriotic citizenship founded upon understandings;

THEREFORE, BE IT RESOLVED, That we, the members of the House of Representatives of the Seventeenth Legislative Assembly of the State of North Dakota, the Senate concurring therein, recommend to Congress now assembled that it enact into law, immediately, measures to the end that the English language be the controlling medium in our elementary and high schools and schools of high school standing, both public and private, and that all such schools shall be required to teach at least one year of American history and civil government and all pupils attending such schools shall attend upon these studies; and

BE IT FURTHER RESOLVED, That all such schools devote at least ten minutes each day to patriotic exercises, and that the American flag be kept raised over every such school during school days, weather permitting.

BE IT FURTHER RESOLVED, In order to promote a patriotic citizenship based upon understanding, every elementary and high school and schools of high school standing of the state, both public and private, shall be required to teach American history and civil government and all pupils attending such schools shall attend upon said subjects. That every college and university, both public and private, be required to give merited credit for these subjects in their entrance examinations.

Mr. Kitchen moved that the concurrent resolution be adopted, which motion prevailed and the concurrent resolution was adopted.

UNFINISHED BUSINESS

Mr. Flom moved that further consideration of House Bill No. 164 be indefinitely postponed, which motion prevailed and further consideration of House Bill No. 164 was indefinitely postponed.

Mr. Kitchen moved that the resolution introduced by Mr. Carlson relative to the printing of the report of the House Audit Committee be adopted.

Call of the House demanded. The roll being called all members were present except Mr. Lazier who was excused.

Mr. Peters moved that further action under the call of the House be dispensed with, which motion prevailed, and further proceedings under the call of the House was dispensed with.

Mr. Halcrow moved that the resolution be amended by inserting after the word "printed" in line 8 in paragraph 4 of the resolution as printed in the journal of February 18, page 20, the following "together with the complete report of Bishop-Brissman & Co. audit," which motion prevailed, and the amendment was adopted.

The question being on the adoption of Mr. Carlson's resolution as amended.

The roll was called and there were ayes 77, nays 35, absent and not voting 1.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Boyd, Burns, Carlson, Cart, Cole, Durkee, Eckert, Ellingson, Elmer, Erickson of Walsh, Flom, Freeman, Fredrickson, Grangaard, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hartl, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kamrath, Keliogg, Kelly, Kitchen, Kjos, Kepp, Lackey, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, Mikkelsen, Mouck, Ness, Nagel, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Sherman, Shummin, Shipley, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Wood, Mr. Speaker.

Nays: Botz, Brady, Bratsberg, Bryans, Burkhart, Doyle, Erickson of Divide, Frandson, Hagelbarger, Hall, Harding, Hempel, Johnson of Steele, Lakie, Larkin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller Morton, Nathan, Oberg, Olson of Barnes, Opiand, Patterson, Reichert, Renauld, Sims, Whitmer, Yeater.

Absent and not voting: Lazier.

So the resolution as amended was adopted.

House Bill No. 217 was filed and referred to the committee on delayed bills.

The following members asked permission to explain their votes, and have their statements recorded in the journal:

Mr. Burkhart: We have been talking about cooperation throughout this state, and we have been talking about cooperation ever since the legislature convened. I am like my friend Mr. Harding. I think now is a mighty good time to begin. We have been talking it ever since I have been in this legislature, and trying to get together in this legislature and throughout the financial centers and throughout the state. Now it seems to me if we want to save money in this state it would be a good time to start right now. If we could have both of the reports from the House and Senate printed in one volume, it would save expense. I will have to vote no on this for that reason.

Mr. Carlson: As sponser of this resolution I want to explain my vote. I had no objection to the amendment providing for the publication of the audit of Bishop-Brissman & Co., in connection with this report, and the reason it was not embodied in the resolution was because of the additional expense. But since the minority members of this House are in favor of having it printed regardless of expense, I am glad to vote "aye" on the adoption of the resolution.

Mr. Hagelbarger: I vote "no" because it is making more expense to the state.

Mr. Harding: I am going to vote "no" on this proposition for the reason we have been attempting to get together on this proposition, and we were coming to that point when we started on this roll call.

I have talked with the author of this resolution and he informs me that he is willing to vote for a concurrent resolution to have both the report of the House and Senate published.

Mr. Carlson: I wish to correct the gentleman's statement. I do not remember of talking to him on this subject.

Mr. Harding: It was the gentleman's colleague. I am in favor of a concurrent resolution where we get the evidence from both houses with the Bishop-Brissman & Co. report printed therein and sent out to the customary places where public documents are sent, so on this resolution I vote "no."

Mr. Halcrow: I offered this amendment to this resolution so that we might be absolutely fair to the minority of this House and to the people of the state, and I vote "aye" on this question for the reason the people of this state by a majority of some sixteen thousand demanded the whole truth and by this method they can get it.

Mr. Hemple: I vote "no" for the reason this resolution provides for the printing of the House committee report only which from my personal knowledge is only a one-sided report. I believe our people back home want both sides which under this resolution it is not possible to give them, therefore I vote "no."

Mr. Johnson of Steele: I am apposed to this because I believe it to be a very partial report as coming from one side of this House. It will consist largely of words coming from the attorneys for the majority side of the committee. They are words which are contained in the questions which are very leading, so leading that they would not be allowed in a court of justice in which the answer is practically proposed to the gentleman being examined. I therefore feel it is not a fair report, and for that reason I vote no.

Mr. Kitchen: I am in favor of this resolution as it is the last step to get the matter of this investigation of the state industries before the people of this state.

The voice of the people of this state at this time demands that we give them the fullest possible information on the investigation of these industries. Much depends on the future of this state from this report. The people want to know whether they are a success or a failure. I vote "aye."

Mr. Maddock of Benson: I vote "no" on this question because I believe nothing should be done at this time that will shake the confidence of the financial interests of this state because I believe that a half truth is as good as a lie and that it sometimes serves its purpose a little better. Therefore I vote "no."

Mr. Maddock of Mountrail: I vote "no" upon this resolution for the reason that our people back in Mountrail county would laugh at anyone voting to send out the opinion of Mr. Murphy, Mr. Brinton and Mr. Sullivan at state expense in such a voluminous document as this report: I vote "no."

Mr. Martin of Slope: The gentleman from Golden Valley stated the people of the state wanted true information about the state industries. He made the statement that this was the last steps that would give them this information. I do not believe the people of the state can get the information unless they get both reports. If this was a concurrent resolution so they could get both reports I would vote for it. I vote "no."

Mr. Miller: I shall vote "no" on this measure because I believe both of these reports should be printed in one volume, so the people could get both sides at once. I vote "no" on this resolution for the reason that such a report would be more efficient and less expensive.

Mr. Patterson: I am opposed to this resolution for the reason I believe the whole procedure of this trial was started for political propaganda in the first place.

I am further opposed to this resolution because the attorneys in this trial were practically selected and agreed upon before the committee who this trial is before was organized, and I am further opposed to this resolution because I do not approve of any political propaganda from one faction to be sent out to the minds of the people whereby they might mould their opinion as to the facts and conditions, which in my judgment is absolutely not a fact. If this resolution had been concurred in by the senate so they could

have got the whole investigation by both the House and Senate and see the entire investigation, if both investigations could have been sent to the people I would have approved of it. Therefore I vote "no."

Mr. Sagen: I vote "aye" on this resolution for the reason this very day I have had a communication from home asking for correct information on these hearings, and I feel this is the way we can get the truth to the people of the state, therefore I vote "aye."

Mr. Sherman: Since the Bishop-Brissman & Co. audit is to be included in this report, I believe the fair minded people of the state will readily comprehend the biased, partial and unfair conclusions that have been drawn by the investigators against the people's movement. I have sufficient confidence in the common sense of the people to believe they will realize that the conclusions drawn are political propaganda. Also I believe that the people will fully understand who is responsible for the expense. I therefore vote "aye."

Mr. Shipley: I vote "aye" on this resolution because it is the first opportunity that the people of this state has had of getting the information they have demanded by a majority vote of between sixteen and seventeen thousand. I am perfectly willing that this report with the Bishop-Brissman & Co. audit shall go broadcast over the state that all may judge as to the accuracy of the report.

Mr. Sims: This being only a partial report and a biased report it will cost too much money. I vote "no."

Mr. Vogel: I vote "aye" on this measure, basing my vote on the statement of the gentleman from Ward that the independent members of this House have no objection to the Senate investigating report being included in the report.

PETITIONS AND COMMUNICATIONS

To the Honorable Senators and Representatives of the 17th Legislative Assembly:

We, the undersigned residents of the State of North Dakota hereby urge your earnest consideration of the Senate Bill No. 2, introduced by Senator Whitman, being a concurrent resolution for an amendment to the constitution, establishing a trunk highway system for the State of North Dakota; we endorse the general plan in such resolution contained and recommend the presentation of the said resolution with such minor amendments which may be deemed by you advisable.

Signed by:

M. R. FUGLIE
AND TWELVE OTHERS.

Fargo, North Dakota.

We, the undersigned residents of Fargo, North Dakota, do hereby respectfully petition the members of the legislature to vote against the bill recommended by the Board of Administration for the abolishment of the State Normal and Industrial School at Ellendale, North Dakota.

We believe that this school is of great benefit to the peo-

ple of the state and that more young people will obtain school privileges by the schools being distributed throughout the state.

Signed by:

MRS. G. E. WAGNER
AND 19 OTHERS.

Fargo, N. D., Feb. 18, 1921.

MR. C. L. DAWSON,
House of Representatives,
Bismarck, N. Dak.

Dear Sir:

I am in receipt of your communication enclosing the motion adopted on February 11th regarding Mr. Gummerson.

We have already highly congratulated Mr. Gummerson in being able to draw down upon himself the wrath of such a body as the majority of the present House of Representatives. The Courier-News considers it a great honor to have had its correspondent barred from a house dominated by such utterly selfish and predatory interests as your house.

Inasmuch, further, as your body seems to exist for nothing except to endeavor to defeat the expressed will of the people, and to bring the state and all its institutions into the utmost possible discredit, we do not feel that it is at all necessary to have a reporter there to watch your proceedings.

Respectfully yours,

R. M. McCLINTOCK,
Editor.

Mr. Anderson moved that the House recess for 15 minutes which motion prevailed and the House so recessed.

AFTER RECESS

The House convened pursuant to recess taken, the Speaker presiding.

Mr. Speaker: Your committee on corporations, other than municipal, to whom was referred:

House Bill No. 192: A Bill for an Act to Amend and Re-enact Chapter 97 of the Session Laws of 1917, as Amended by Chapter 99 of the Session Laws of 1919, and by Chapter 29 of the Special Session Laws of 1919, Relating to Cooperative Associations and to Repeal Chapter 13 of the Civil Code of the Compiled Laws of 1913, Chapter 92 of the Session Laws of 1915, and Chapters 95 and 96 of the Session Laws of 1917.

Have had the same under consideration and recommend that the same be amended as follows:

In line 3, Section 3, page 2 of the printed bill, strike out the word "triplicate" and insert in lieu thereof the word "duplicate."

In line 6, Section 3, page 2 of the printed bill, after the word "association" insert the words "the other." In the same line before the last word "copy," strike out the word "one."

In line 7, Section 3, page 2 after the word "state" insert a period and strike out the balance of line 7, all of lines 8, 9, 10, 11, 12, 13, 14 and 15 up to the word "the."

In line 16, Section 3, page 2 after the word "incorporation" change the period to a comma and add the following: "upon receipt of the articles of incorporation and the payment of the fees provided."

Strike out lines 7, 8 and 9 of Section 4, page 3 of the printed bill.

In line 3, Section 5, page 3 of printed bill after the word "five" strike out the words "nor more than eleven." In same line after the first appearance of the word "directors," strike out the period and add the following: "and may be any number in excess thereof."

In line 12, Section 6, page 4 of the printed bill strike out the word "triplicate" and insert in lieu thereof the word "duplicate."

In line 19, Section 6, page 4 of the printed bill after the word "state" insert a period and strike out the balance of line also lines 20 and 21.

In line 11, Section 13, page 8 of the printed bill strike out the word "distributed" and insert in lieu thereof the word "prorated."

In line 2, Section 14, page 9 of the printed bill strike out the word "distributed" and insert in lieu thereof the word "prorated."

In line 10, Section 15, page 9 of the printed bill strike out the word "character" and insert in lieu thereof the word "charter."

And when so amended recommend the same do pass.

S. O. ALLEN,
Chairman.

Mr. Speaker: Your committee on public printing to whom was referred:

Senate Bill No. 44: A Bill for an Act to Amend and Re-enact Section 4 of Chapter 187 of the Session Laws of North Dakota for the Year 1919.

Have had the same under consideration and recommend that the same do pass.

CLAUDE LACKEY,
Chairman.

Mr. Lackey moved that the report be adopted, which motion prevailed and the report was adopted.

Also—

Mr. Speaker: Your committee on public printing to whom was referred:

Senate Bill No. 46: A Bill for an Act to Amend and Re-enact Sections 48 and 49 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Public Printing and Binding.

Have had the same under consideration and recommend that the same be indefinitely postponed.

CLAUDE LACKEY,
Chairman.

Mr. Lackey moved that the report be adopted, which motion prevailed and the report was adopted.

Also—

Mr. Speaker: Your committee on public printing to whom was referred:

Senate Bill No. 34: A Bill for an Act Legalizing and Validating all Notices and Publications Commenced in an Official Newspaper Prior to the 1st Day of January, 1921.

Have had the same under consideration and recommend that the same do pass.

CLAUDE LACKEY,
Chairman.

Mr. Lackey moved that the report be adopted, which motion prevailed and the report was adopted.

Also—

Mr. Speaker: Your committee on public printing to whom was referred:

House Bill No. 203: An Act to Amend and Re-enact Section 69 of the Compiled Laws of North Dakota for 1913, Relating to the Printing of the Popular Edition of the Session Laws; Fixing the Specifications for the Unauthenticated Edition of the Session Laws of the State of North Dakota, and Repealing all Acts and Parts of Acts in Conflict Therewith.

Have had the same under consideration and recommend that the same be amended as follows:

In line 19, page 2 of the printed bill, strike out the word "first" and insert in lieu thereof the word "fourth."

Strike out the emergency clause.

In the title, strike out the word "popular" and insert in lieu thereof "authenticated and unauthenticated." In line 17, page 2 of the printed bill strike out the word "size" and insert the word "six."

And when so amended recommend the same do pass.

CLAUDE LACKEY,
Chairman.

Also—

Mr. Speaker: Your committee on public printing to whom was referred:

House Bill No. 79: A Bill for an Act to Amend and Re-enact Sections 48 and 49 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Public Printing and Binding.

Have had the same under consideration and recommend that the same be amended as follows:

In Section 2, after the word "quality" in line four of said bill, strike out the word "price."

In Section 3, in line 5 of said bill, insert after the word "the" the word "session" and after the word "laws" in the same line, strike out the words "required by this article to" and insert in lieu thereof the word "shall" and after the word "printed" in the same line of said Section 3, strike out the word "shall" and insert in lieu thereof the word "and."

And when so amended recommend the same do pass.

CLAUDE LACKEY,
Chairman.

Also—

Mr. Speaker: Your committee on public printing to whom was referred:

House Bill No. 208: For an Act to Require County Commissioners to Have All County Printings Done Within the County and State.

Have had the same under consideration and recommend that the same be amended as follows:

In the title of the bill, after the word "county" strike out the word "and" and insert in lieu thereof the word "or."

In line six of said bill, after the word "contract;" insert the words "or purchase."

And when so amended recommend the same do pass.

CLAUDE LACKEY,
Chairman.

Mr. Speaker: Your committee on Tax and Tax Laws to whom was referred:

House Bill No. 176: A Bill for an Act to Amend and Re-enact Section 2078, Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 223, Session Laws of 1919, Relating to the Exemption of Property From Taxation.

Have had the same under consideration and recommend that the same be amended as follows:

Strike out everything after "A Bill" and insert in lieu thereof:

For an Act to Exempt Public Hospitals under the Control of Religious or Charitable Societies and Dormitories and Boarding halls from Taxation under certain conditions.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF
THE STATE OF NORTH DAKOTA:

Section 1. All buildings and contents thereof belonging to institutions of public charity, including public hospitals under the control of religious or charitable societies, used wholly or in part for public charity shall be exempt from taxation

in all cases in which said hospitals fairly and freely allow duly licensed and practicing physicians and surgeons equal access to and privilege of practicing therein. That the land actually occupied by such institution not leased or otherwise used with a view to profit, and all moneys and credits appropriated solely or sustaining and belonging exclusively to such institution; also all dormitories and boarding halls including the land upon which they are situated, owned and managed by any religious corporation for educational or charitable purposes for use of students in attendance upon any of these educational institutions shall likewise be exempt from taxation, provided, such dormitories and boarding halls be not managed or used for the purpose of making profit over and above the cost of maintenance and operation.

EMERGENCY. This act is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval.

And when so amended recommend the same do pass.

J. A. Jardine,
Chairman.

Mr. Speaker: A majority of your committee on Tax and Tax Laws to whom was referred:

House Bill No. 165: A Bill for an Act to Revise the Method of Taxation of Railway Companies; Providing for the Collection of Such Taxes by the State Treasurer and Providing a Method of Apportionment and Distribution Thereof.

Have had the same under consideration and recommend that the same be indefinitely postponed.

(Signed) LARSON OF PIERCE.
OLSGARD
BOLLINGER
OLAFSON
NESS
BAUER
MCDOWELL
JARDINE
SHIPLEY

J. A. Jardine,
Chairman.

Mr. Speaker: A minority of your committee on Tax and Tax Laws to whom was referred:

House Bill No. 165: A Bill for an Act to Revise the Method of Taxation of Railway Companies; Providing for the Collection of Such Taxes by the State Treasurer and Providing a Method of Apportionment and Distribution Thereof.

Have had the same under consideration and recommend that the same do pass.

(Signed) HEMPEL
SHERMAN
LACKEY
KELLOGG
PATTERSON
LARKIN
ELMER
BRATSBURG

Mr. Jardine moved that the majority report of the committee be adopted.

Mr. Hemple moved to substitute the minority report for the majority report, which motion was lost.

The question being on the motion of Mr. Jardine to indefinitely postpone further action on House Bill No. 165 the motion prevailed and further consideration of the bill was indefinitely postponed.

Mr. Speaker: Your committee on Tax and Tax Laws to whom was referred:

House Bill No. 175: A Bill for an Act to Authorize Congressional Township to Levy a Special Tax for the Support of High Schools.

Have had the same under consideration and recommend that the same be amended as follows:

In line 2 of Section one, of the printed bill, after the word "state" insert the following: "tributary to a state high school, or." In the same line before the word "high," of the printed bill, insert the word "state." In line 3, Section 1, of the printed bill, after the word "exceed," put in the figure "1" and change the following word "mills" to "mill." In line 4 Section 1 of the printed bill, after the word "such" insert the word "state." In line 6, Section 1 of the printed bill, after the word "meeting," insert the words "or at a special township meeting called for such purpose"; and in the same line of said Section 1, after the word "two," strike out the word "two thirds" and insert in lieu thereof the word "majority." In line 7, Section 1 of the printed bill, after the word "the" strike out the word "people" and insert in lieu thereof the word "voters." In line 8, Section 1, of the printed bill, after the word "annual" insert the words "or special."

In Section 3 of the printed bill, in line 4, after the word "township," strike out the period and add the words "and credited to the general fund."

And when so amended recommend the same do pass.

J. A. Jardine,
Chairman.

Also:

Mr. Speaker: Your committee on Tax and Tax Laws to whom was referred:

House Bill No. 210: For an Act to Cancel Uncollected Personal Property Taxes Assessed for 1910 and Prior Years.

Have had the same under consideration and recommend that the same do pass.

J. A. Jardine,
Chairman.

Mr. Jardine moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Tax and Tax Laws to whom was referred:

House Bill No. 193: A Bill for an Act Creating the Office of County Assessor; Defining His Powers and Duties and Abolishing the Offices of Township, Village or City Assessor and the Office of Tax Supervisor.

Have had the same under consideration and recommend that the same do pass.

(Signed) HEMPEL
SHERMAN
LACKEY
KELLOGG
PATTERSON
LARKIN
ELMER
BRATSBURG

Mr. Speaker: Your committee on Tax and Tax Laws to whom was referred:

House Bill No. 193: A Bill for an Act Creating the Office of County Assessor; Defining His Powers and Duties and Abolishing the Offices of Township, Village or City Assessor and the Office of Tax Supervisor.

Have had the same under consideration and recommend that the same be indefinitely postponed.

(Signed) LARSON OF PIERCE
OLSGARD
BOLINGER
OLAFSON
NESS
McDOUGALL
JARDINE
SHIPLEY

J. A. Jardine,
Chairman.

Mr. Jardine moved that the report of the committee indefinitely postponing House Bill No. 193, be adopted.

Mr. Sherman moved that the divided report of the committee that the bill do pass be adopted, which motion was lost.

The question being on the motion of Mr. Jardine that further consideration of House Bill No. 193 be indefinitely postponed, the motion prevailed, and further consideration of the bill was indefinitely postponed.

Mr. Speaker: The Majority committee on Tax and Tax Laws to whom was referred:

House Bill No. 141: A Bill for an Act to Amend and Re-enact Section 2185 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 67 of the Special to the Time When Real Estate Taxes Become Due and Delinquent.

Have had the same under consideration and recommend that the same do pass.

J. A. JARDINE,
Chairman.

Mr. Speaker: The Minority committee on Tax and Tax Laws to whom was referred:

House Bill No. 141: A Bill for an Act to Amend and Re-enact Section 2185 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 67 of the Special Session Laws of the Sixteenth Legislative Assembly, Relating to the Time When Real Estate Taxes Become Due and Delinquent.

Have had the same under consideration and recommend that the same be indefinitely postponed.

(Signed) Shipley, Elmer and Patterson,

J. A. JARDINE,
Chairman.

Mr. Jardine moved that the majority report of the committee be adopted, which motion prevailed, and the report of the committee that House Bill No. 141, do pass was adopted.

Mr. Speaker: Your committee on Tax and Tax Laws to whom was referred:

House Bill No. 128: A Bill for an Act to Amend and Re-enact Section 2110 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 221 of the Session Laws of 1919, Relating to the Listing of Property of Corporations, Joint-Stock Companies or Associations for Taxation.

Have had the same under consideration and recommend that the same do pass.

J. A. JARDINE,
Chairman.

Mr. Jardine moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Tax and Tax Laws to whom was referred:

Mr. Jardine moved that the report be adopted, which motion prevailed, and the report was adopted.

House Bill No. 71: A Bill for an Act to Amend and Re-enact Section 2212 of the Compiled Laws of North Dakota for 1913 as Amended by Chapter 252 of the Session Laws of 1915, Relating to the Duty of the County Auditor, and the Requirements of the Transfer of Real Property as to Taxes.

Have had the same under consideration and recommend that the same be amended as follows:

In line 3, Section 2212 of the printed bill after the word "be" insert the words "any due".

In line 4, Section 2212 of the printed bill after the word "due" insert the words "or delinquent."

In line 8a, Section 2212 of the printed bill after the word "other" insert the words "due or."

In line 11, Section 2212, page 2 of the printed bill after the word "signature" insert the words "due or."

And when so amended recommend the same do pass.

J. A. JARDINE,
Chairman.

Mr. Speaker: Your committee on Delayed Bills to whom was referred:

House Bill No. 217: A Bill for an Act Requiring and Providing for the Dissoluton of the Bank of North Dakota, for the Liquidation of Its Affairs and Creating a Board of Trustees for Such Purpose and Prescribing the Powers and Duties of Such Board.

Have had the same under consideration and recommend that the same be permitted to be introduced.

JOHN G. PLATH,
Chairman.

Mr. Plath moved that the report be adopted, which motion prevailed and the report was adopted.

FIRST AND SECOND READING OF HOUSE BILLS

Mr. McGovern introduced:

House Bill No. 217: A Bill for an Act Requiring and Providing for the Dissoluton of the Bank of North Dakota, for the Liquidation of Its Affairs and Creating a Board of Trustees for Such Purpose and Prescribing the Powers and Duties of Such Board.

Was read the first and second time and referred to the committee on State Affairs.

THIRD READING OF HOUSE BILLS

House Bill No. 189: A Bill for an Act to Repeal Sections 811 and 812 of the Compiled Laws of North Dakota for 1913, as Amended and Re-enacted by Chapter 69 of the Laws of North Dakota (Regular Session) for 1919, Relating to License Fees for Attorneys and Counsellors at Law.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 75, nays 35, absent and not voting 3.

Ayes: Allen, Anderson of Burleigh, Babcock, Bauer, Bilquist, Bjorgo, Bollinger, Botz, Boyd, Brady, Burkhart, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Hall, Hempel, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larson of Pierce, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Mountrail, Martin of Bottineau, Mikkelson, Morton, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shiplev, Slominski, Sproul, Starke, Strain, Ulland, Watt, Weld of Kidder, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Arduser, Bratsberg, Bryans, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Harding, Hartl, Heaton, Johnson of Steele, Kamrath, Kellogg, Larkin, Larson of Ransom, Maddock of Benson, Magnuson, Martin of Slope, Maxwell, Miller, Oberg, Patterson, Reichert, Renauld, Sherman, Sims, Weld of Wells, Yeater.

Absent and not voting: Bjerke, Lazier, Vogel.

So the bill passed and the title was agreed to.

House Bill No. 170: A Bill for an Act to Amend and Re-enact Section 7633 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to When Special Verdicts Directed to Special Findings, How Prepared and Judgment Entered Thereon.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 94, nays 2, absent and not voting 17.

Ayes: Allen, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjorgo, Bollinger, Botz, Boyd, Bratsberg, Bryans, Cart, Cole, Doyle, Durkee, Ellingson, Erickson of Divide, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hail, Harding, Hartl, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McManus, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Peters, Plath, Preszler, Quade, Renauld, Root, Sagen, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Mr. Speaker.

Nays: Anderson of Burleigh, Heaton.

Absent and not voting: Bjerke, Brady, Burkhart, Burns, Carlson, Eckert, Elmer, Erickson of Walsh, Hempel, McLarty, Maddock of Benson, Patterson, Reichert, Semling, Vogel, Yeater.

So the bill passed and the title was agree to.

On motion of Mr. Maddock of Mountrail the House reverted to the 12th order of business.

CONSIDERATION OF MESSAGES FROM THE SENATE

Mr. Maddock of Mountrail moved that the House do now concur in Senate Concurrent Resolution authorizing M. O. Hall to represent the State of North Dakota at Washington, D. C., in an effort to obtain seed and feed for the farmers of

the state, which motion prevailed and the resolution was concurred in.

Mr. Jardine moved that the House do now concur in Senate concurrent resolution relating to the labeling of fabrics, which motion prevailed and the concurrent resolution was concurred in.

Mr. Watt moved that the House do now recess until 7:30 o'clock, p. m., February 19, 1921, which motion prevailed and the House so recessed.

C. L. DAWSON,
Chief Clerk.

AFTER RECESS

The House assembled at 7:30 p. m., February 19, 1921, pursuant to recess taken, the speaker presiding.

GENERAL ORDERS

Mr. Kitchen moved that the House resolve itself into a committee of the whole for the consideration of general orders; which motion prevailed, and the house resolved itself into a committee of the whole.

The Speaker called Mr. Kitchen to the chair.

When the committee arose it submitted the following report:

Mr. Speaker: The committee of the whole have had under consideration:

House Bill No. 132: A Bill for an Act Relating to Motion Picture Films, Reels, and Views, Providing a System of Examination, Approval and Regulation Thereof, and of the Banners, Posters and Other Advertising Matter Used in Connection Therewith; Creating a Bureau of Inspectors of Motion Pictures and Providing Penalties for the Violation of this Act.

And recommend that the same be amended as follows:

Section 14 line 1, after the word "or" insert the words "duly authorized."

Line 2, same section, before the word "place" insert the word "public."

Section 17, line 2, strike out the words "the state capitol" and insert in lieu thereof the word "Fargo."

Line 4, same section, strike out the word "Burleigh" and insert in lieu thereof the word "Cass."

Section 21, line 9, after the words "six months," strike out the remainder of the section.

Section 22, line 15, after the words "six months" strike out the remainder of the section.

And when so amended recommend the same do pass.

Also:

House Bill No. 169: A Bill for an Act to Amend and Re-enact Section 4671 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to the Size and Construction of Caboose Cars.

And recommend that the same be amended as follows:

Strike out the word "June" and the numbers "1923" in line 2 of Section 4671 and insert in lieu thereof the word "January" and the numerals "1924." In line 7 of the same section strike out the words "under frame" and insert in lieu thereof the words "center sill."

And when so amended recommend the same do pass.

Also:

House Bill No. 174: A Bill for an Act to Amend and Re-enact Section 1190 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 199 of the Laws of North Dakota for the Year 1919, as Amended by Chapter 53 of the Laws of North Dakota, Special Session of the Year 1919, Relating to the Consolidation of Schools; and Contracting for the Transportation of Pupils to and From Said Schools; and providing for a Board of Arbitration.

And recommend that the same be amended as follows:

On page 2 of the printed bill strike out all of bill after line 10 and insert in place thereof the following:

"(3) To decide whether transportation shall be by public conveyance or otherwise; such transportation shall be by conveyance unless two-thirds of the votes cast at such election of the two first proposals are opposed to such mode of transportation.

"Said election shall be conducted, both as to notices and as to manner of canvassing the votes, in the same manner as the annual school elections. If a majority of the votes cast at such election are in favor of either proposal, then the board shall carry out the decision of the district within four months thereafter. In the event of carrying out either proposal prior to or after the passage of this Act, it shall be the duty of the board to provide for the transportation of the pupils at public expense to and from the consolidated school, except to those pupils living less than one and one-half miles from such school; and it shall also be the duty of the board, if deemed expedient, to move to the site selected school houses already built or to sell such school houses. Provided, that transportation may be furnished either by the use of public conveyances or by allowing to each family as compensation a sum of not less than twenty cents nor more than one dollar and fifty cents per school day of attendance, such compensation to be equitably based upon the distance traveled and the number of children transported. Provided, further, that the sum total of expenses to a district for transportation shall not be greater where the family system of payment is used than would be the case under a system of public conveyances. Provided, also, that in case a patron is dissatisfied with the arrangement made by the School Board with regard to the transportation of his children, he may

apply to the School Board for a Board of Arbitration consisting of one selected by the patron, one selected by the School Board and another chosen by the two already selected; the School District to pay all costs thereof; said cost not to exceed three dollars per diem per member of said Arbitration Board. The decision of said Arbitration Board shall be final and binding on the Board."

And when so amended recommend the same do pass.

Also:

House Bill No. 154: A Bill for an Act to Amend and Re-enact Section 10184 and 10185 of the Compiled Laws of North Dakota for 1913, Prohibiting the Manufacture, Sale, Disposing of, Giving Away, and Soliciting Orders for Cigarettes, or Cigarette Papers and Providing Penalty.

And recommend that the same be amended as follows:

TITLE: That the word "prohibition" in the second line of the title be stricken out and in lieu thereof inserted the word "prohibiting."

And when so amended recommend the same do pass.

Also:

House Bill No. 137: A Bill for an Act Amending and Re-enacting Section 5742, Compiled Laws of North Dakota for 1913, Relating to the Application of the Provisions of Article 20, Compiled Laws of 1913, to Water Main and Water Works Systems, and to the Purchase Thereof.

And recommend that the same be amended as follows:

Lines 8 and 9, Section 1, strike out the words "or any part thereof."

Line 12, Section 1, strike out the words "or part thereof."

Line 18, Section 1, strike out the words, "or any part thereof."

Line 3, Section 2, strike out the words, "or any part thereof."

And when so amended recommend the same do pass.

Also:

House Bill No. 136: A Bill for an Act to Amend and Re-enact Section 8205, Compiled Laws of North Dakota for 1913, Defining the Private Property Which May be Taken by Eminent Domain.

And recommend that the same be amended as follows:

Line 22, Section 1, strike out the words "or part of system."

Line 2, Section 2, strike out "or parts thereof."

And when so amended recommend the same do pass.

Also:

House Bill No. 134: A Bill for an Act to Amend and Re-enact Sub-division 70 of Section 3818, Compiled Laws of North Dakota for 1913, Relating to the Purchase and Acquisition by a City of Any System or Part of System of Water Works.

And recommend that the same be amended as follows:

In the title of the Bill after the word "system," strike out the words, "or part of system." Section 1, line 5, after the word "system," strike out the words "or part of system." Line 12, same section, strike out the "period" and insert a "comma" after the word "erected," and add the following: "and to fix and regulate the rates, use and sale of water." Section 11, line 3, after the word "system," strike out the "comma" and the words "or a part thereof."

And when so amended recommend the same do pass.

Also:

House Bill No. 90: A Bill for an Act Requiring Railroad Companies to Provide Separate Compartments for Carriage of Sick People and Providing a Penalty for Violation Thereof.

And recommend that the same be amended as follows:

In line three, Sec. 1, strike out the words "is hereby required" and insert in lieu thereof "shall when required by order of the Board of Railroad Commissioners."

Also:

House Bill No. 161: A Bill for an Act Providing that Chapter 174 of the Session Laws of North Dakota for the Year 1919 Shall not Apply in Cities, Villages, and Towns, Having a Population of Five Thousand (5,000) or Less; and Repealing All Acts and Parts of Acts in Conflict Therewith.

And recommend the same be indefinitely postponed.

Also:

House Bill No. 185: A Bill for an Act to Amend and Re-enact Section One, Chapter 124, of Session Laws of 1917, as Amended by Chapter 136, Session Laws of 1919, Relating to Witness Fees in Garnishment Proceedings.

And recommend that the same be amended as follows:

That after the word "shall" in line nine (9), section one (1), the following be inserted: "at the time issue is taken."

And when so amended recommend the same do pass.

Also:

House Bill No. 75: A Bill for an Act to Appropriate Money for the Purpose of Constructing a Beef Cattle Barn at the Langdon Sub-Station.

And recommend that the same be amended as follows:

In the printed bill, Section 1, line 3, strike out the words "Five Thousand" and insert in lieu thereof the words "Three

Thousand Five Hundred." In the same line strike out the numerals "\$5,000.00" and insert in lieu thereof "\$3,500.00"

And when so amended recommend the same do pass.

Also:

House Bill No. 60: A Bill for an Act Appropriating Five Thousand (\$5,000.00) Dollars for the Purpose of Erecting a Suitable Dairy Barn at the Experimental Station, Situated at Hettinger, Adams County, North Dakota.

And recommend that the same be amended as follows:

In the printed bill in line 1 of the title, strike out the words "Five Thousand" and the numerals "\$5,000.00" and insert in lieu thereof, "Three Thousand Five Hundred (\$3,500.00)." In line 3, of Section 1, strike out the words "Five Thousand" and the numerals "\$5,000.00" and insert in lieu thereof, "Three Thousand Five Hundred (\$3,500.00)."

And when so amended recommend the same do pass.

Also:

House Bill No. 41: A Bill for an Act Providing for the Preservation and Control of the Artesian Waters of the State.

And recommend that the same be amended as follows:

On Page 6 of the printed bill, Section 9, line 2, strike out the numerals "\$7,000.00" and insert in lieu thereof the numerals "2,500.00."

In line number twenty-three, Section 2, change the word "case" to "casing".

In line nine, Section three, after word "state" strike out "custodian" and fill in "geologist."

In Section 4, line nine, strike out after word "punished" all of balance of that line and all of line ten to word "by" also in same line strike out all after word "not" and add these words, "less than five dollars and not to exceed". Line eleven, same Section, strike out after "dollars" all words to period after "fine", and insert as follows "at the". Line thirteen, same Section, strike out after "court" to period of same line.

Section 5, line five, strike out after word "flow" to period in line seven in same section, and substitute "and size of flow". Same section in line eight, after word state strike out "custodian" and fill in "Geologist or his deputy." In same section, line nine, strike out word "custodian" and substitute "Geologist or deputy." In same Section, line ten, after word "formation" fill in "this shall be done". In same section, the first word of line eleven shall be changed to "after" and the words "the time of" in same line shall be eliminated.

Section 6, line one, the word "custodian" shall be stricken out and the words "Geologist or his deputy" substituted. In

same section, line fourteen, word "pressure" shall be stricken out and "size of flow" inserted; same section, line twenty-one, the words "state custodian" shall be stricken out. In same line after "engineer" the following be inserted "and the County Superintendent of Schools where such well is located"; in same section, line twenty-two after word "regulations" the following words inserted "and they shall each receive \$10.00 per day and actual traveling expense. In same section, "after" in line twenty-five shall be stricken out and balance of said section.

All of section seven is stricken out.

Section eight, line two, after word "state" balance of line stricken out and to word "who" in line three, words substituted "Geologist or his deputy" in same Section after period in line five shall be stricken out, and all of line six, seven and to period in line 8, and the following substituted "There shall be appropriated from state funds not otherwise appropriated the sum of \$2,500.00 biennially for the purpose of carrying out this act. Section 8, line eight, word "custodian" is stricken out and "geologist" is substituted, after word "Geologist" in line ten the balance of line and to word "who" in line eleven, is stricken out.

All of section nine in original bill is stricken out.

Section 9. The deputy who shall be appointed by the State Geologist may be removed for cause, and whose salary shall be \$10.00 for each day and actual traveling expenses.

Section 10, from colon (:) after line three is all stricken out and lines 4, 5, 6, 7, 8, 9, 10, 11, 12, 13 and to period in line fourteen.

In Section 10 after the word "emergency" strike out everything and add in lieu thereof "Whereas an emergency exists this act shall be in full force and effect after its passage and approval."

And when so amended recommend the same do pass.

Also:

House Bill No. 178: A Bill for an Act to Amend and Re-enact Chapter 155 of the Session Laws of 1917, Relating to Glaring Head Lights and Spotlights and Prescribing Penalty for Violation.

And recommend that the same be amended as follows:

Strike out the period after the last word in line 8 of Section 1 of printed bill and add the following thereto: "except in emergency cases. Emergency cases are hereby defined to be cases in which it is necessary to use such spotlight as a 'trouble' light, or cases in which headlights get out of order to such an extent as to render them useless for traveling. Provided, however, that in all cases when the spotlight is used its light must be directed not more than thirty (30) feet in front of the vehicle."

And recommend that the same do pass.

Also:

House Bill No. 104: A Bill for an Act to Amend and Re-enact Chapter 59, Laws of North Dakota, 1917, and Chapter 220, Laws of North Dakota, 1919, Relating to the Classification of Property for Assessment.

And recommend that the same be amended as follows:

Strike out all of Section 1 after the word "tax" in line 3 of the printed bill and insert in lieu thereof the following: "shall be assessed at 100% of the full and true value thereof; and all buildings and structures located thereon upon leased land shall be assessed and taxed separately from the land upon which said structure is situated."

And when so amended recommend the same do pass.

Also:

House Bill No. 95: A Bill for an Act to Amend and Re-enact Section 4547 of the Compiled Laws of North Dakota for the Year 1913, Relating to Elections by Stockholders and Members of Corporations.

And recommend that the same be amended as follows:

On line seventeen after the word "of," strike out the word "fifty" and insert the word "seventy-five."

And when so amended recommend the same do pass.

JOSEPH A. KITCHEN,
Chairman.

Mr. Hempel moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Kelly moved that the House do now recess until 1 o'clock P. M., Monday, February 21, 1921, which motion prevailed and the House so recessed.

C. L. DAWSON,
Chief Clerk.

FORTY-SEVENTH DAY AFTER RECESS, AND FORTY-NINTH DAY.

House of Representatives,
Bismarck, North Dakota,
February 21, 1921.

The House convened pursuant to recess taken, the Speaker presiding.

MOTIONS AND RESOLUTIONS.

CONCURRENT RESOLUTION

Mr. Patterson and Mr. Watt introduced the following Concurrent Resolution:

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE SEVENTEENTH LEGISLATIVE ASSEMBLY, THE SENATE CONCURRING:

That, WHEREAS, the fiftieth day of this Legislative Assembly occurs on Washington's birthday;

THEREFORE, BE IT RESOLVED: That that part of Joint Rule No. 10 of the Joint Rules of the Seventeenth Legislative Assembly, which reads:

"No bill that shall have passed one house shall be sent to the other for concurrence after the fiftieth day," be amended to read as follows:

"No bill that shall have passed one house shall be sent to the other for concurrence after the fifty-first day."

And move the adoption of the same.

Mr. Patterson moved that the resolution be adopted, which motion prevailed and the concurrent resolution was unanimously adopted.

Mr. Patterson moved that the vote by which House Bill No. 165 was indefinitely postponed be reconsidered.

Mr. Watt moved that the motion of Mr. Patterson be laid on the table.

Roll call demanded.

The question being on the motion of Mr. Watt to lay on the table,

The roll was called and there were ayes 59, nays 50, absent and not voting 4.

Ayes: Allen, Anderson of Burleigh, Bjorgo, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kamrath, Kelly, Kitchen, Kjos, Kopp, Larson of Pierce, Levin, McDowell, McGauvran, McManus, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Renauld, Root, Sageu, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bratsberg, Bryans, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Erickson of Walsh, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Heaton, Johnson of Steele, Kellogg, Lackey, Lakie, Larkin, Larson of Ransom, McLarty, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, MCiller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Sherman, Sims, Strain, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Brady, Burkhart, Lazier, Vogel.

So the motion of Mr. Patterson was laid on the table.

Mr. Boyd asked unanimous consent to withdraw House Bill 208, which request was granted.

Mr. Patterson introduced the following concurrent resolution and moved its adoption:

WHEREAS, The birthday of George Washington has been set aside as a legal holiday; and

WHEREAS, It is fit and proper that the citizens of these United State put away their labors for the day so an opportunity may be had for its true observance; and,

WHEREAS, It is especially fit and proper that the elected Representatives of the people by their example more fully lodge the memory of the Father of his Country in the hearts of the people;

NOW, THEREFORE, BE IT RESOLVED, That we the Legislative Assembly of the State of North Dakota when the work of today is completed recess until 10:30 o'clock Wednesday, February 23rd.

The question being on the adoption of the resolution, roll call demanded,

The roll was called and there were ayes 47, nays 60, absent and not voting 6.

Ayes: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Bratsberg, Bryans, Cart, Doyle, Eckert Elmer, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Levin, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Oberg, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Nays: Allen, Anderson of Burleigh, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Morton, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Absent and not voting: Bauer, Brady, Burkhart, Lazier, Maddock of Mountrail, Vogel.

So the motion was lost and the resolution was not adopted.

REPORTS OF STANDING COMMITTEES.

Mr. Speaker: Your committee on tax and tax laws to whom was referred:

House Bill No. 162: A Bill for an Act to Amend and Re-enact Section 13b and Section 43 of Chapter 225, Laws of North Dakota, 1919, Relating to the Taxation of Transfers of Property by Will, Gift or by Intestate Law.

Have had the same under consideration and recommend that the same do pass.

J. A. JARDINE,
Chairman.

Mr. Jardine moved that the report be adopted, which motion prevailed and the report was adopted.

MESSAGES FROM THE SENATE. SENATE CHAMBER.

Bismarck, N. D., Feb. 19, 1921.

Mr. Speaker: I have the honor to return herewith the following bills:

House Bill No. 91: A Bill for an Act Appropriating the Sum of Nine Thousand Fifty-One Dollars and Five Cents (\$9051.05), for the Use of the Office of the Attorney General of the State of North Dakota, and Repealing Chapter 20 of the Laws of the Special Legislative Session of North Dakota for the Year 1919, by Which Said Chapter an Appropriation was Made for the Payment of Salaries of Special Assistant

Attorneys General, of Which said Appropriation the Sum of \$9051.05 is Still in the General Fund of the State Unexpended.

Which the Senate has indefinitely postponed.

Very respectfully,

W. J. PRATER,
Secretary.

SENATE CHAMBER.

Bismarck, N. D., Feb. 19, 1921.

Mr. Speaker: I have the honor to transmit herewith the following bills:

Senate Bill No. 147: A Bill for an act to Amend and Re-enact Section 7655 of the Compiled Laws of North Dakota for the Year 1913, Relating to the Obtaining, Preparation and Settlement of Statement of the Case on Appeals in Civil Actions.

Senate Bill No. 121: A Bill for an Act to Provide for the Acceptance of the Benefits of an Act by the Senate and House of Representatives of the United States of America in Congress Assembled. (H. R. 4438, Approved June 3, 1920) entitled "An Act to Provide for the Promotion of Vocational Rehabilitation of Persons Disabled in Industry or Otherwise and Their Return to Civil Employment"; to Provide for the Administration of Same.

Senate Bill No. 156: A Bill for an Act Restricting Rights of Litigants to Bring Actions in Courts to Set Aside Taxes or Assessments or to Recover Taxes Before Submitting Their Claims to the Board of County Commissioners for Adjustment and Dismissing Actions Heretofore Brought.

Senate Bill No. 97: A Bill for an Act to Authorize the Valuation of Bonds and Other Securities Held by Life Insurance Companies, Assessment Life Associations and Fraternal Beneficiary Associations by the Amortization Method.

Senate Bill No. 16: A Bill for an Act Providing for a Reward for the Arrest and Conviction of Persons Charged with the Violation of the Prohibition Laws of this State and for Appointment of Special Deputy Sheriffs to Enforce such Prohibition Laws.

Which the Senate has passed and your favorable consideration is respectfully requested.

Very respectfully,

W. J. PRATER,
Secretary.

SENATE CHAMBER.

Bismarck, N. D., Feb. 19, 1921.

Mr. Speaker: I have the honor to transmit the following concurrent resolution:

Introduced by A. G. Storstad and R. J. Gardiner .

WHEREAS, Under the provisions of Section 24, Chapter 147 of the Session Laws of the State of North Dakota for

the year 1919, provision is made that the Industrial Commission, shall, out of the earnings of the Bank of North Dakota, replace in the general fund of the state the amount received by the commission from the general fund for the purpose of establishing the Bank of North Dakota; and

WHEREAS, According to the statement of the Bank of North Dakota, made by the Manager and Director-General of said bank at the close of business on January 15th, 1921, said Bank of North Dakota has made a profit of \$121,883.17 in 1920, and that there has been accumulated a reserve with which to repay legislative appropriation, in the sum of \$24,108.87; and

WHEREAS, Section 24 of the aforementioned chapter of the Session Laws of 1919, provides that moneys accumulated in the Bank of North Dakota for the purpose of replacing in the general funds of the state the appropriation made for the establishment of the Bank of Dakota as may be directed by the Legislative Assembly;

THEREFORE, BE IT RESOLVED, By the State Senate of the Seventeenth Legislative Assembly, the House concurring therein, that the Industrial Commission be and is hereby ordered and directed to direct the Manager and Director-General of the Bank of North Dakota to pay into the general fund of the State of North Dakota forthwith the amount of the reserve now accumulated for the purpose of repaying legislative appropriation, and that the Manager and Director-General be further directed to pay at the end of each month into the general fund of the State of North Dakota the amount accumulated in the legislative appropriation repayment reserve, until the general fund of the state has been reimbursed in an amount equal to so much of the legislative appropriation made for the establishment of the Bank of North Dakota as has been used by the Industrial Commission for such purposes.

Which the Senate adopted and your favorable consideration is respectfully requested.

Very respectfully,

W. J. PRATER,
Secretary.

SENATE CHAMBER.

Bismarck, N. D., Feb. 21, 1921.

Mr. Speaker: I have the honor to transmit the following concurrent resolution:

Introduced by Mr. Wenstrom.

WHEREAS, the Congress of the United States enacted the Transportation Act of 1920, which said act amended the powers of the Interstate Commerce Commission, and

WHEREAS, The Interstate Commerce Commission pursuant to such amended powers has construed the act as giving them power to regulate, increase and prescribe intrastate rates, for transportation of persons and property entirely within the states, to the same extent that it exercises its jurisdiction over interstate rates, and

WHEREAS, The Interstate Commerce Commission is this day holding a hearing in the City of Bismarck for the avowed purpose of investigating the entire body of intrastate rates, fares and charges applicable solely within the State of North Dakota, with a view of increasing said freight rates 35 per cent., and increasing said passenger rates 20 per cent., although the Board of Railroad Commissioners of the State of North Dakota at a full hearing found that no increase was warranted, it appearing that the carriers, based upon their own book value of property devoted to common carrier purposes in the State of North Dakota amounting to \$185,440,198, are earning over \$3,000,000 more per year than 6 per cent. upon such value, and

WHEREAS, The North Dakota intrastate rates which it is their avowed purpose to increase to 35 per cent., judging from the action taken in similar cases in connection with the intrastate rates of other sovereign states of the union are as high now and in some instances higher than the intrastate rates of Minnesota are with the increase of 35 per cent.

WHEREAS, The increase of 35 per cent. as intended in the intrastate rates of North Dakota will make said rates 35 to 40 per cent. higher than the level of intrastate rates in Minnesota,

BE IT RESOLVED, That the Senate of North Dakota, the House concurring, memorialize the Congress of the United States, bringing to its attention this condition of assuming jurisdiction of internal affairs of the State of North Dakota, urging the Congress of the United States to amend the Interstate Commerce Act, (41 Statutes at Large 474) Section 13, Paragraph 4, the section under which the Interstate Commerce Commission is presuming to assert authority over internal affairs of this state, limiting said commission so that it cannot blanket authorize blanket increases in intrastate rates.

Which the Senate adopted and your favorable consideration is respectfully requested.

Very respectfully,

W. J. PRATER,
Secretary.

Mr. Hanson of Grand Forks moved that the House do now adjourn which motion prevailed and the House adjourned.

C. L. DAWSON,
Chief Clerk.

FORTY-NINTH DAY.

House of Representatives,
Bismarck, North Dakota,
February 21, 1921.

The House convened at 2 o'clock p. m. pursuant to adjournment, the Speaker presiding.

Prayer by Chaplain Rev. Huffman.

Roll call, all members present except Messrs. Lazier and Vogel.

REVISION AND CORRECTION OF THE JOURNAL.

The committee on revision and correction of the journal made the following report:

Mr. Speaker: Your committee on revision and correction of the journal have carefully examined the Journal of the 47th day and recommend that the same be corrected as follows:

Transfer all of page 14 to page 17 after line 28.

On page 18 after line 31 insert "Reports of Standing Committees."

Page 32 line 28 after the numeral "11" insert the numeral "12."

And when so corrected recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted which motion prevailed, and the report was adopted.

PRESENTATION OF PETITIONS AND COMMUNICATIONS.

HON. L. O. FREDRICKSON,
Bismarck, N. D.

The Bergin Township Farmers' Club go on record in favor of House Bill No. 90 and favor its enactment.

P. K. HOLM,
AND 40 OTHERS.

REPORTS OF STANDING COMMITTEES

The committee on railroads made the following report:

Mr. Speaker: Your committee on railroads to whom was referred:

House Bill No. 182: A Bill for an Act Defining and Providing for a Gross Earnings Tax on Freight Line and Car Equipment Companies and Repealing Subdivisions 2, 3, 4, 5, 6, 7, 8, 9, 10 and 11 of Section 2144 of the Compiled Laws of North Dakota for the Year 1913, as Amended and Re-enacted in Chapter 59, Special Session Laws of 1919.

Have had the same under consideration and recommend that the same be indefinitely postponed.

J. D. ROOT,
Chairman

Mr. Root moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: A majority of your committee on state affairs to whom was referred:

House Bill No. 214: A Bill for an Act to Create a Rural Credits Board, to Establish a System of Rural Credits, and to Provide for the Assumption by Such Rural Credits Board of the Farm Loan Business of the Bank of North Dakota, and to Provide for taking charge of the North Dakota Bonds: Real Estate Series, provided for in Chapter one Hundred Fifty-four, (154) of the Session Laws of 1919.

Have had the same under consideration and recommend that the same do pass.

MARTIN OLSEN,
Chairman.

Mr. Speaker: A minority of your committee on state affairs to whom was referred:

House Bill No. 214: A Bill for an Act to Create a Rural Credits Board, to Establish a System of Rural Credits, and to Provide for the Assumption by Such Rural Credits Board of the Farm Loan Business of the Bank of North Dakota, and to Provide for taking charge of the North Dakota Bonds: Real Estate Series, provided for in Chapter one Hundred Fifty-four, (154) of the Session Laws of 1919.

Have had the same under consideration and recommend that the same be indefinitely postponed.

J. J. STRAIN,
FRED ECKERT,
WILLIAM KAMRATH,
E. E. BRYANS.

Mr. Olson of Ramsey moved that the majority report of the committee on House Bill No. 214 be adopted, which motion prevailed and the report of the committee was adopted that the bill do pass.

Mr. Speaker: A majority of your committee on state affairs to whom was referred:

House Bill No. 200: A Bill for an Act to Repeal Article 3 and Sections 1596, 1597, 1598, 1599, 1600, 1601, 1602 and 1603, of the Compiled Laws, 1913, and to Re-enact Article 3, Sections 1596 and 1597.

Have had the same under consideration and recommend that the same be indefinitely postponed.

MARTIN OLSEN,
Chairman.

Mr. Speaker: A minority of your committee on state affairs to whom was referred:

House Bill No. 200: A Bill for an Act to Repeal Article 3 and Sections 1596, 1597, 1598, 1599, 1600, 1601, 1602, and 1603, of the Compiled Laws, 1913, and to Re-enact Article 3, Sections 1596 and 1597.

Have had the same under consideration and recommend that the same do pass.

WALTER MADDOCK.

Mr. Ness moved that the report of the committee indefinitely postponing House Bill No. 200 be adopted.

Mr. Maddock of Mountrail moved that the minority report of the committee be substituted for the majority report, which motion was lost.

The question being on the adoption of the majority report indefinitely postponing the bill, roll call was demanded.

The roll was called and there were ayes 55, nays 50, absent and not voting 8.

Ayes: Allen, Anderson of Burleigh, Bauer, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kamrath, Kelly, Kitchen, Kjos, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelsen, Miller, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Semling, Shimmie, Shipley, Slominski, Sproul, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Bratsberg, Bryans, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kellogg, Kopp, Lakie, Larkin, Larson of Ransom, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Slope, Maxwell, Mikkelsen, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Brady, Burkhart, Fredrickson, Lazier, Martin of Bottineau, Sagen, Starke, Vogel.

So the motion prevailed and further consideration of House Bill No. 200 was indefinitely postponed.

Mr. Speaker: Your committee on engrossment have examined the following bills:

House Bill No. 128: A Bill for an Act to Amend and Re-enact Section 2110 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 221 of the Session Laws of 1919, Relating to the Listing of Property of Corporations, Joint-Stock Companies or Associations for Taxation.

House Bill No. 141: A Bill for an Act to Amend and Re-enact Section 2185 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 67 of the Special Session Laws of the Sixteenth Legislative Assembly, Relating to the Time When Real Estate Taxes Become Due and Delinquent.

House Bill No. 206: A Bill for an Act Authorizing Boards of County Commissioners to Issue Refunding Bonds to Fund or Refund for the Purpose of Seed Grain or Seed and Feed Grain Bonds or Warrants Theretofore Issued Pursuant to Law for the Purchase of Seed Grain and Feed or Either.

House Bill No. 210: A Bill for an Act to Cancel Uncollected Personal Property Taxes Assessed for 1910 and Prior Years.

House Bill No. 213: A Bill for an Act to Amend and Re-enact Chapter 151 of the Session Laws of 1919, Creating an Industrial Commission and Defining the Powers and Duties Thereof, and Authorizing the Same to Manage, in Behalf of the State, the Mill and Elevator Association and the Home Building Association, Established by Chapters 152 and 150 of the Session Laws of 1919, Respectively, and to Repeal Such Portions of Chapter 151 of the Session Laws of 1919 as are not Re-enacted Herein.

House Bill No. 212: A Bill for an Act Designating Depositories of all Public Funds and Fixing the Minimum Rate of Interest; Requiring; Competitive Bids for Such Deposits Providing for Publicity with Reference to Such Funds and Depositories; Prescribing Penalties for Violation of This Act; Defining Terms Used Herein, and Repealing Sections 370 to 374, Inclusive, Sections 1472 to 1488, Inclusive, and Sections 3315 to 3329, Inclusive, of the Compiled Laws of 1913.

House Bill No. 174: A Bill for an Act to Amend and Re-enact Section 1190 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 199 of the Laws of North Dakota for the Year 1919, as Amended by Chapter 53 of the Laws of North Dakota, Special Session of the Year 1919, Relating to the Consolidation of Schools; and Contracting for the Transportation of Pupils to and From Said Schools; and Providing for a Board of Arbitration.

House Bill No. 154: A Bill for an Act to Amend and Re-enact Section 10184 and 10185 of the Compiled Laws of North Dakota for 1913, Prohibiting the Manufacture, Sale, Disposing of, Giving Away, and Soliciting Orders for Cigarettes, or Cigarette Papers and Providing Penalties.

House Bill No. 136: A Bill for an Act to Amend and Re-enact Section 8205, Compiled Laws of North Dakota for 1913, Defining the Private Property Which May be Taken by Eminent Domain.

House Bill No. 137: A Bill for an Act Amending and Re-enacting Section 5742, Compiled Laws of North Dakota for 1913, Relating to the Application of the Provisions of Article 20, Compiled Laws of 1913, to Water Main and Water Works Systems, and to the Purchase Thereof.

House Bill No. 178: A Bill for an Act to Amend and Re-enact Chapter 155 of the Session Laws of 1917, Relating to Glaring Head Lights and Spotlights and Prescribing Penalty for Violation.

House Bill No. 169: A Bill for an Act to Amend and Re-enact Section 4671 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to the Size and Construction of Caboose Cars.

House Bill No. 185: A Bill for an Act to Amend and Re-enact Section One, Chapter 124, of Session Laws of 1917, as

Amended by Chapter 136, Session Laws of 1919, Relating to Witness Fees in Garnishment Proceedings.

And find the same correctly engrossed.

A. J. PRESZLER,
Chairman.

Mr. Preszler moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Bauer moved that the rules be suspended and House Bill No. 77 be placed in General Orders, which motion prevailed and the bill was placed in General Orders.

The committee on Judiciary made the following report:

Mr. Speaker: Your committee on judiciary to whom was referred:

House Bill No. 215: A Bill for an Act to Provide for the Service of Copy of Notice of Foreclosure of Real Estate Mortgage or Lien, When Such Foreclosure is by Advertisement, Upon the Title Owner of Record When the Postoffice Address of Such Title Owner is Shown by the Record of the Instrument by Which Such Title Acquired; and Providing for Foreclosure Fee Being Taxable as Costs, Only When Such Notice is Given as Required; and Providing for the Recording of Affidavit With Respect Thereto.

Have had the same under consideration and recommend that the same be amended as follows:

SECTION 1. That the words, "Section 7792 of the Compiled Laws of North Dakota for the year 1913," contained in lines nineteen (19) and twenty (20) of Section one (1) be stricken out and in lieu thereof the following inserted, "Chapter 120 of the laws of 1919."

And when so amended recommend the same do pass.

C. H. STARKE,
Chairman.

THIRD READING OF HOUSE BILLS.

House Bill No. 195: A Bill for an Act to Amend and Re-enact Chapter 118 of the Session Laws of 1919, Which Amends and Re-enacts Section 890 of the Compiled Laws of North Dakota, for the Year 1913, Pertaining to the Selection of County and State Committeemen.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 99, nays 0, absent and not voting 14.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arnesen, Lauder, Litquist, Bjerke, Ejorgo, Bollinger, Botz, Bratsberg, Burns, Carlson, Cart, Cole, Durkee, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Frandsen, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Heaton, Jar-

dine. Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelsen, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Yeater, Mr. Speaker.

Absent and not voting: Babcock, Boyd, Brady, Bryans, Burkhart, Doyle, Eckert, Fredrickson, Grangaard, Hempel, Lazier, Maddock of Benson, Sagen, Ulland.

So the bill passed and the title was agreed to.

House Bill No. 197: A Bill for an Act to Provide for State and County Ballots for the Primary and General Elections and for Nomination and Election of All Elective State Officers, Members of the Legislative Assembly, Judges of the Supreme Court and District Court, Superintendent of Public Instruction and all Elective County Officers and to Repeal Sections 904, 905, 906, 907, 908, 909, 917, 918, 919 of the Compiled Laws of the State of North Dakota for the Year 1913 and Chapter 117 of the Session Laws of 1919, as Well as All Other Acts or Parts of Acts That are in Conflict With the Provisions Hereof.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 60, nays 46, absent and not voting 7.

Ayes: Allen, Anderson of Burleigh, Bauer, Bjorgo, Bolinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Hartl, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelsen, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bratsberg, Bryans, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Levin, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin Slope, Maxwell, Miller, Morton, Oberg, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Brady, Burkhart, Fredrickson, Kitchen, Lazier, Maddock of Mountrail, Vogel.

So the bill passed and the title was agreed to.

House Bill No. 198: A Bill for an Act to Provide for Nomination of Candidates for the Offices of Presidential Electors, United States Senator, and Member of Congress and to Elect Delegates to the National Party Convention, National Committeeman and Party Precinct Committeeman and to Repeal Sections 917, 918 and 919 of the Compiled Laws of North Dakota for the Year 1913, and All Other Acts or Parts of Acts That are in Conflict With the Provisions Hereof.

Was read the third time.

Call of the house demanded.

The roll was called after which Mr. Patterson moved that further proceedings under the call of the House be dispensed with which motion prevailed, and further proceedings under call of the House was dispensed with.

The question being on the final passage of the bill, the roll was called and there were ayes 61, nays 45, absent and not voting 7.

Ayes: Allen, Anderson of Burleigh, Bauer, Bjorgo, Bolinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kamrath, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelsen, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Arduser, Babcock, Bilquist, Bratsberg, Bryans, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kellogg, Larkin, Larson of Ransom, Levin, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Bjerke, Brady, Burkhart, Lakie, Lazier, Maddock of Mountrail, Vogel.

So the bill passed and the title was agreed to.

House Bill No. 186: A Bill for a Concurrent Resolution, Amending the Constitution of the State of North Dakota Relating to the Term of Office of the Judges of the Supreme Court.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 60, nays 44, absent and not voting 9.

Ayes: Allen, Anderson of Burleigh, Arduser, Bauer, Bilquist, Bjorgo, Bollinger, Botz, Boyd, Bratsberg Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kopp, Lackey, Larson of Pierce, Levin, McDowell, McGauvran, Mikkelson, Mouck, Ness, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Bryans, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagebarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Kjos, Larkin, Larson of Ransom, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Nagel, Nathan, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Babcock, Bjerke, Brady, Burkhart, Lakie, Lazier, McLarty, Maddock of Mountrail, Vogel.

So the bill passed and the title was agreed to.

House Bill No. 114: A Bill for an Act to Amend and Re-enact Chapter 171 of the Session Laws of North Dakota for the Year 1919, Limiting the Power of Courts to Grand Injunctions and Prohibiting the Issuing of Restraining Orders and Injunctions in Certain Labor Matters.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 92, nays 11, absent and not voting 10.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjorgo, Bollinger, Botz, Boyd, Bratsberg, Bryans, Burns, Cart, Cole, Doyle, Durkee, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Halcrow, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Peters, Plath, Preszler, Quade, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Watt, Weld of Kidder, Weld of Wells, Wood, Yeater, Mr. Speaker.

Nays: Ellingson, Hagebarger, Hanson of Benson, Johnson of Sargent, McGauvran, Morton, Oberg, Patterson, Reichert, Ulland, Whitmer.

Absent and not voting Bjerke, Brady, Burkhart, Carlson, Eckert, Hanson of Grand Forks, Lakie, Lazier, Strain, Vogel.

So the bill passed and the title was agreed to.

House Bill No. 158: A Bill for an Act to Amend and Re-enact Sections 948 and 968 of the Compiled Laws of 1913, and to Repeal Section 991 of the Compiled Laws of 1913, Relating to Elections.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 101, nays 0, absent and not voting 12.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bjorgo, Bollinger, Botz, Boyd, Bryans, Burns, Carlson, Cole, Doyle, Durkee, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Bilquist, Bjerke, Brady, Bratsberg, Burkhart, Cart, Eckert, Hanson of Grand Forks, Lazier, Martin of Bottineau, Reichert, Vogel, Watt.

So the bill passed and the title was agreed to.

Mr. Hanson of Grand Forks moved the House do now recess for fifteen minutes, which motion prevailed.

AFTER RECESS

The House reconvened pursuant to recess taken, the Speaker presiding.

House Bill No. 139: A Bill for an Act to Amend and Re-enact Section 3296 of the Compiled Laws of North Dakota for the Year 1913, Relating to County Commissioners' Powers and Duties With Respect to Contracts Let on Competitive Bids.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 80, nays 19, absent and not voting 14.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bollinger, Botz,

Boyd, Bratsberg, Burns, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Magnuson, Miller, Mouck, Ness, Nagel, Nathan, Olafson, Olgard, Olson of Barnes, Olson of Ramsey, Ophaug, Opland, Peters, Plath, Preszler, Quade, Renauld, Root, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Wood, Mr. Speaker.

Nays: - Bryans, Hagelbarger, Larkin, Maddock, of Benson, Martin of Bottineau, Martin of Slope, Maxwell, Morton, Oberg, Olsen of Billings, Patterson, Reichert, Sagen, Sherman, Sims, Strain, Weld of Kidder, Weld of Wells, Whitmer.

Absent and not voting: Bjorgo, Brady, Burkhart, Carlson, Cart, Cole, Lackey, Lokie, Lazier, Maddock of Mountrail, Mikkelson, Vogel, Watt, Yeater.

So the bill passed and the title was agreed to.

House Bill No. 148: A Bill for an Act Making it a Felony for Any Person to Enter Any Room Wherein, in Whole or in Part, a General Banking Business is Carried on, or Wherein in Whole or in Part, a Business of Receiving Securities, Evidence of Debts or Any Other Valuable Papers on Deposit or for Safe Keeping, in Which There is at the Time a Human Being, With Intent to Commit a Felony Therein by Means of Threats, Force or Violence, and Prescribing the Punishment Therefor.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 107, nays 0, absent and not voting 6.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bollinger, Botz, Boyd, Bratsberg, Bryans, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly Kitchen, Kjos, Kopp, Lackey, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke,

Strain, Ulland, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Bjorgo, Brady, Lakie, Lazier, Maddock of Mountrail, Vogel.

So the bill passed and the title was agreed to.

House Bill No. 43: A Bill to Create an Act Entitled an Act Providing for the Creation and Establishment of a State Engineering Examiners, Granting Certain Powers to and Prescribing the Duties of Said Board; Providing for the Examination and Registration of Land Surveyors and Professional Engineers. Regulating the Practice of Engineering in the State of North Dakota, Providing Penalties for the Violation of This Act and Repealing all Acts or Parts of Acts in Conflict Therewith.

Was read the third time.

Mr. Watt moved that further consideration of House Bill No. 43 be indefinitely postponed.

Mr. Maddock of Mountrail moved that House Bill No. 43 be put at the foot of the calendar, which motion was lost.

The question being on the motion of Mr. Watt that House Bill No. 43 be indefinitely postponed, the motion prevailed and the bill was indefinitely postponed.

House Bill No. 19: A Bill for an Act to Amend and Re-enact Section 4 of Chapter 162 of the Session Laws of the State of North Dakota for the Year 1919, as Amended by Chapter 73 of the Laws Passed at the Special Session of the Sixteenth Legislative Assembly in December, 1919, Relating to the Creation of the Workmen's Compensation Bureau of North Dakota, the Appointment and Removal of the Commissioners Thereof, the Salary of Such Commissioners and the Powers and Duties of such Bureau.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 71, nays 36, absent and not voting 6.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Boyd, Bratsberg, Bryans, Burns, Carlson, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Erickson of Walsh, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Hempel, Jardine, Johnson of Cass, Johnson of Steele, Johnson of Ward, Kamrath, Kellogg, Kopp, Lakie, Larkin, Larson of Ransom, Levin, McDowell, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olafson, Olson of Barnes, Olson of Ramsey, Orland, Patterson, Preszler, Reichert, Renauld, Semling, Sherman, Shipley, Sims, Starke, Strain, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater.

Nays: Bollinger, Botz, Durkee, Ellingson, Flom, Freeman, Hanson of Grand Forks, Heaton, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Kelly, Kitchen, Kjos, Lackey, Larson of Pierce, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olsgard, Olsen of Billings, Ophaug, Peters, Plath, Quade, Root, Sagen, Shimmin, Slominski, Sproul, Ulland, Watt, Mr. Speaker.

Absent and not voting: Bjorgo, Brady, Burkhart, Cole, Lazier, Vogel.

So the bill passed and the title was agreed to.

MESSAGES FROM THE SENATE
SENATE CHAMBER.

Bismarck, N. D., Feb. 21, 1921.

Mr. Speaker: I have the honor to inform you that the Senate has concurred in the House concurrent resolution relating to amendment of Joint Rule 10 of the Joint Rules of the Seventeenth Legislative Assembly.

Very respectfully,

W. J. PRATER,
Secretary.

CONSIDERATION OF MESSAGES FROM THE SENATE.
SENATE CHAMBER.

Bismarck, N. D., Feb. 21, 1921.

Mr. Speaker: I have the honor to transmit the following concurrent resolution:

CONCURRENT RESOLUTION

Introduced by Committee on Appropriations.

A Concurrent Resolution for Appropriating Money to Defray Expenses of M. O. Hall Whose Services have been Accepted to Procure National Aid for Feed and Seed.

BE IT RESOLVED BY THE SENATE OF THE STATE OF
NORTH DAKOTA, THE HOUSE OF REPRESENTA-
TIVES CONCURRING:

There is hereby appropriated out of the general fund any moneys not otherwise appropriated, the sum of three hundred dollars (\$300.00) for the purpose of defraying the expenses of one M. O. Hall whose services have been accepted by resolution for securing national aid for feed and seed in behalf of needy agriculturists.

EMERGENCY: Because of the urgent need of speed in behalf of this aid for the purpose of promoting Public Welfare and Peace of our State this act is hereby declared to be an emergency.

Which the Senate adopted and your favorable consideration is respectfully requested.

Very respectfully,

W. J. PRATER,
Secretary.

Mr. Johnson of Cass moved that the Concurrent Resolution be referred to the appropriation committee which motion was lost.

Action on the concurrent resolution was deferred until the next legislative day.

THIRD READING OF HOUSE BILLS.

House Bill No. 49: A Bill for an Act to Amend and Re-enact Section 814 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Jurors.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 101, nays 6, absent and not voting 6.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Bratsberg, Bryans, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kjos, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmie, Sims, Slominski, Sproul, Starke, Strain, Ulland, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Kelly, Kitchen, Kopp, Nagel Nathan, Olsgard.

Absent and not voting: Brady, Burkhart, Lazler, Opland, Shipley, Vogel.

So the bill passed and the title was agreed to.

Mr. Renauld moved that the House do now recess until 7:30 o'clock P. M., February 21, 1921, which motion prevailed, and the House so recessed.

AFTER RECESS

The House assembled pursuant to recess taken, the Speaker presiding.

House Bill No. 206: A Bill for an Act Authorizing Boards of County Commissioners to Issue Refunding Bonds to Fund or Refund for the Purpose of Seed Grain or Seed and Feed Grain Bonds or Warrants Theretofore Issued Pursuant to Law for the Purchase of Seed Grain and Feed or Either.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 97, nays 2, absent and not voting 14.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjorgo, Bollinger, Botz, Boyd, Bryans, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Oberg, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Wood, Yeater, Mr. Speaker.

Nays: Nagel, Nathan.

Absent and not voting: Bjerke, Brady, Bratsberg, Burkhart, Elmer, Frandson, Hempel, Heaton, Jardine, Kamrath, Lazier, Ness, Olafson, Slominski, Whitmer.

So the bill passed and the title was agreed to.

Mr. Shipley moved that further consideration of House Bills Nos. 212 and 213 be deferred until the next legislative day, which motion prevailed.

House Bill No. 210: A Bill for an Act to Cancel Uncollected Personal Property Taxes Assessed for 1910 and Prior Years.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 93, nays 11, absent and not voting 9.

Ayes: Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjorgo, Bollinger, Bratsberg, Bryans, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Steele, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Mouck, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Ophaug, Opland, Patterson, Peters, Preszler, Reichert, Renauld, Root, Semling, Sherman, Shimmin, Shipley, Sproul, Starke, Strain.

Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Yeater, Mr. Speaker.

Nays: Allen, Botz, Johnson of Sargent, McLarty, Mikkelsen, Nagel, Nathan, Olson of Ramsey, Quade, Sagen, Slominski, Wood.

Absent and not voting: Bjerke, Boyd, Brady, Burkhart, Johnson of Traill, Lazier, Ness, Plath, Slominski.

So the bill passed and the title was agreed to.

House Bill No. 141: A Bill for an Act to Amend and Re-enact Section 2185 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 67 of the Special Session Laws of the Sixteenth Legislative Assembly, Relating to the Time When Real Estate Taxes Become Due and Delinquent.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 15, nays 91, absent and not voting 7.

Ayes: Allen, Freeman, Hanson of Grand Forks, Jardine, Kitchen, Larson of Pierce, McDowell, McGauvran, Olafson, Ophaug, Quade, Shipley, Slominski, Starke, Ulland, Wood.

Nays: Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjorgo, Bollinger, Botz, Boyd, Bratsberg, Bryans, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Hempel, Heaton, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Ransom, Levin, McLarty, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Mikkelson, Miller, Morton, Mouck, Nagel, Nathan, Oberg, Ols-gard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Opland, Patterson, Peters, Plath, Preszler, Reichert, Re-auld, Root, Sagen, Semling, Sherman, Shimmin, Sims, Sproul, Strain, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Yeater, Mr. Speaker.

Absent and not voting: Bjerke, Brady, Burkhart, Lazier, McManus, Maxwell, Ness.

So the bill was lost.

House Bill No. 128: A Bill for an Act to Amend and Re-enact Section 2110 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 221 of the Session Laws of 1919, Relating to the Listing of Property of Corporations, Joint-Stock Companies or Associations for Taxation.

Was read the third time.

The question being on the final passage of the bill, the roll was called, and there were ayes 57, nays 47, absent and not voting 9.

Ayes: Allen, Bauer, Bilquist, Bjorgo, Bollinger, Boyd, Bratsberg, Bryans, Cart, Doyle, Durkee, Eckert, Elmer, Erickson of Divide, Erickson of Walsh, Fredrickson, Frandson, Grangaard, Halcrow, Hall, Hempel, Heaton, Jardine, Johnson of Traill, Kamrath, Kellogg, Lakie, Larkin, Levin, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Mouck, Olafson, Olson of Barnes, Opland, Patterson, Preszler, Quade, Reichert, Renauld, Sherman, Shipley, Sims, Sproul, Vogel, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Botz, Burns, Carlson, Cole, Ellingson, Flom, Freeman, Hagelbarger, Hanson of Benson, Hanson of Grand Forks, Harding, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, Larson of Ransom, McDowell, McGauvran, Mikkelson, Nagel, Nathan, Oberg, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Root, Sagen, Semling, Shimmin, Slominski, Starke, Watt, Weld of Kidder.

Absent and not voting: Bjerke, Brady, Burkhardt, Hartl, Lazier, Maddock of Mountrail, Ness, Strain, Ulland.

So the bill passed and the title was agreed to.

Mr. Preszler moved that further consideration of House Bill No. 132, be indefinitely postponed.

Mr. Patterson moved that the motion to indefinitely postpone House Bill No. 132 be laid on the table, which motion prevailed.

Mr. Miller moved that further action on House Bill No. 132 be deferred to the next legislative day.

Mr. Olsen of Billings moved as a substitute motion that House Bill No. 132 be placed at the foot of the calendar, which motion was lost.

The question being on the motion of Mr. Miller to defer action to the next legislative day, the motion was lost.

House Bill No. 132: A Bill for an Act Relating to Motion Picture Films, Reels, and Views, Providing a System of Examination, Approval and Regulation Thereof, and of the Banners, Posters and Other Advertising Matter Used in Connection Therewith; Creating a Bureau of Inspectors of Motion Pictures and Providing Penalties for the Violation of this Act.

Was read the third time.

Call of the House demanded.

The roll was called and all members were found present except Lazier, Brady and Ness.

Mr. Patterson moved that further proceedings under the call of the House be dispensed with, which motion prevailed and further proceedings under the call of the House were dispensed with.

The question being on the final passage of the bill, the roll was called and there were ayes 62, nays 48, absent and not voting 3.

Ayes: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Botz, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Hempel, Heaton, Johnson of Pembina, Johnson of Steele, Johnson of Traill, Kamrath, Kellogg, Kopp, Lakie, Larkin, Larson of Ransom, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Nathan, Oberg, Olafson, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Nays: Allen, Anderson of Burleigh, Bauer, Bollinger, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Hanson of Grand Forks, Jardine, Johnson of Cass, Johnson of Sargent, Johnson of Ward, Kelly, Kitchen, Kjos, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Nagel, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Absent and not voting: Brady, Lazier, Ness.

So the bill passed and the title was agreed to.

The following members asked permission to explain their votes:

Mr. Hempel: I vote "aye" for the reason that we certainly need a law prohibiting impure or immoral picture shows as much as we need laws against impure foods or laws against impure paint. The laws we already have against impure paints are only to preserve our buildings while the law we are now voting for will help to preserve our future generations—our boys and girls, which we surely need to guard more than we need to guard our buildings—therefore I vote "aye."

Mr. Johnson of Sargent: I was raised by Christian parents, and I am at the present time a member of a church. It may seem strange that a man of my teachings shall come up here and vote against this law, which I am going to do. I have my reasons for doing so. Our country is fearful of passing any laws that will create an army of paid politicians who will go around the country spreading political propaganda. I vote "no."

Mr. Kellogg: I am going to vote "aye" on this measure and hope that it will meet with the approval of the people in general.

Mr. Kopp: I vote "aye" on this bill for the reason I look upon the measure from a moral and not a political standpoint. I vote "aye."

Mr. Larson of Pierce: There is no one on the floor of this House who has the welfare of the growing generation more at heart than I do. You will find me on the right side of every moral question. I have the deepest respect for the authors of this bill. I know they are sincere, but I am fully satisfied this will not accomplish or remedy the evil that it is intended for, therefore I vote "no."

Mr. Prezler: I wish to explain my vote so the people at home will know why I voted "no" on this bill. I vote "no" because I consider it nothing or more less than political propaganda, and I hope, if this measure carries, some of the supporters of it will have an opportunity to be one of the sponsors. I vote "no."

Mr. Sagen: I have always stood, and shall always stand for the highest morals of this state and to make it better and purer, but I do not believe that this state or any other state alone can take in the censorship of moving picture films. I believe that it should be done under national supervision. I believe it will only cause confusion and delay to the different movie houses because these pictures are routed to be shown on a certain day and they will have to go to Fargo to be censored which will cause delay. I vote "no" with the understanding that I am for a censor bill, but it should cover more territory than this bill.

Mr. Sims: In the interest of the little folks; in the interest of things that are better, that are higher and that are purer than politics, I vote "aye."

Mr. Watt: I have always tried to stand for what was best in the community in which I live. I have always stood for what was right, and for better morals in the community in which I live, but I cannot conscientiously support any measure which will put into the hands of the present administration the power to appoint any more employees. I vote "no."

House Bill No. 169: A Bill for an Act to Amend and Re-enact Section 4671 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to the Size and Construction of Caboose Cars.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 104, nays 0, absent and not voting 9.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bollinger, Botz, Boyd, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, Mc-

Gauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Bjorgo, Brady, Grangaard, Heaton, Kellogg, Lazier, Ness, Preszler, Ulland.

So the bill passed and the title was agreed to.

Mr. Patterson moved that the House do now recess until 1 o'clock P. M., February 22, 1921, which motion was lost.

House Bill No. 174: A Bill for an Act to Amend and Re-enact Section 1190 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 199 of the Laws of North Dakota for the Year 1919, as Amended by Chapter 53 of the Laws of North Dakota, Special Session of the Year 1919, Relating to the Consolidation of Schools; and Contracting for the Transportation of Pupils to and From Said Schools; and providing for a Board of Arbitration.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 96, nays 1, absent and not voting 16.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Eckert, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Fredrickson, Frandson, Grangaard, Hagebarger, Halcrow, Hanson of enson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Slope, Mikkelson, Miller, Morton, Mouck, Nagel, Nathan, Oberg, Olsgard, Olson of Barnes, Olsen of Billings, Ophaug, Patterson, Plath, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Wood, Yeater.

Absent and not voting: Brady, Durkee, Ellingson, Freeman, Kamrath, Lazier, McGauvran, Martin of Bottineau, Maxwell, Ness, Olafson, Olson of Ramsey, Opland, Preszler, Whitmer, Mr. Speaker.

So the bill passed and the title was agreed to.

House Bill No. 154: A Bill for an Act to Amend and Re-enact Section 10184 and 10185 of the Compiled Laws of North

Dakota for 1913, Prohibiting the Manufacture, Sale, Disposing of, Giving Away (and Soliciting Orders for Cigarettes, or Cigarette Papers and Providing Penalty.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 79, nays 12, absent and not voting 22.

Ayes: Allen, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Botz, Boyd, Bratsberg, Bryans, Burkhardt, Burns, Cart, Doyle, Eckert, Erickson of Walsh, Flom, Fredrickson, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Miller, Morton, Nagel, Oberg, Olafson, Olson of Barnes, Ophaug, Opland, Patterson, Peters, Plath, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Slominski, Sproul, Starke, Ulland, Vogel, Watt, Weld of Kidder, Whitmer, Wood, Mr. Speaker.

Nays: Carlson, Kellogg, Kopp, Lackey, Mikkelson, Mouck, Nathan, Olsgard, Olsen of Billings, Shipley, Sims, Weld of Wells.

Absent and not voting: Anderson of Burleigh, Bollinger, Brady, Cole, Durkee, Ellingson, Elmer, Erickson of Divide, Freeman, Frandson, Grangaard, Harding, Kamrath, Lakie, Lazier, Maddock of Mountrail, Maxwell, Ness, Olson of Ramsey, Prezler, Strain, Yeater.

So the bill passed and the title was agreed to.

Mr. Plath moved that the House do now adjourn until 1 o'clock P. M., February 22, 1921, which motion was lost.

House Bill No. 137: A Bill for an Act Amending and Re-enacting Section 5742, Compiled Laws of North Dakota for 1913, Relating to the Application of the Provisions of Article 20, Compiled Laws of 1913, to Water Main and Water Works Systems, and to the Purchase Thereof.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 59, nays 34, absent and not voting 20.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Bilquist, Bjerke, Bjorgo, Bratsberg, Burns, Cart, Doyle, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Harding, Hempel, Jardine, Johnson of Cass, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kjos, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Miller, Mouck, Nathan, Oberg, Olsgard, Olsen of Billings, Ophaug, Opland, Peters, Plath, Quade, Renauld, Root, Semling, Sher-

man, Shimmin, Sims, Strain, Vogel, Watt, Weld of Kidder, Wood, Yeater.

Nays: Arduser, Babcock, Bauer, Boyd, Carlson, Durkee, Eckert, Ellingson, Hagelbarger, Halcrow, Hanson of Benson, Hartl, Kelly, Kitchen, Kopp, Lackey, McGauvran, McLarty, Maddock of Benson, Mikkelson, Morton, Nagel, Olson of Barnes, Patterson, Reichert, Sagen, Shipley, Slominski, Sproul, Starke, Ulland, Weld of Wells, Mr. Speaker.

Absent and not voting: Bollinger, Botz, Brady, Bryans, Burkhart, Cole, Grangaard, Hanson of Grand Forks, Hall, Heaton, Johnson of Pembina, Johnson of Steele, Lakie, Lazier, McManus, Maxwell, Ness, Olafson, Olson of Ramsey, Preszler, Whitmer.

So the bill passed and the title was agreed to.

The courtesies of the floor were extended to J. M. Helsing, N. B. Black, N. Black, Jr., John Knauf, Judge F. T. Lembke, H. B. Beckwith, W. C. Probert, Sergeant Len Stockwell, Roy Scuyler, T. O. Nustad.

Mr. Root moved that the House do now recess until 1 o'clock P. M., February 22, 1921, which motion prevailed and the House so recessed.

C. L. DAWSON,
Chief Clerk.

FORTY-NINTH DAY AFTER RECESS AND
FIFTIETH-DAY

House of Representatives,
Bismarck, North Dakota,
February 22, 1921.

The House convened pursuant to recess taken, the speaker presiding.

GENERAL ORDERS

Mr. Boyd moved that the house resolve itself into a committee of the whole for the consideration of general orders; which motion prevailed, and the house resolved itself into a committee of the whole.

The Speaker called Mr. Boyd to the chair.

When the committee arose it submitted the following report:

Mr. Speaker: The committee of the whole have had under consideration:

House Bill No. 25: A Bill for an Act to Amend and Re-enact Section 2078 of the Compiled Laws of North Dakota for the Year 1913, and Chapter 223 of the Session Laws of North for the Year 1919, Relating to the Exemption of Property from Taxation.

And recommended the same do pass.

Also

House Bill No. 95: A Bill for an Act to Amend and Re-enact Section 4547 of the Compiled Laws of North Dakota for the Year 1913, Relating to Elections by Stockholders and Members of Corporations.

And recommended the same be indefinitely postponed.

ROBERT L. BOYD,
Chairman.

Mr. Mikkilson moved that the report be adopted which motion prevailed and the report was adopted.

Mr. Hanson of Grand Forks moved that the House do now adjourn, which motion prevailed and the House adjourned.

C. L. DAWSON,
Chief Clerk.

FIFTIETH-DAY

House of Representatives,
 • Bismarck, North Dakota,
 February 22, 1921.

The House convened at 2 o'clock p. m. pursuant to adjournment, the Speaker presiding.

Prayer by Chaplain Rev. Huffman.

Roll call: All members present except Messrs. Bjorgo, Brady, Lazier, Miller, Reichert.

REVISION AND CORRECTION OF THE JOURNAL

The committee on revision and correction of the journal made the following report:

Mr. Speaker: Your committee on revision and correction of the journal have carefully examined the Journal of the 49th day and found the same correct.

And recommended that the same be approved.

ANDREW JOHNSON,
 Chairman.

Mr. Johnson moved that the report be adopted which motion prevailed and the report was adopted.

Mr. Patterson moved that the House do now recess to 10 o'clock a. m. February 23, 1921.

Mr. Hanson of Grand Forks moved that the motion of Mr. Patterson be laid upon the table.

Roll Call demanded.

The question being on the motion of Mr. Hanson of Grand Forks.

The roll was called and there were ayes, 51. nays 53, absent not voting 9.

Ayes: Allen, Anderson, of Burleigh, Bollinger, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson, of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson, of Grand Forks, Heaton, Jardine, Johnson, of Cass, Johnson, of Pembina, Johnson, of Traill, Johnson, of Ward, Kelly, Kitchen, Kjos, Lackey, Larson, of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Olafson, Olsgard, Olson, of Ramsey, Ophaug, Peters, Plath, Preszler, Root Sagen, Semling, Shimmie, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson, of Griggs, Arduser, Babcock, Bilquist, Bjerke, Botz, Brastberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson, of Divide, Frederickson, Frandson, Hagelbarger, Hanson, of Benson, Hall, Harding, Hartl, Hempel, Johnson, of Sargent, Johnson, of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson, of Ransom, Levin, McLarty, McManus, Maddock, of Benson, Magnuson, Martin, of Bottineau, Martin, of Slope, Maxwell, Miller, Morton, Nathan,

Oberg, Olson, of Barnes, Opland, Patterson, Renault, Sherman, Sims, Strain, Vogel, Weld, of Kidder, Weld, of Wells, Whitmer, Yeater.

Absent and not voting: Bauer, Bjorgo, Brady, Kopp, Lazier, Olsen, of Billings, Quade, Reichert.

Motion was lost.

The question being on the motion of Mr. Patterson that the House do now recess to February 23, at 10 o'clock a. m.

Call of the House demanded.

The roll was called and all members present except Messrs. Brady, Bjorgo, Kopp, Lazier, Maddock, of Mountrail, Olson of Billings, Reichert. Mr. Freeman moved that further proceedings under call of the House be dispensed with which motion prevailed and further proceedings under call of the House was dispensed with.

The question being on the motion of Mr. Patterson to recess until 10 o'clock a. m. February 23, 1921.

Roll call demanded.

The roll call was called and there were ayes 48, nays 59 absent and not voting 6.

Ayes: Anderson, of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson, of Divide, Frederickson, Frandson, Hagelbarger, Hanson, of Benson, Hall Harding, Hartl, Hempel, Johnson, of Steele, Kellogg, Lakie, Larkin, Larson, of Ransom, McLarty, McManus, Maddock, of Benson, Magnuson, Martin, of Bottineau, Martin, of Slope, Maxwell, Miller, Morton, Oberg, Olson, of Barnes, Opland, Patterson, Renault, Sherman, Sims, Strain, Vogel, Weld, of Kidder, Weld, of Wells, Whitmer, Yeater.

Nays: Allen, Anderson, of Burleigh, Bauer, Bjorgo, Bollinger, Boltz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson, of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson, of Grand Forks, Heaton, Jardine, Johnson, of Cass, Johnson, of Pembina, Johnson, of Sargent, Johnson, of Traill, Johnson, of Ward, Kamrath, Kelly, Kitchen, Kjos, Lackey, Larson, of Pierce, Levin, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olson, of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root Sagen, Smeling, Shimmin Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Absent and not voting: Brady, Kopp, Lazier, Maddock, of Mountrail, Olsen, of Billings, Reichert.

Motion to recess was lost.

Mr. Patterson: I desire to explain my vote and have it recorded in the journal. I vote aye on this motion to recess to ten o'clock tomorrow. For one reason, the Speaker stated on the floor of the House last evening that we were going to

have a special election in sixty days, and a special session here in six months—

Mr. Watt: Mr. Speaker, I rise to a point of order.

The Speaker: The gentleman rises to a point of order.

Mr. Patterson: I am explaining my vote. You can't force me to work today if as you stated we are going to have a general election in sixty days and a special session in six months.

REPORTS OF STANDING COMMITTEES

Mr. Speaker: Your committee on Judiciary to whom was referred:

House Bill No. 209: A Bill for an Act to Abolish the Present and to Provide a New System of Legal Procedure Both Civil and Criminal, by Authorizing the Supreme Court to Prescribe Forms and Rules, and Generally to Regulate Pleading, Evidence and Practice.

Have had the same under consideration and submit the same without recommendation.

C. H. STARKE,
Chairman.

Mr. Speaker: Your committee on Insurance to whom was referred:

House Bill No. 64: A Bill for an Act Repealing Section 6 of Chapter 160 of the Session Laws of North Dakota for the Year 1919, Relating to a Flat Tax of Three Cents an Acre for the Purpose of Carrying Out the Hail Insurance Act.

Have had the same under consideration and recommended that the same be indefinitely postponed.

ROY JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted, and House Bill No. 64 was indefinitely postponed.

Also:

Mr. Speaker: Your committee on Insurance to whom was referred :

House Bill No. 85: A Bill for an Act to Amend and Re-enact Chapter 160 Session Laws 1919, Relating to Hail Insurance.

Have had the same under consideration and recommended that the same be indefinitely postponed.

ROY JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted and further consideration of House Bill No. 85 was indefinitely postponed.

The committee on banking made the following report:

Mr. Speaker: Your committee on banking to whom was referred House Bill No. 133. A Bill for an Act, etc., to regulate exchange charges. To prohibit Notaries from practicing unpaid items, to prevent embarrassment of State banks and declaring an emergency. Have had the same under consideration and recommend that the same be indefinitely postponed.

M. O. GRANGAARD,
Chairman.

Mr. Grangaard moved that the report be adopted, which motion prevailed and the report was adopted, and further consideration of House Bill No. 133 was indefinitely postponed.

Mr. Speaker: a majority of your committee on State affairs to whom was referred House Bill No. 217. A Bill for an Act requiring and providing for the dissolution of the Bank of North Dakota, for the liquidation of its affairs and creating a Board of Trustees for such purpose and prescribing the Powers and Duties of such Board.

Have had the same under consideration and recommended that the same do pass.

MARTIN OLSEN,
Chairman.

Mr. Speaker: A minority of your committee on State Affairs to whom was referred:

House Bill No. 217: A Bill for an Act Requiring and Providing for the Dissoluton of the Bank of North Dakota, for the Liquidation of Its Affairs and Creating a Board of Trustees for Such Purpose and Prescribing the Powers and Duties of Such Board.

Have had the same under consideration and recommend that the same be indefinitely postponed.

J. J. STRAIN,
FRED ECKERT,
WILLIAM KAMRATH
E. E. BRYANS.

Mr. Olson of Ramsey, moved that the majority report of the committee be adopted which motion prevailed and the majority report was adopted.

Mr. Johnson, of Cass moved that the house resolve itself into a committee of the whole for the consideration of general orders; which motion prevailed, and the house resolved itself into a committee of the whole.

The Speaker called Mr. Johnson to the chair.

When the committee arose it submitted the following report.

Mr. Speaker: The committee of the whole have had under consideration

House Bill No. 129: A Bill for an Act to Empower Cities, Villages, and Towns to Purchase, Construct, Rent, Lease, Extend, Connect, or Erect, High Tension Electric Transmis-

sion Lines and Electrical Equipment, Within and Without the Corporate Limits, and Necessary Secondary Transmission Lines and Distribution Systems Within the Corporate Limits, for the Purpose of Securing Light, Power and Electric Energy for Municipal and Commercial Use; and to Assess the Property Within the Corporate Limits, and to Provide for the Method of Such Assessment and the Collection Thereof, and to Provide for the Issuance of Bonds.

And recommend the same be indefinitely postponed.

Also:

House Bill No. 179: A Bill for an Act to Amend and Re-enact Section 3482 of the Compiled Laws of North Dakota for the Year 1913 as Amended by Section 10 of Chapter 13 of the Laws of North Dakota for the Year 1918; as Amended by Section 2 of Chapter 177 of the Laws of North Dakota for the Year 1919; Also to Amend and Re-enact Section 4 of Chapter 54 of the Laws of the Special Session of North Dakota for the Year 1919, Relating to the Issuance of Bonds and Warrants to

In line 6, Section 3, page 2 of the printed bill, after the word "triplicate" and insert in lieu thereof the word "duplicate."

And recommend that the same be amended as follows:

House Bill No. 192: A Bill for an Act to Amend and Re-enact Chapter 97 of the Session Laws of 1917, as Amended by Chapter 99 of the Session Laws of 1919, and by Chapter 29 of the Special Session Laws of 1919, Relating to Cooperative Associations and to Repeal Chapter 13 of the Civil Code of the Compiled Laws of 1913, Chapter 92 of the Session Laws of 1915, and Chapters 95 and 96 of the Session Laws of 1917.

Also:

word "association" insert the words "the other." In the same line before the last word "copy," strike out the word "one."

Procure Seed Grain and Feed.

And recommend that the same be amended as follows:

Strike out all after the word "Section" in first line of title to figure "4" in fifth line of title.

Strike out everything beginning with Section 1 to Section 4. Change Section 4 to read Section 1.

And when so amended recommend the same do pass.

In line 7, Section 3, page 2 after the word "state" insert a period and strike out the balance of line 7, all of lines 8, 9, 10, 11, 12, 13, 14 and 15 up to the word "the."

In line 16, Section 3, page 2 after the word "incorporation" change the period to a comma and add the following: "upon receipt of the articles of incorporation and the payment of the fees provided."

Strike out lines 7, 8 and 9 of Section 4, page 3 of the printed bill.

In line 3, Section 5, page 3 of printed bill after the word "five" strike out the words "nor more than eleven." In same line after the first appearance of the word "directors," strike out the period and add the following: "and may be any number in excess thereof."

In line 12, Section 6, page 4 of the printed bill strike out the word "triplicate" and insert in lieu thereof the word "duplicate."

In line 19, Section 6, page 4 of the printed bill after the word "state" insert a period and strike out the balance of line also lines 20 and 21.

In line 11, Section 13, page 8 of the printed bill strike out the word "distributed" and insert in lieu thereof the word "prorated."

In line 2, Section 14, page 9 of the printed bill strike out the word "distributed" and insert in lieu thereof the word "prorated."

In line 10, Section 15, page 9 of the printed bill strike out the word "character" and insert in lieu thereof the word "charter."

And when so amended recommend the same do pass.

Also:

House Bill No. 203: An Act to Amend and Re-enact Section 69 of the Compiled Laws of North Dakota for 1913, Relating to the Printing of the Popular Edition of the Session Laws; Fixing the Specifications for the Unauthenticated Edition of the Session Laws of the State of North Dakota, and Repealing all Acts and Parts of Acts in Conflict Therewith.

And recommend that the same be amended as follows:

In line 19, page 2 of the printed bill, strike out the word "first" and insert in lieu thereof the word "fourth."

Strike out the emergency clause.

In the title, strike out the word "popular" and insert in lieu thereof "authenticated and unauthenticated." In line 17, page 2 of the printed bill strike out the word "size" and insert the word "six."

And when so amended recommend the same do pass.

Also:

House Bill No. 79: A Bill for an Act to Amend and Re-enact Sections 48 and 49 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Public Printing and Binding.

And recommend that the same be amended as follows:

Strike out everything after the word "A Bill" and insert in lieu thereof the following:

For an Act to Repeal Section 48 and to amend and re-enact Section 49 and 59 of the Compiled Laws of the State of North Dakota for the year 1913, relating to public printing and binding.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. That Section 48 of the Compiled Laws for the year 1913 is hereby repealed.

Section 2. That Section 49 of the Compiled Laws of the State of North Dakota for the year 1913 is hereby amended and re-enacted to read as follows:

Section 49. Paper, Quality. All paper used for printing and binding of whatever nature shall be standard weights and grades and approved by the State publication and Printing Commission.

Section 3. That Section 59 of the Compiled Laws of the State of North Dakota for the year 1913; is hereby amended and re-enacted to read as follows:

Section 59. Number of Volumes to be Printed and Style of Binding. Two thousand volumes of the Session Laws shall be printed and bound in Buckram. The volumes of executive documents provided for in Section 54 of this article shall be bound in half binding. Two hundred copies of the biennial reports of the state auditor, state treasurer, commissioner of insurance and superintendent of public instruction shall be bound in cloth, the remainder authorized by law, to be bound in pamphlet form, unless otherwise ordered by the commissioners of printing.

And when so amended recommend the same do pass.

Also:

House Bill No. 175: A Bill for an Act to Authorize Congressional Township to Levy a Special Tax for the Support of High Schools.

And recommend the same be indefinitely postponed.

Also:

House Bill No. 176: A Bill for an Act to Amend and Re-enact Section 2078, Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 223, Session Laws of 1919, Relating to the Exemption of Property From Taxation.

And recommend that the same be amended as follows:

Strike out everything after "A Bill" and insert in lieu thereof:

For an Act to Exempt Public Hospitals under the control of Religious or charitable Societies and Dormitories and Boarding halls from Taxation under certain conditions.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF
THE STATE OF NORTH DAKOTA:

Section 1. All buildings and contents thereof belonging to institutions of public charity, including public hospitals under the control of religious or charitable societies, used wholly or in part for public charity shall be exempt from taxation in all cases in which said hospitals fairly and freely allow duly licensed and practicing physicians and surgeons equal access to and privilege of practicing therein. That the land actually occupied by such institution not leased or otherwise used with a view to profit, and all moneys and credits appropriated solely or sustaining and belonging exclusively to such institution; also all dormitories and boarding halls including the land upon which they are situated, owned and managed by any religious corporation for educational or charitable purposes for use of students in attendance upon any of these educational institutions shall likewise be exempt from taxation, provided, such dormitories and boarding halls be not managed or used for the purpose of making profit over and above the cost of maintenance and operation.

EMERGENCY. This act is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval.

And when so amended recommend the same do pass.

Also:

House Bill No. 77: A Bill for an Act Fixing the Compensation of Election Officers.

And recommend the same be amended as follows:

Strike out all of section 1, after the word "Officers" in line 3, and add "receive as compensation therefor the sum of six dollars (\$6.00), and when the number of votes cast at such election shall exceed two-hundred the sum of one dollar (\$1.00) for each additional one hundred votes cast or major fraction thereof."

And when so amended recommend the same do pass.

Also:

Senate Bill No. 27: A Bill for an Act to Amend and Re-enact Section 1045 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 148 of the Laws of North Dakota for the Year 1919, Relating to the Compensation of Election Officers.

And recommend that the same be indefinitely postponed.

Also:

Senate Bill No. 54: A Bill for an Act to Appropriate Money to Take Care of the Deficit in the Maintenance Account of the Hail Insurance Department for the Year Beginning January 1st, 1920, and Ending December 31st, 1920.

And recommend that the same be amended as follows:

In the printed bill, in the first line of the title, strike out the word appropriate and substitute in lieu thereof the word "transfer." After the word "money" in the same line, insert "from the hail insurance fund."

In line 1, Section 1, strike out the word "appropriation" and insert in lieu thereof the word "transfer." In the second line of Section 1, strike out the word "appropriated" and insert in lieu thereof the word "transferred." In line 3, of the same section, strike out the words "State Treasury, not otherwise appropriated," and insert in lieu thereof "Hail Insurance Fund." In the same section, line 6, strike out the words "said sum to be" and after the numerals "1920" insert a "period." In the same section, strike out the lines 7 and 8.

And when so amended recommend the same do pass.

Also:

Mr. Speaker: Your committee of judiciary to whom was referred:

Senate Bill No. 32: A Bill for an Act to Amend and Re-enact Sections 11114 and 11115, Compiled Laws of the State of North Dakota for 1913, Relating to the Admitting to Bail of Persons Charged with the Offense of Homicide.

And recommend that the same be amended as follows:

Section 1. That just before the word "when" and just after the word "actions," in line three (3) of Section one (1) insert the following "when the offense is punishable by death or,"

And when so amended recommend the same do pass.

ROY JOHNSON,
Chairman.

Mr. Kelly moved that the report be adopted which motion prevailed and the report was adopted.

REPORTS OF STANDING COMMITTEES

Mr. Speaker: Your committee on Engrossment have examined the following bills:

House Bill No. 19: A Bill for an Act to Amend and Re-enact Section 4 of Chapter 162 of the Session Laws of the State of North Dakota for the Year 1919, as Amended by Chapter 73 of the Laws Passed at the Special Session of the Sixteenth Legislative Assembly in December, 1919, Relating to the Creation of the Workmen's Compensation Bureau of North Dakota, the Appointment and Removal of the Commissioners Thereof, the Salary of such Commissioners and the Powers and Duties of such Bureau.

House Bill No. 25: A Bill for an Act to Amend and Re-enact Section 2078 of the Compiled Laws of North Dakota for the Year 1913, and Chapter 223 of the Session Laws of North for the Year 1919, Relating to the Exemption of Property from Taxation.

House Bill No. 43: A Bill for an Act Entitled an Act Providing for the Creation and Establishment of a State Board of Engineering Examiners, Granting Certain Powers to and Prescribing the Duties of Said Board; Providing for the Examination and Registration of Land Surveyors and Professional Engineers. Regulating the Practice of Engineering in the State of North Dakota, Providing Penalties for the Violation of this Act and Repealing all Acts or Parts of Acts in Conflict Therewith.

House Bill No. 41: A Bill for an Act. Providing for the Preservation and Control of the Artesian Waters of the State.

House Bill No. 60: A Bill for an Act Appropriating Five Thousand (\$5,000.00) Dollars for the Purpose of Erecting a Suitable Dairy Barn at the Experimental Station, Situated at Hettinger, Adams County, North Dakota.

House Bill No. 75: A Bill for an Act to Appropriate Money for the Purpose of Constructing a Beef Cattle Barn at the Langdon Sub-Station.

House Bill No. 90: A Bill for an Act Requiring Railroad Companies to Provide Separate Compartments for Carriage of Sick People and Providing a Penalty for Violation Thereof.

House Bill No. 104: A Bill for an Act to Amend and Re-enact Chapter 59, Laws of North Dakota, 1917, and Chapter 220, Laws of North Dakota, 1919, Relating to the Classification of Property for Assessment.

House Bill No. 132: A Bill for an Act Relating to Motion Picture Films, Reels, and Views, Providing a System of Examination, Approval and Regulation Thereof, and of the Banners, Posters and Other Advertising Matter Used in Connection Therewith; Creating a Bureau of Inspectors of Motion Pictures and Providing Penalties for the Violation of this Act.

House Bill No. 134: A Bill for an Act to Amend and Re-enact Sub-division 70 of Section 3818, Compiled Laws of North Dakota for 1913, Relating to the Purchase and Acquisition by a City of Any System or Part of System of Water Works.

House Bill No. 136: A Bill for an Act to Amend and Re-enact Section 8205, Compiled Laws of North Dakota for 1913, Defining the Private Property Which May be Taken by Eminent Domain.

House Bill No. 137: A Bill for an Act Amending and Re-enacting Section 5742, Compiled Laws of North Dakota for 1913, Relating to the Application of the Provisions of Article 20, Compiled Laws of 1913, to Water Main and Water Works Systems, and to the Purchase Thereof.

House Bill No. 148: A Bill for an Act Making it a Felony for Any Person to Enter Any Room Wherein, in Whole or in Part, a General Banking Business is Carried on, or Wherein in Whole or in Part, a Business of Receiving Securities, Evidence of Debts or Any Other Valuable Papers on Deposit or for Safe Keeping, in Which There is at the Time a Human

Being, With Intent to Commit a Felony Therein by Means of Threats, Force or Violence, and Prescribing the Punishment Therefor.

House Bill No. 154: A Bill for an Act to Amend and Re-enact Section 10184 and 10185 of the Compiled Laws of North Dakota for 1913, Prohibiting the Manufacture, Sale, Disposing of, Giving Away, and Soliciting Orders for Cigarettes, or Cigarette Papers and Providing Penalties.

House Bill No. 169: A Bill for an Act to Amend and Re-enact Section 4671 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to the Size and Construction of Caboose Cars.

House Bill No. 174: A Bill for an Act to Amend and Re-enact Section 1190 of the Compiled Laws of North Dakota, for the Year 1913, as Amended by Chapter 199 of the Laws of North Dakota for the Year 1919, as Amended by Chapter 53 of the Laws of North Dakota, Special Session of the Year 1919, Relating to the Consolidation of Schools; and Contracting for the Transportation of Pupils and From Said Schools; and Providing for a Board of Arbitration.

House Bill No. 178: A Bill for an Act to Amend and Re-enact Chapter 155 of the Session Laws of 1917, Relating to Glaring Head Lights and Spotlights and Prescribing Penalty for Violation.

House Bill No. 185: A Bill for an Act to Amend and Re-enact Section One, Chapter 124, of Session Laws of 1917, as Amended by Chapter 136, Session Laws of 1919, Relating to Witness Fees in Garnishment Proceedings.

House Bill No. 212: A Bill for an Act, Designating Depositories of all Public Funds and Fixing the Minimum Rate of Interest; Requiring Competitive Bids for Such Deposits; Providing for Publicity With Reference to Such Funds and Depositories; Prescribing Penalties for Violation of this Act; Defining Terms used Herein, and Repealing Sections 370 to 374, Inclusive, Sections 1472 to 1488, Inclusive, and Sections 3315 to 3329, Inclusive, of the Compiled Laws of 1913.

House Bill No. 213: A Bill for an Act to Amend and Re-enact Chapter 151 of the Session Laws of 1919, Creating an Industrial Commission and Defining the Powers and Duties Thereof, and Authorizing the Same to Manage, in Behalf of the State, the Mill and Elevator Association and the Home Building Association, Established by Chapters 152 and 150 of the Session Laws of 1919, Respectively, and to Repeal Such Portions of Chapter 151 of the Session Laws of 1919, as are Not Re-enacted Herein.

House Bill No. 214: A Bill for an Act to Create a Rural Credits Board, to Establish a System of Rural Credits, and to Provide for the Assumption by Such Rural Credits of the Farm Loan Business of the Bank of North Dakota, and to Provide for Taking Charge of the North Dakota Bonds, Real Estate Series, Provided for in Chapter One Hundred Fifty-four (154) of the Session Laws of 1919.

And find the same correctly engrossed.

A. J. PRESZLER,
Chairman.

Mr. Preszler moved that the report be adopted, which motion prevailed and the report was adopted.

PETITIONS AND COMMUNICATIONS

Marmarth, N. Dak., February 15th, 1921.

Hon. Joseph A. Kitchen, House of Representatives, Bismarck, N. Dak.:

Dear Sir: As per our telegram to you last night we beg to submit the following resolution:

WHEREAS, There is now pending in the Seventeenth Session of the Legislative Assembly of the State of North Dakota, a bill known as Senate Bill No. 2, providing for and establishing a Trunk Highway System to be constructed, improved and maintained by the State; and

WHEREAS, Route Nine of this bill affects a territory which now has an adequate system of roads and neglects that part of Slope County which has not one good road for the use and the outlet of the rural taxpayers;

BE IT THEREFORE RESOLVED, By the Chamber of Commerce of Marmarth, North Dakota, in executive session, that Section or Route Nine of this bill be amended to read: "From the South Dakota State Line south of Marmarth, to Marmarth, and from Marmarth north, keeping west of the Little Missouri River, to Stuart; thence to Golva and from Golva to Beach and farther" as the bill now designates, and that Route No. 12 of this bill be amended to read: "From the South Dakota Line to Bowman and from Bowman northeasterly to Amidon and farther" as the bill now designates.

W. C. VANDERVORT,

And 6 Others.

MOTIONS AND RESOLUTIONS

Mr. Jardine moved that House Bill No. 71, be re-referred to the committee, which motion prevailed, and the bill was so re-referred.

Mr. Jardine asked unanimous consent of the House to withdraw House Bill No. 215, unanimous consent was granted, and House Bill No. 215 was withdrawn.

The courtesies of the floor were extended to Sam Morgan, Robert Barron, C. J. Fisk, W. S. Shaw, Ed. Shirley, Judge Guptill, C. O. Follett, A. Crowl, Geo. Nelson, A. W. Fowler, B. E. Cone, Dan Daddy, A. S. Farr.

Mr. Preszler moved that the House do now recess until 1 o'clock P. M., February, 23, 1921, which motion prevailed, and the House so recessed.

C. L. DAWSON,
Chief Clerk.

FIFTIETH DAY AFTER RECESS AND
FIFTY-FIRST DAY

House of Representatives,
Bismarck, North Dakota,
February 23, 1921.

The House convened pursuant to recess taken, the Speaker presiding.

THIRD READING OF HOUSE BILLS

House Bill No. 136: A Bill for an Act to Amend and Re-enact Section 8205, Compiled Laws of North Dakota for 1913, Defining the Private Property Which May be Taken by Eminent Domain.

Was read the third time.

Mr. Patterson moved a call of the House. which motion was lost.

House Bill No. 136: A Bill for an Act to Amend and Re-enact Section 8205, Compiled Laws of North Dakota for 1913, Defining the Private Property Which May be Taken by Eminent Domain.

The question being on the final passage of the bill, the roll was called and there were ayes 88, nays 22, absent and not voting 3.

Ayes: Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bollinger, Botz, Brady, Bratsberg, Bryans, Burkhart, Burns, Cart, Durkee, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kjos, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGarman, McLarty, McManus, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Mouck, Ness, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Peters, Plath, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Sims, Slominski, Sproul, Starke, Ulland, Watt, Wood, Yeater, Mr. Speaker.

Nays: Allen, Bauer, Bjorgo, Boyd, Carlson, Cole, Doyle, Eckert, Kelly Kitchen, Kopp, Lackey, Maddock of Benson, Morton, Nagel, Patterson, Shipley, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer,

Absent and not voting: Lazier, Maddock of Mountrail, Prezler.

So the bill passed with the emergency clause and the title was agreed to.

Mr. Semling moved that the vote by which House Bill No. 136 passed, be reconsidered and the motion to reconsider be laid on the table. Which motion prevailed.

The following members asked permission to explain their votes and have them recorded in the Journal:

Mr. Hagelbarger: From the best information I can get there is not sufficient water for the city of Bismarck for fire protection, and this bill seems to give them a chance to get more; I vote "aye."

Mr. Heaton: I don't know of a bill that has caused me so much study as this to be sure to be on the right side, which I hope I am. I have friends on both sides of this bill, and you know it effects us in Burleigh county more vitally than the rest of us who do not live here, and I have taken great pains to study this question and ascertain the right and wrong on both sides, and I am compelled to vote "no."

House Bill No. 134: A Bill for an Act to Amend and Re-enact Sub-division 70 of Section 3818, Compiled Laws of North Dakota for 1913, Relating to the Purchase and Acquisition by a City of Any System or Part of System of Water Works.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 84, nays 21, absent and not voting 8.

Ayes: Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Botz, Brady, Bratsberg, Bryans, Burkhart, Burns, Cart, Durkee, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kjos, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McManus, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Mouck, Ness, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Peters, Plath, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Sims, Slominski, Sproul, Ulland, Watt, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Allen, Bauer, Bjorgo, Bollinger, Boyd, Cole, Doyle, Eckert, Kelly, Kitchen, Kopp, Lackey, Maddock of Benson, Morton, Nagel, Patterson, Shipley, Starke, Vogel, Weld of Kidder, Weld of Wells.

Absent and not voting: Carlson, Freeman, Hanson of Benson, Lazier, McLarty, Maddock of Mountrail, Preszler, Strain.

So the bill passed with the emergency clause and the title was agreed to.

Mr. Semling moved that the vote by which House Bill No. 134 passed, be reconsidered and the motion to reconsider be laid on the table. Which motion prevailed.

House Bill No. 90: A Bill for an Act Requiring Railroad Companies to Provide Separate Compartments for Carriage of Sick People and Providing a Penalty for Violation Thereof.

Was read the third time.

The question being on the final passage of the bill the roll was called and there were ayes 79, nays 27, absent and not voting 7.

Ayes: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bollinger, Botz, Brady, Bryans, Burkhart, Burns, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Walsh, Flom, Freeman, Frederickson, Frandson, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, Maddock of Benson, Magnuson, Martin of Slope, Maxwell, Mikkelson, Miller, Mouck, Nees, Nagel, Nathan, Oberg, Olafson, Olgard, Ophaug, Patterson, Plath, Root, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Vogel, Watt, Weld of Kidder, Weld of Wells, Mr. Speaker.

Nays: Allen, Anderson of Burleigh, Bauer, Bjorgo, Bratsberg, Cart, Erickson of Divide, Grangaard, Hagelbarger, Heaton, Jardine, Kitchen, McManus, Martin of Bottineau, Morton, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Opland, Peters, Preszler, Quade, Renauld, Sagen, Ulland, Whitmer, Wood, Yeater.

Absent and not voting: Boyd, Carlson, Lazier, Maddock of Mountrail, Reichert, Semling, Strain.

So the bill passed and the title was agreed to.

Mr. Sagen moved that the vote by which House Bill No. 90 passed, be reconsidered and the motion to reconsider be laid on the table. Which motion prevailed.

Mr. Burkhart moved that the House do now adjourn, which motion prevailed and the House adjourned.

C. L. DAWSON,
Chief Clerk.

FIFTY-FIRST DAY

House of Representatives,
Bismarck, North Dakota,
February 23, 1921.

The House assembled pursuant to adjournment, the Speaker presiding.

Prayer by Chaplain, Rev. Huffman.

Roll Call: All members present except Mr. Lazier.

REVISION AND CORRECTION OF THE JOURNAL

The committee on revision and correction of the journal made the following report:

Mr. Speaker: Your committee on revision and correction of the journal have carefully examined the Journal of the 50th day and found the same correct.

And recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted.

REPORTS OF STANDING COMMITTEES

The committee on engrossment made the following report:

Mr. Speaker: Your committee on Enrollment and Engrossment have examined the following bills:

House Bill No. 192: A Bill for an Act to Amend and Re-enact Chapter 97 of the Session Laws of 1917, as Amended by Chapter 99 of the Session Laws of 1919, and by Chapter 29 of the Special Session Laws of 1919, Relating to Cooperative Associations and to Repeal Chapter 13 of the Civil Code of the Compiled Laws of 1913, Chapter 92 of the Session Laws of 1915, and Chapters 95 and 96 of the Session Laws of 1917.

House Bill No. 203: A Bill for an Act to Amend and Re-enact Section 69 of the Compiled Laws of North Dakota for 1913, Relating to the Printing of the Popular Edition of the Session Laws; Fixing the Specifications for the Unauthenticated Edition of the Session Laws of the State of North Dakota, and Re-enacting All Acts and Parts of Acts in Conflict Therewith.

House Bill No. 77: A Bill for an Act Fixing the Compensation of Election Officers.

House Bill No. 79: A Bill for an Act to Amend and Re-enact Sections 48 and 49 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Public Printing and Binding.

House Bill No. 176: A Bill for an Act to Amend and Re-enact Section 2078, Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 223, Session Laws of 1919, Relating to the Exemption of Property From Taxation.

House Bill No. 179: A Bill for an Act to Amend and Re-enact Section 3482 of the Compiled Laws of North Dakota for the Year 1913 as Amended by Section 10 of Chapter 13 of the Laws of North Dakota for the Year 1918, as Amended by Section 2 of Chapter 177 of the Laws of North Dakota for the

Year 1919; Also to Amend and Re enact Section 4 of Chapter 54 of the Laws of the Special Session of North Dakota for the Year 1919, Relating to the Issuance of Bonds and Warrants to Procure Seed Grain and Feed.

And find the same correctly engrossed.

A. J. PRESZLER,
Chairman.

Mr. Preszler moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Enrollment and Engrossments have examined the following bills:

House Bill No. 25. A bill for an Act to Amend and Re-enact Section 2078 of the Compiled Laws of North Dakota for the year 1913 and Chapter 223 of the Session Laws of North Dakota for the year 1919 Relating to the Exemption of Property from Taxation.

And file the same correctly re-engrossed.

A. J. PRESZLER,
Chairman.

Mr. Speaker: Your committee on Tax and Tax Laws to whom was referred:

House Bill No. 71: A Bill for an Act to Amend and Re-enact Section 2212 of the Compiled Laws of North Dakota for 1913 as Amended by Chapter 252 of the Session Laws of 1915, Relating to the Duty of the County Auditor, and the Requirements of the Transfer of Real Property as to Taxes.

Have had the same under consideration and recommend that the same be amended as follows:

In line 4, Section 1, of the printed bill, strike out the word "due" and insert in lieu thereof the word "delinquent."

In the same Section, line 6, of the printed bill strike out the word "due" and insert in lieu thereof the word "delinquent."

In line 24, Section 1, of the printed bill, after the word "mortgages," insert "and decrees of Supreme, Districts and County Court."

Strike out all of Section 2 after the word "record" in line 4, and insert in lieu thereof "after the first day of December must pay the full amount of taxes in order to record such instruments, though such taxes only become due one-half on the first day of March and one-half on the fifteenth day of October subsequent to such December first."

And when so amended recommend that the same do pass.

J. A. JARDINE,
Chairman.

THIRD READING OF HOUSE BILLS

House Bill No. 185: A Bill for an Act to Amend and Re-enact Section One, Chapter 124, of Session Laws of 1917, as Amended by Chapter 136, Session Laws of 1919, Relating to Witness Fees in Garnishment Proceedings.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 98, nays 1, absent and not voting 14.

Ayes: Allen, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bollinger, Botz, Brady, Bratsberg, Bryans, Burkhart, Burns, Cart, Cole, Doyle, Durkee, Eckert, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson, of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Billings, Olson of Ramsey, Ophaug, Opland, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Erickson of Divide.

Absent and not voting: Anderson of Burleigh, Bjorgo, Boyd, Carlson, Elmer, Kamrath, Lazier, Maddock of Mountrail, Olson of Barnes, Patterson, Peters, Strain, Ulland.

So the bill passed and the title was agreed to.

Mr. Johnson of Cass moved that the vote by which House Bill No. 185 passed, be reconsidered and the motion to reconsider be laid on the table. Which motion prevailed.

House Bill No. 75: A Bill for an Act to Appropriate Money for the Purpose of Constructing a Beef Cattle Barn at the Langdon SubStation.

Was read for the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 104, nays 0, absent and not voting 9.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bjerke, Bollinger, Botz, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kellogg, Kelly, Kitchen, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olson of Billings, Olson of Ramsey, Ophaug, Opland, Peters, Plath, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Bilquist, Bjorgo, Boyd, Kamrath, Kjoss, Lazier, Maddock of Mountrail, Patterson, Preszler, Quade.

So the bill passed with the emergency clause and the title was agreed to.

Mr. Kelly moved that the vote by which House Bill No. 75 passed, be reconsidered and the motion to reconsider be laid on the table. Which motion prevailed.

House Bill No. 60: A Bill for an Act Appropriating Five Thousand (\$5,000.00) Dollars for the Purpose of Erecting a Suitable Dairy Barn at the Experimental Station, Situated at Hettinger, Adams County, North Dakota.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 105, nays, 0, absent and not voting 8.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Cart, Doyle, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kelly, Kitchen, Kjoss, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Martin of Bottineau, Martin of Slope, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olson of Billings, Olson of Ramsey, Ophaug, Opland, Petterson, Peters, Plath, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Carlson, Cole, Durkee, Hall, Kellogg, Lazier, Magnuson, Maxwell, Preszler,

So the bill passed and the title was agreed to.

Mr. Bauer moved that the vote by which House Bill No. 60 passed, be reconsidered and the motion to reconsider be laid on the table. Which motion prevailed.

House Bill No. 41: A Bill for an Act Providing for the Preservation and Control of the Artesian Waters of the State.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 93, nays 10, absent and not voting 10.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bjerke, Bjorgo, Bollinger, Botz,

Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Cart, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Frederickson, Frandson, Grangaard, Hagelbarger, Hanson, of Benson, Hanson, of Grand Forks, Hall, Harding, Hartl, Ifempel, Heaton, Jardine, Johnson, of Cass, Johnson, of Pembina, Johnson, of Sargent, Johnson, of Steele, Johnson, of Ward, Kamrath, Kelly, Kitchen, Kopp, Lackey, Lakie, Larkin, Larson, of Pierce, Larson of Ransom, Levin, McGauvran, McLarty, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Bilquist, Doyle, Eckert, Elmer, Erickson of Divide, Johnson of Traill, Kjos, McDowell, Mikkelson, Olsgard.

Absent and not voting: Carlson, Halcrow, Kellogg, Lazier, McManus, Maddock of Benson, Maxwell, Preszler, Ulland, Vogel.

So the bill passed with the emergency clause, and the title was agreed to.

Mr. Ness moved that the vote by which House Bill No. 41 passed, be reconsidered and the motion to reconsider be laid on the table. Which motion prevailed.

Mr. Olsen of Billings asked the unanimous consent of the House to withdraw House Bill No. 178, which request was granted, and House Bill No. 178 was withdrawn.

House Bill No. 104: A Bill for an Act to Amend and Re-enact Chapter 59, Laws of North Dakota, 1917, and Chapter 220, Laws of North Dakota, 1919, Relating to the Classification of Property for Assessment.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 58, nays 47, absent and not voting 8.

Ayes: Allen, Anderson of Burleigh, Bauer, Bjorgo, Bolinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hansen of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson, of Pembina, Johnson of Sargent, Johnson of Traill, Johnson, of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Peters, Plath, Quade, Renauld, Root, Semling, Shimmin, Shipley, Slominski, Starke, Ulland, Watt, Wood, Mr. Speaker. -

Nays: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson, of Divide, Frederickson, Frandson, Hagelbarger, Hanson, of Benson, Hall, Harding, Hartl,

Hempel, Johnson, of Steele, Kellogg, Lakie, Larkin, Larson of Ransom, Levin, McLarty, McManus, Maddock, of Montrail, Magnuson, Martin, of Bottineau, Martin of Slope, Miller, Morton, Oberg, Olson of Barnes, Patterson, Reichert, Sherman, Sims, Sproul, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Kamrath, Lazier, Maddock of Benson, Maxwell, Preszler, Sagen, Strain, Vogel.

So the bill passed and the title was agreed to.

House Bill No. 104: A Bill for an Act to Amend and Re-enact Chapter 59, Laws of North Dakota, 1917, and Chapter 220, Laws of North Dakota, 1919, Relating to the Classification of Property for Assessment.

At this time Mr. Renauld served notice that during the next legislative day he would move to reconsider the vote by which House Bill No. 104 was passed.

Mr. Peters moved that the vote by which House Bill No. 104 was passed, be reconsidered, and the motion to reconsider be laid on the table.

Roll call demanded.

The question being on the motion of Mr. Peters:

The roll was called and there were ayes 57, nays 54, absent and not voting 2.

Ayes: Allen, Bauer, Bjorgo, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olgard, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Peters, Plath, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Brady, Bratsberg, Bryans, Burkhardt, Cart, Doyle, Eckert, Elmer, Erickson, of Divide, Frederickson, Frandson, Hagelberger, Hanson, of Benson, Hall, Harding, Hartl, Hempel, Heaton, Johnson, of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson, of Ransom, Levin, McLarty, McManus, Maddock, of Benson, Maddock of Montrail, Magnuson, Martin, of Bottineau, Martin, of Slope, Maxwell, Miller, Morton, Oberg, Olson, of Barnes, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld, of Kidder, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Lazier, Preszler.

Which motion prevailed.

MESSAGE FROM THE SENATE

Bismarck, N. D., Feb. 23, 1921

Mr. Speaker: I have the honor to transmit herewith the following bills:

Senate Bill No. 154: A Bill for an Act Prescribing the Fees to be Paid to Newspapers for the Publications and Printing of All Legal Notices and Repealing All Acts or Parts of Acts in Conflict Herewith.

Senate Bill No. 189: A Bill for an Act to Amend and Re-enact Sections 1008 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 121 of the Session Laws of North Dakota for the Year 1919.

Senate Bill No. 195: A Bill for an Act Relating to the Taking of New Promissory Notes in Renewal of Notes Already Held by Banks, Other Corporations or Individuals, Effecting Their Legality.

Senate Bill No. 142: A Bill for An Act to Prevent the Taking or Carrying in or Having in Possession Intoxicating Liquor in Any Hotel, Theatre or Dance Hall in the State of North Dakota.

Senate Bill No. 59: A Bill for an Act to Amend and Re-enact Section 2141 of the Compiled Laws of North Dakota, for the Year 1913, as Amended, Providing for the Substitution of the Commissioner of Insurance as a Member of the State Board of Equalization Instead of the State Auditor, and Making the Tax Commissioner Secretary Thereof.

Senate Bill No. 173: A Bill for an Act Providing for Salaries of County Auditors, Registers of Deeds, County Judges, State's Attorneys, Clerks of District Courts, Sheriffs, and County Superintendents of Schools, and Repealing Chapter 112 of the Laws of 1915 and All Acts and Parts of Acts in Conflict Herewith, and Chapter 105 of the Session Laws of 1919.

Senate Bill No. 192: A Bill for an Act to Amend and Re-enact Section 4929 of the Compiled Laws of North Dakota for the Year 1913, Relating to the fees to be paid by Insurance Companies doing Business in this State.

Senate Bill No. 67: A Bill for an Act to Appropriate Seventy-five Hundred Dollars to the Missouri Slope Agricultural and Fair Association at Mandan for the Fairs to be Held in the Years 1921 and 1922.

Senate Bill No. 134: A Bill for an Act to Amend and Re-enact Section 1, Chapter 77 of the Session Laws for the Year 1919; an Act Making it Unlawful to Separate or Cause to be Separated Any Child Under Six Months of Age From Its Mother for the Purpose of Committing Such Child to a Foster Home or Institution, and to Regulate the Manner and Circumstances Under Which it May be Done, and to Provide a Penalty for Violation of Said Act.

Senate Bill No. 148: A Bill for an Act to Amend Chapter 131 of the Session Laws of 1919, Enacted by The Sixteenth Session of the Legislative Assembly, Pertaining to the Giving of Notices of Intention to Foreclose Real Estate Mortgages.

Senate Bill No. 68: A Bill for an Act to Amend and Re-enact Section 2166 of the Compiled Laws of the State of

North Dakota for the Year 1913, Relating to Delinquent Personal Property Taxes.

Senate Bill No. 25: A Bill for an Act to Appropriate Money for the Expenses of the Executive, Legislative and Judicial Departments of the State Government, and for Public Schools, Specifying the Amount and Time for Which Such Appropriations Shall be Available, and Repealing Sections 1416, 1418 and 1419 of the Compiled Laws of 1913, as Amended by Chapter 34 of the Session Laws of 1915, and All Other Acts and Parts of Acts in so far as the Same Relate to Appropriations Conflicting Herewith or the Appropriations for the Same Matters or Purposes Provided for Herein.

Senate Bill No. 158: A Bill for an Act to Provide for Conciliation of Controversies and to Repeal Sections 9187, 9188, 9189, 9190, 9191 and 9192 of the Compiled Laws of North Dakota, 1913.

Senate Bill No. 131: A Bill for an Act Entitled, an Act for the Purpose of Continuing the Work of Immigration as Provided for in Chapter 146 of the Session Laws of 1919, During the Biennial Period Beginning July 1, 1921, and Ending June 30, 1923.

Which the Senate has passed and your favorable consideration is respectfully requested.

Very respectfully,
W. J. PRATER,
Secretary.

THIRD READING OF HOUSE BILLS ROLL CALL

House Bill No. 162: A Bill for an Act to Amend and Re-enact Section 13b and Section 43 of Chapter 225, Laws of North Dakota, 1919, Relating to the Taxation of Transfers of Property by Will, Gift or by Intestate Law.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 107, nays 1, absent and not voting 5.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson, of Cass, Johnson of Pembina, Johnson, of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling,

Sherman, Shimmin, Shipley, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Oberg.

Absent and not voting: Erickson of Divide, Lazier, Olson of Ramsey, Sims, Watt.

So the bill passed and the title was agreed to.

Mr. Hanson of Grand Forks moved that the vote by which House Bill No. 162 passed, be reconsidered and the motion to reconsider be laid on the table. Which motion prevailed.

House Bill No. 214: A Bill for an Act to Create a Rural Credits Board, to Establish a System of Rural Credits, and to Provide for the Assumption by Such Rural Credits of the Farm Loan Business of the Bank of North Dakota, and to Provide for Taking Charge of the North Dakota Bonds, Real Estate Series, Provided for in Chapter One Hundred Fifty-four (154) of the Session Laws of 1919.

Call of the House demanded.

The roll being called, all members were present except Mr. Lazier, who was excused, were present.

Mr. Kelly moved that further proceedings under the call of the House be dispensed with, which motion prevailed, and further proceedings under the call of the House were dispensed with.

The question being on the final passage of the bill, the roll was called and there were ayes 60, nays 52, absent and not voting 1.

Ayes: Allen, Anderson of Burleigh, Bauer, Bjorgo, Bolinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Maddock of Mountrail, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Platl, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Levin, McLarty, McManus, Maddock of Benson, Magnuson, Martin, of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Lazier.

So the bill was lost.

Mr. Patterson moved that the vote by which House Bill No. 214 was lost, be reconsidered and the motion to reconsider be laid on the table. Which motion was lost.

The following members asked permission to explain their votes and have same recorded in the Journal.

Mr. Bryans: I think the Bank of North Dakota can handle these loans just as cheaply as this board called. Therefore I vote "no."

Mr. Burkhart: In the first place this House has not had time for due consideration of this bill. In the second place, at the referendum election the people of North Dakota said they wanted the Bank of North Dakota as a rural credit concern. I cannot conscientiously vote for a bill that will go directly against the will of the people of this state. I vote "no."

Mr. Grangaard: I am going to vote "aye" on this bill for the reason I favor it personally, and for the further reason that in doing so I will truly represent the vast majority of my constituents, regardless of political affiliations. I vote "aye."

Mr. Johnson of Pembina: I vote aye on this bill for the reason I have received about five hundred messages urging the passage of this bill, and I consider this one of the most need and most just, and will be one of the most popular measures in every way and one that we most need. I vote "aye."

Mr. Kitchen: Mr. Speaker, this bill provides help for the bonafide farmer, the farmer who lives on his farm, and is a measure that is needed in this state at this time. It establishes a rural credits board, and I believe the terms are such that it will afford relief, such relief as those of us who are on farms, live there and till the soil, need. I believe it is a very meritorious act. I do not think there has been a measure before this House more efficient and beneficial to the bonafide farmer on the farm. Therefore, Mr. Speaker, I am glad to vote "aye."

Mr. Maddock of Mountrail: Mr. Speaker, I wish to vote "aye" on this bill because I have confidence that the author of this bill had an honest purpose, although for some purpose it was introduced at the last moment and we have not had an opportunity to give it due consideration. There are some features in the bill that are against the express will of the people, but it will go to the Senate where they will have time to give it due consideration and will eliminate the objectionable features and consider it on its merits alone. I vote "aye."

Mr. Olson of Barnes: I wish to explain why I vote "no" on this bill. On page 9, line 53, I find that a retired farmer—supposing a retired farmer moved to town and had no other way of getting his living except from the farm, he cannot,

under this act, get a loan from the State. Therefore I vote "no."

Mr. Patterson: Mr. Speaker, I vote no on this bill because it is contrary to the best wishes of the people in the first place, and in the second place it is class legislation. I do not think a law should be passed creating a bank that provides not to loan to certain specific classes of people. I further think this provision is unconstitutional. I vote "no."

Mr. Sims: Personally I felt that House Bill No. 214 is against the expressed will of the people, and particularly vile and peculiarly devilish. I vote "no."

Mr. Vogel: I vote "no" on this bill. It is to my mind purely a political measure as any one who reads over Section 2 providing for the making up of that board, a man who is honest with himself can clearly see. If the governor who will be elected two years from now is competent to appoint this board I believe the present governor is competent to select that board. I vote "no."

Mr. Watt: This is a measure the farmers of North Dakota have been asking for for ten years. It was my privilege in the 1915 session of this legislature to vote for a measure of this kind, which the Nonpartisan League defeated. This is a measure the farmers of this state have been asking for in no uncertain terms, and, Mr. Speaker, it gives me great pleasure at this time to vote "aye" on this measure.

HOUSE ROLL CALL.

House Bill No. 213: A Bill for an Act to Amend and Re-enact Chapter 151 of the Session Laws of 1919, Creating an Industrial Commission and Defining the Powers and Duties Thereof, and Authorizing the Same to Manage, in Behalf of the State, the Mill and Elevator Association and the Home Building Association, Established by Chapters 152 and 150 of the Session Laws of 1919, Respectively, and to Repeal Such Portions of Chapter 151 of the Session Laws of 1919 as are not Re-enacted Herein.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 59, nays 53, absent and not voting 1.

Ayes: Allen, Anderson, of Burleigh, Bauer, Bjorgo, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson, of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson, of Grand Forks, Heaton, Jardine, Johnson, of Cass, Johnson, of Pembina, Johnson of Sargent, Johnson, of Trail, Johnson, of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson, of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson Olsgard, Olsen, of Billings Olson, of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson, of Divide, Frederickson, Frandson,

Hagelbarger, Hall, Harding, Hartl, Hempel, Johnson, of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson, of Ransom, Levin, McLarty, McManus, Maddock, of Benson, Maddock, of Mountrail, Magnuson, Martin, of Bottineau, Martin, of Slope, Maxwell, Miller, Morton, Oberg, Olson, of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld, of Kidder, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Lazier.

So the bill was lost.

The following members asked permission to explain their votes.

Mr. Burkhart: My explanation on this bill is much the same as my explanation for my vote on House Bill No. 214, in that this bill practically does away with our Industrial Commission and against the referendum law passed a year ago. I cannot vote against the express will of the people. Further, this bill only provides two million dollars for the mill and elevator association, which I do not believe is anywhere near enough money to establish that business on a permanent foundation. For these reasons I vote "no."

Mr. Kitchen: I propose to vote "aye" on House Bill No. 213. I think, Mr. Speaker, it shows clearly the disposition and inclination of those voting affirmatively on this question of their intention to father the mill. I think further, Mr. Speaker, in explaining my vote, that two million dollars at one time is enough for the mill. Therefore, I vote "aye."

Mr. Maddock of Mountrail: I wish to vote "no" on House Bill No. 213 because it contains absolutely no merit, and introduced merely for the purpose of furnishing political propaganda at state expense.

Mr. Sims: Personally I feel that the merit of this bill is that it proves promises the opposition made to carry out the industrial program meant that they carry the program out and bury it.

MESSAGE FROM THE SENATE

Senate Chamber,
Bismarck, North Dakota,
February 23, 1921.

Mr. Speaker: I have the honor to transmit here with the following bills:

Senate Bill No. 181: A Bill for an Act to Amend and Re-enact Section 144 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to the Keeping of Per-State Auditor, and Authorizing the Re-arrangement and Revision of the Present System.

Senate Bill No. 123: A Bill for An Act to Amend and Re-enact Section 1147, Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 197, of the Laws of North Dakota for the Year 1919, Relating to the Formation of New Common School Districts.

Senate Bill No. 200: A Bill for an Act Authorizing the Renewal of the Period of Corporate Existence of Certain Corporations Whose Period of Duration has Expired Without the Renewal Thereof, and Legalizing Acts and Contracts of Such Corporation Made or Done and Performed Subsequent to the Expiration of the Original Period of Existence of Such Corporations.

Senate Bill No. 58: A Bill for an Act Making it Unlawful for Any Railroad Corporation Doing Business in North Dakota, to Operate Any Locomotive Engine Propelled by Steam or Electric Power, Without Equipping Such Engine With a Vestibuled Cab; and Prescribing a Penalty for the Violation of this Act.

Senate Bill No. 71: A Bill for an Act to Amend and Re-enact Section 2185 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 67 of the Special Session Laws of North Dakota for the Year 1919, Relating to Real Estate Taxes Due and Delinquent and the Penalty and Interest Thereon.

Senate Bill No. 120: A Bill for an Act to Amend and Re-enact Section 23 of Chapter 138 of the Session Laws of North Dakota for the Year 1919, Regular Session, Relating to the Grading and Inspection of Grains.

Which the Senate has passed and your favorable consideration is respectfully requested.

Very respectfully,

W. J. PRATER,
Secretary.

THIRD READING OF HOUSE BILLS.

House Bill No. 212: A Bill for an Act Designating Depositories of all public Funds and Fixing the Minimum Rate of Interest; requiring Competitive Bids for Such Deposits; Providing for Publicity with Reference to Such Funds and Depositories; Prescribing Penalties for Violation of This Act; Defining Terms Used Herein, and Repealing Sections 370 to 374, Inclusive, Sections 1472 to 1488, Inclusive, and Sections 3315 to 3329, Inclusive of the Compiled Laws of 1913.

Was read the third time.

Call of the House demanded.

The roll being called all members were present except Mr. Lazier and Kamrath.

Mr. Freeman moved that further proceedings under call of the House be dispensed with, which motion prevailed and further proceedings under call of the House were dispensed with.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 83, nays 28, absent and not voting 2.

Ayes: Allen, Anderson, of Burleigh, Bauer, Bilquist, Bjoreo, Bollinger, Fytz, Boyd, Bratsberg, Bryans, Burkhardt, Furne, Carlson, Cole, Doyle, Durkee, Eckert, Elling-

son, Erickson, of Walsh, Flom, Freeman, Frederickson, Frandson, Grangaard, Halcrow, Hanson, of Benson, Hanson, of Grand Forks, Harding, Hartl, Hempel, Heaton, Jardine, Johnson, of Cass, Johnson, of Pembina, Johnson of Sargent, Johnson, of Steele, Johnson, of Trail, Johnson, of Ward, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson, of Pierce, Larson, of Ransom, Levin, McDowell, McGauvern, McManus, Maddock, of Benson, Maddock, of Mountrail, Martin, of Slope, Mikkelson, Morton, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen, of Billings, Olson, of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszner, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Whitmer, Wood, Mr. Speaker.

Nays: Anderson, of Griggs, Arduser, Babcock, Bjerke, Brady, Cart, Elmer, Erickson, of Divide, Hagelbarger, Hall, Lakie, Larkin, McLarty, Magnuson, Martin, of Bottineau, Maxwell, Miller, Oberg, Olson, of Barnes, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld, of Kidder, Weld, of Wells, Yeater.

Absent and not voting: Kamrath, Lazier.

So the bill passed and the title was agreed to.

Mr. Hanson, of Grand Forks moved that the vote by which House Bill No. 212 passed, be reconsidered and the motion to reconsider be laid on the table.

Which motion prevailed.

The following members asked permission to explain their votes:

Mr. Bryans: As this law is along the initiated law for public depositories, and as we had no time to amend it, I think by passing it to the Senate, they will have a chance to make a good bill out of it, but I do not think the author of this bill introduced it in good faith because he told me he did not want it to pass, so I will have to vote aye.

Mr. Burkhart: I have been in favor all the time of making a law consistent with the initiated law. I think if I know my own inclination, my own belief, that is what I am here for to comply with the will of the people. The will of the people stated they wished the people to deposit their public funds any place they pleased other than the State Bank, which they were required by the referended law to deposit in the State Bank. I believe there are things in this law that are good points. I am going to vote for the bill. I vote "aye."

Mr. Freeman: I have not before attempted to explain why I voted for any bill, and in this explanation will say that I vote for this bill with a great deal of pleasure, first for the reason that it conforms with the will of the majority of the voters of this state. Second, that it gives back to the people in their townships and school districts the power to control their own financial affairs. It carried out in a measure the principle that is dear to the heart of every individual who loves the idea and thought of legislative enactment, that it:

should begin with the people at home, and not brought down from the powers on high.

Mr. Hanson of Grand Forks: Inasmuch as the gentleman from McHenry county has given as one reason in explaining his vote that I wanted this bill defeated, I wish to say that I have been joshing with the gentleman and never thought he would get it in the Journal. Inasmuch as the Bank of North Dakota seems to be really dead, although the certificate of death has not been issued, it seems to me the people want a law so that they will know where their money is, and as under this law a statement will be published every four months, I vote "aye."

Mr. Sims: I believe House Bill No. 212 is simply a portion of a well defined policy of destruction instead of the construction that was promised by the I. V. A. before election. I vote "aye."

HOUSE ROLL CALL.

House Bill No. 217: A Bill for an Act Requiring and Providing for the Dissolution of the Bank of North Dakota, for the Liquidation of Its Affairs and Creating a Board of Trustees for Such Purpose and Prescribing the Powers and Duties of Such Board.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 58, nays 54, absent and not voting 1.

Ayes: Allen, Anderson, of Burleigh, Bauer, Bjorgo, Bollinger, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson, of Walsh Flom, Freeman, Grangaard, Halcrow, Hanson, of Grand Forks, Heaton, Jardine, Johnson, of Cass, Johnson, of Pembina, Johnson, of Sargent, Johnson, of Trail, Johnson, of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson, of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen, of Billings, Olson, of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson, of Griggs, Arduser, Babcock, Bilquist, Bjerke, Botz, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson, of Divide, Frederickson, Frandson, Hagelbarger, Hanson, of Benson, Hall, Harding, Hartl, Hempel, Johnson, of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson, of Ransom, Levin, McLarty, McManus, Maddock, of Benson, Maddock, of Mountrail, Magnuson, Martin, of Bottineau, Martin, of Slope, Maxwell, Miller, Morton, Oberg, Olsen, of Barnes, Opland, Patterson, Reichert, Renauld, Sheiman, Sims, Strain, Vogel, Weld, of Kidder, Weld, of Wells, Whitmer, Yeater.

Absent and not voting: Lazier.

So the bill is lost.

Mr. Burkhart asked permission to explain his vote and have

it recorded in the Journal. This bill has not been on our desks prior to just a few minutes before the reading of the bill, and I do not see how anyone can vote on such a measure as this with the little time we have had since this bill was introduced in the House. Not only that but this bill is in direct opposition to the referendum law upholding the Bank of North Dakota. I must vote "no."

On motion the House reverted to the Seventh order of business.

MOTIONS AND RESOLUTIONS.

Mr. Freeman moved that the vote by which House Bill No. 129 was indefinitely postponed be reconsidered, which motion was lost.

On motion the House reverted to the tenth order of business.

CONSIDERATION OF MESSAGES FROM THE SENATE.

Mr. Maddock of Mountrail moved that the House concur in the Senate resolution memorializing Congress of the United States to amend the Interstate Commerce Act under which the Interstate Commerce Commission is presuming to assert authority over internal affairs of this state, which motion prevailed and the House so concurred in said Senate resolution.

GENERAL ORDERS.

Mr. Speaker moved that the house resolve itself into a committee of the whole for the consideration of general orders; which motion prevailed, and the House resolved itself into a committee of the whole.

The Speaker presiding.

When the committee arose it submitted the following report.

Mr. Speaker: The committee of the whole have had under consideration:

House Bill No. 209: For an Act to Abolish the Present and to Provide a New System of Legal Procedure Both Civil and Criminal, by Authorizing the Supreme Court to Prescribe Forms and Rules, and Generally to Regulate Pleading, Evidence and Practice.

And recommend that the same be indefinitely postponed.

Also:

House Bill No. 71: A Bill for an Act to Amend and Re-enact Section 2212 of the Compiled Laws of North Dakota for 1913 as Amended by Chapter 252 of the Session Laws of 1915, Relating to the Duty of the County Auditor, and the Requirements of the Transfer of Real Property as to Taxes.

And recommend that the same be indefinitely postponed.

L. L. TWICHELL,
Chairman.

Mr. Kelly moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Plath moved that the House do now recess until 7:30 o'clock, P. M. February 23, 1921, which motion prevailed and the House so recessed.

C. L. DAWSON,
Chief Clerk.

AFTER RECESS.

The House convened pursuant to recess taken, the Speaker presiding.

FIRST AND SECOND READING OF SENATE BILLS.

Senate Bill No. 25: A Bill for an Act to Appropriate Money for the Expenses of the Executive, Legislative and Judicial Departments of the State Government, and for Public Schools, Specifying the Amount and Time for Which Such Appropriations Shall be Available, and Repealing Sections 1416, 1418 and 1419 of the Compiled Laws of 1913, as Amended by Chapter 34 of the Session Laws of 1915, and All Other Acts and Parts of Acts in so far as the Same Relate to Appropriations Conflicting Herewith or the Appropriations for the Same Matters or Purposes Provided for Herein.

Was read the first and second time and referred to the committee on Appropriations.

Senate Bill No. 59: A Bill for an Act to Amend and Re-enact Section 2141 of the Compiled Laws of North Dakota, for the Year 1913, as Amended, Providing for the Substitution of the Commissioner of Insurance as a Member of the State Board of Equalization Instead of the State Auditor, and Making the Tax Commissioner Secretary Thereof.

Was read the first and second time and referred to the committee on Insurance.

Senate Bill No. 67: A Bill for an Act to Appropriate Seventy-five Hundred Dollars to the Missouri Slope Agricultural and Fair Association at Mandan for the Fairs to be Held in the Years 1921 and 1922.

Was read the first and second time and referred to the committee on Appropriations.

Senate Bill No. 68: A Bill for an Act to Amend and Re-enact Section 2166 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Delinquent Personal Property Taxes.

Was read the first and second time and referred to the committee on Taxes and Tax Laws.

Senate Bill No. 131: A Bill for an Act Entitled, an Act for the Purpose of Continuing the Work of Immigration as Provided for in Chapter 146 of the Session Laws of 1919, During the Biennial Period Beginning July 1, 1921, and Ending June 30, 1923.

Was read the first and second time and referred to the committee on Appropriations.

Senate Bill No. 134: A Bill for an Act to Amend and Re-enact Section 1, Chapter 77, of the Session Laws for the Year 1919, an Act Making it Unlawful to Separate or Cause to be Separated any Child Under Six Months of Age From its Mother for the Purpose of Committing Such Child to a Foster Home or Institution and to Regulate the Manner and Circumstances Under Which it May be Done, and to Provide a Penalty for Violation of Said Act.

Was read the first and second time and referred to the committee on Judiciary.

Senate Bill No. 142: A Bill for An Act to Prevent the Taking or Carrying in or Having in Possession Intoxicating Liquor in Any Hotel, Theatre or Dance Hall in the State of North Dakota.

Was read the first and second time and referred to the committee on Judiciary.

THIRD READING OF HOUSE BILLS

House Bill No. 25: A Bill for an Act to Amend and Re-enact Section 2078 of the Compiled Laws of North Dakota for the Year 1913, and Chapter 223 of the Session Laws of North for the Year 1919, Relating to the Exemption of Property from Taxation.

Was read the third time.

Call of the House demanded.

The roll was called. All members present except Messrs. Brady, and Lazier, who were excused.

Mr. Halcrow moved that the call of the House be dispensed with, which motion prevailed and further proceedings under the call of the House was dispensed with.

Mr. Starke asked the unanimous consent of the House to amend House Bill No. 25, which consent was given.

Mr. Starke moved that House Bill No. 25 be amended by inserting the word "posts" between the words "by" and "lodges" in line 1, section 9 of the engrossed bill, which motion prevailed and the bill was so amended.

Mr. Starke moved that the rules be suspended and that House Bill No. 25 be considered engrossed and placed on third reading and final passage, which motion prevailed and House Bill No. 25, was considered engrossed and placed on third reading and final passage.

Was read the third time.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 61, nays 43, absent and not voting 9.

Ayes: Allen, Anderson, of Burleigh, Bauer, Bjorgo, Bollinger, Botz, Boyd, Burkhart, Burns, Carlson, Cole, Durkee, Ellingson, Erickson, of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson, of Benson, Hanson, of Grand Forks, Heaton

Jardine, Johnson, of Cass, Johnson, of Pembina, Johnson, of Sargent, Johnson, of Trail, Johnson, of Ward, Kelly, Kitchen, Kjos, Kopp, Larson, of Pierce, McDowell, McGauvran, Maddock, of Benson, Maddock, of Mountrail, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen of Billings, Olson, of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Shimmin, Shipley Slominski, Sproul, Starke, Strain, Watt, Wood, Mr. Speaker.

Nays: Anderson, of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bratsberg, Cart, Doyle, Eckert, Frederickson, Frandson, Hagelbarger, Hall, Harding, Hartl, Hempel, Johnson, of Steele, Kellogg, Lakie, Larkin, Larson, of Ransom, Levin, McLarty, McManus, Magnuson, Martin, of Bottineau, Martin, of Slope, Maxwell, Miller, Morton, Oberg, Olson, of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Vogel, Weld, of Kidder, Weld, of Wells, Whitmer, Yeater.

Absent and not voting: Brady, Bryans, Elmer, Erickson, of Divide, Kamrath, Lackey, Lazier, Semling, Ulland.

So the bill passed as amended and the title was agreed to.

Mr. Hanson, of Grand Forks moved that the vote by which House Bill No. 25 passed, be reconsidered and the motion to reconsider be laid on the table.

Which motion prevailed.

House Bill No. 179: A Bill for an Act to Amend and Re-enact Section 3482 of the Compiled Laws of North Dakota for the Year 1913 as Amended by Section 10 of Chapter 13 of the Laws of North Dakota for the Year 1918, as Amended by Section 2 of Chapter 177 of the Laws of North Dakota for the Year 1919; Also to Amend and Re-enact Section 4 of Chapter 54 of the Laws of the Special Session of North Dakota for the Year 1919, Relating to the Issuance of Bonds and Warrants to Procure Seed Grain and Feed.

Was read the third time.

Mr. Peters moved that further consideration of House Bill No. 179 be indefinitely postponed, which motion prevailed and further consideration of House Bill No. 179 was indefinitely postponed.

The Speaker called Mr. Larkin to the chair:

The Speaker returned to the chair.

House Bill No. 192: A Bill for an Act to Amend and Re-enact Chapter 97 of the Session Laws of 1917, as Amended by Chapter 99 of the Session Laws of 1919, and by Chapter 29 of the Special Session Laws of 1919, Relating to Cooperative Associations and to Repeal Chapter 13 of the Civil Code of the Compiled Laws of 1913, Chapter 92 of the Session Laws of 1915, and Chapters 95 and 96 of the Session Laws of 1917.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 104, nays 0, absent and not voting 9.

Ayes: Allen, Anderson, of Burleigh, Anderson, of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Bratsberg, Bryans, Burghart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Erickson, of Walsh, Flom, Freeman, Frederickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson, of Benson, Hanson, of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson, of Pembina, Johnson, of Sargent, Johnson, of Steele, Johnson, of Traill, Johnson, of Ward, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson, Pierce, Larson, of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock, of Benson, Maddock, of Mountrail, Magnuson, Martin, of Bottineau, Martin, of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nahan, Oberg, Olafson, Olsgard, Olson, of Barnes, Olsen, of Billings, Olson, of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld, of Wells, Wood. Mr. Speaker.

Nays: None.

Absent and not voting: Brady, Elmer, Erickson, of Divide, Johnson, of Cass, Kamrath, Lazier, Weld, of Kidder, Whitmer, Yeater.

So the bill passed and the title was agreed to.

Mr. Watt moved that the vote by which House Bill No. 192 passed, be reconsidered and the motion to reconsider be laid on the table.

Which motion prevailed.

House Bill No. 203: A Bill for an Act to Amend and Re-enact Section 69 of the Compiled Laws of North Dakota for 1913, Relating to the Printing of the Popular Edition of the Session Laws; Fixing the Specifications for the Unauthenticated Edition of the Session Laws of the State of North Dakota, and Repealing all Acts and Parts of Acts in Conflict Therewith.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 101, nays 0, absent and not voting 12.

Ayes: Allen, Anderson, of Burleigh, Anderson, of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Erickson, of Walsh, Flom, Freeman, Frederickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson, of Benson, Hanson, of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson, of Cass, Johnson, of Pembina, Johnson, of Sargent, Johnson, of Steele, Johnson, of Traill, Johnson, of Ward, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lakie, Larkin, Larson, Pierce, Larson, of Ransom, Levin, McDowell, McGauvran, McManus, Magnuson, Martin, of Bottineau, Martin, of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson, of Barnes, Olsen, of Billings,

Olson, of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Vogel, Watt, Weld, of Kidder, Weld, of Wells, Whitmer, Wood, Mr. Speaker.

Nays: None.

Absent and not voting: Brady, Elmer, Erickson, of Divide, Kamrath, Lackey, Lazier, McLarty, Maddock, of Benson, Maddock, of Mountrail, Strain, Ulland, Yeater.

So the bill passed and the title was agreed to.

Mr. Johnson, of Cass moved that the vote by which House Bill No. 203 passed, be reconsidered and the motion to reconsider be laid on the table.

Which motion prevailed.,

House Bill No. 79: A Bill for an Act to Amend and Re-enact Sections 48 and 49 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Public Printing and Binding.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 92, nays 8, absent and not voting 13.

Ayes: Allen, Anderson, of Griggs Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Bratsberg, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Erickson, of Walsh, Flom, Freeman, Frederickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson, of Benson, Hanson, of Grand Forks, Hall, Hartl, Hempel, Heaton, Jardine, Johnson, of Cass, Johnson of Pembina Johnson, of Sargent, Johnson, of Steele, Johnson, of Traill, Johnson f Ward, Kellgg, Kelly, Kjs, Kopp, Lakie, Larkin, Larson, of Pierce, Larson, of Ransom, Levin, McDowell, McLarty, McManus, Mangnuson, Martin, of Slope, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson, of Barnes, Olsen, of Billings, Olson, of Ramsey, Ophaug, Opland, Peters, Plath, Preszler, Quade, Reichert, Root, Sagen, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Watt, Weld, of Wells, Whitmer, Wood, Mr. Speaker.

Nays: Anderson, of Burleigh, Kitchen, Martin, of Bottineau, Maxwell, Patterson, Renauld, Semling, Vogel, Yeater.

Absent and not voting: Bauer, Brady, Bryans, Elmer, Erickson, of Divide, Harding, Kamrath, Lackey, Lazier, McGauvran, Maddock, of Benson, Maddock, of Mountrail, Ulland, Weld, of Kidder.

So the bill passed and the title was agreed to.

Mr. Boyd moved that the vote by which House Bill No. 79 passed, be reconsidered and the motion to reconsider be laid on the table.

Which motion prevailed.

House Bill No. 176: A Bill for an Act to Amend and Re-enact Section 2078, Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 223, Session Laws of 1919, Relating to the Exemption of Property From Taxation.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 64, nays 32, absent and not voting 17.

Ayes: Allen, Anderson of Burleigh. Bauer, Bjorgo, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman. Grangaard, Halcrow, Hanson of Grand Forks, Hartl, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent. Johnson of Ward, Kjos, Larson of Pierce, McDowell, McGauvran, McManus, Maddock of Mountrail, Martin of Bottineau, Martin of Slope, Mikkelson, Morton, Ness, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson. Peters. Plath, Preszler, Quade, Renauld, Root, Sagen, Sherman, Shimmin, Shipley, Sims, Slominski. Sproul, Strain, Vogel, Watt, Weld of Kidder. Weld of Wells, Wood, Yeater, Mr. Speaker.

Nays: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bratsberg, Burkhart, Cart, Doyle, Eckert, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Hempel, Johnson of Steele, Johnson of Traill, Kelly. Kitchen, Kopp, Larkin, Larson of Ransom, Levin, McLarty, Magnuson, Maxwell, Miller, Nagel, Nathan, Oberg, Starke, Whitmer.

Absent and not voting: Brady, Bryans, Carlson, Elmer, Erickson of Divide, Harding, Kamrath, Kellogg. Lackey, Lakie, Lazier, Maddock of Benson, Mouck, Olson of Barnes, Reichert, Semling, Ulland.

So the bill passed and the title was agreed to.

Mr. Shipley moved that the vote by which House Bill No. 176 passed, be reconsidered and the motion to reconsider be laid on the table. Which motion prevailed.

House Bill No. 77: A Bill for an Act Fixing the Compensation of Election Officers.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 91, nays 7, absent and not voting 15.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke. Bjorgo, Bollinger, Boyd, Bratsberg, Burns, Carlson, Cart, Cole, Doyle, Durkee, Ellingson, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson. Hanson of Grand Forks, Hall, Harding, Hartl, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lakie, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Mad-

dock of Mountrail, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Shimmin, Slominski, Sproul, Starke, Strain, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood.

Nays: Botz, Hempel, Johnson of Ward, Sherman, Shipley, Sims, Yeater.

Absent and not voting: Brady, Bryans, Burkhart, Eckert, Elmer, Erickson of Divide, Erickson of Walsh, Kamrath, Lackey, Larkin, Lazier, Magnuson, Olson of Ramsey, Semling, Ulland.

So the bill passed and the title was agreed to.

Mr. Bauer moved that the vote by which House Bill No. 77 passed, be reconsidered and the motion to reconsider be laid on the table. Which motion prevailed.

MESSAGE FROM THE SENATE

Senate Chamber,
Bismarck, North Dakota,
February 23, 1921.

Mr. Speaker: I have the honor to transmit herewith the following bills:

Senate Bill No. 182: A Bill for an Act Concurrent Resolution to Amend and Re-enact Section 173 of Article 10 of the Constitution of the State of North Dakota Providing for the Election of County Officials.

Senate Bill No. 140: A Bill for an Act to Amend and Re-

Senate Bill No. 199: A Bill for an Act to Repeal Section 3522 of the Compiled Laws of North Dakota for 1913, Providing for Livery Allowed Sheriffs.

Senate Bill No. 198: A Bill for an Act to Amend and Re-enact Section 3522 of the Compiled Laws of North Dakota for the Year 1913, Prescribing the Rate of Mileage Allowed the Sheriff.

Senate Bill No. 140: A Bill for an Act to Amend and Re-enact Chapter 224, Laws of North Dakota, for the Year 1919, as Amended by Chapter 60, Special Session Laws of 1919; an Act for the Purpose of Raising Revenue to defray the General Expense of the State Government by Providing for a Tax on the Incomes of Individuals, Fiduciaries, Corporations, Joint Stock Companies or Associations and Insurance Companies in the State of North Dakota; Classifying and Graduating Incomes for the Purpose of Taxation; Providing for Exemptions and Deductions in Certain Cases; Describing a Method of Levying and Collecting Said Tax; Prescribing Penalties for Non-conformance With the Provisions of This Act, and Repealing All Acts and Parts of Acts in Conflict Herewith.

Senate Bill No. 202: A Bill for an Act to Amend and Re-enact Section 2 of Chapter 63 of the Session Laws of 1915.

Prescribing and Limiting the Punishment, of the Crime of Murder in the First Degree and Limiting the Time, Manner and Conditions whereby such Person May be Pardoned.

Senate Bill No. 203: A Bill for an Act to Amend and Re-enact Section 10 of Chapter 31 of the Special Laws of North Dakota for the Year 1919 Relating to the Purchase of Cattle by County.

Which the Senate has passed and your favorable consideration is respectfully requested.

Very respectfully,

W. J. PRATER,
Secretary.

Mr. Kitchen moved that when the House recess that it do recess to one o'clock P. M. February 24, 1921, which motion prevailed.

FIRST AND SECOND READING OF SENATE BILLS.

Senate Bill No. 122: A Bill for An Act to Provide for the survival of Actions and Causes of Action for Damages Pain and Suffering and Personal Injuries.

Was read the first and second time and referred to the committee on Judiciary.

Senate Bill No. 139: An Act Entitled an Act for the Protection of Employees as Members of Labor Organizations.

Was read the first and second time and referred to the committee on State Affairs.

Senate Bill No. 143: A Bill for an Act to Prevent Any Person from Registering as a Guest in Any Hotel in the State of North Dakota Under a Fictitious or False Name.

Was read the first and second time and referred to the committee on State Affairs.

Senate Bill No. 145: A Bill for an Act to Create, define and Establish the Bar Association of the State of North Dakota, and Providing for the publication of Its Proceedings, and Filing Copies Thereof With the State Bar Board and the State Libraries and as Otherwise Provided, and Making an Appropriation for the Expenses Connected Therewith.

Was read the first and second time and referred to the committee on Appropriations.

Senate Bill No. 150: A bill for an Act to Amend and Re-enact Section 9804 and Section 9805 of Chapter 55 of the Laws of North Dakota for the Year 1913, Regulating the Sale to and Use of Firearms by Minors and Providing a Penalty for the Violation Thereof.

Was read the first and second time and referred to the committee on State Affairs.

Senate Bill No. 152: A Bill for an Act to Permit the Use of Certain Ground Upon the Campus of the University and to Consent to the Erection of an Alumni Building Thereupon by the Alumni Association for Purposes of Aiding the Uni-

versity and the Co-operative Interest of Its Alumni and to Grant to Such Alumni Association the Right to Exercise Control and Dominion Over Such Ground and the Building to be Constructed Thereon, Subject to the Rules and Regulations of the State and of Its Board of Administration.

Was read the first and second time and referred to the committee on Education.

Senate Bill No. 153: A Bill for an Act to Amend and Re-enact Section 8122 of the Compiled Laws of North Dakota for 1913, as Amended by Chapter 180 of the Laws of 1915 and as Amended by Chapter 151 of the Laws of 1917, Relating to Foreclosure of Land Contracts.

Was read the first and second time and referred to the committee on Judiciary.

Senate Bill No. 164: A Bill for an Act to Limit the Margin of Profit on Sales of Farm Land by Agents and Brokers.

Was read the first and second time and referred to the committee on Tax and Tax Laws.

Senate Bill No. 21: A Bill for an Act Creating a Public Health Commission; Fixing the Membership Thereof, and Defining its Powers and Duties.

Was read the first and second time and referred to the committee on Public Health.

Senate Bill No. 39: A Bill for an Act to appropriate the sum of \$175,000.00 for the purpose of aiding in the construction of a bridge across the Missouri River from Burleigh County to Morton County in the State of North Dakota under the provision of Chapter 73 of the Laws passed at the Sixteenth Session of the Legislative Assembly of North Dakota, approved March 5, 1919, in addition to the sum appropriated by Chapter 4 of the Special Session of the Sixteenth Legislative Assembly, approved December 12, 1919, and that such appropriation be made from the State Highway Fund.

Was read the first and second time and referred to the committee on Appropriations.

Senate Bill No. 51: A Bill for an Act to appropriate \$200,000.00 out of any moneys in the interest and income of the Capitol Building Fund to complete the Liberty Memorial Building, to build a tunnel to connect it with the Power House, laying water mains and sewers, for the improvement of the grounds and establishment of the park.

Was read the first and second time and referred to the committee on Appropriations.

Senate Bill No. 60: A Bill for an Act to regulate assignments for benefit of creditors, and provide for the carrying out of the same under court supervision.

Was read the first and second time and referred to the committee on Judiciary.

Senate Bill No. 83: A Bill for an Act amending and re-

enacting Section 2618, Compiled Laws of North Dakota, for the Year 1913 as Amended by Chapter 140 of the Session Laws of North Dakota, for the Year 1919, Relating to the Herd Law.

Was read the first and second time and referred to the committee on State Affairs.

Senate Bill No. 102: For an Act to Amend and Re-enact Section 3621, Compiled Laws of North Dakota for the Year 1913, Relating to Compensation of Aldermen.

Was read the first and second time and referred to the committee on Municipal Corporations.

Senate Bill No. 87: A Bill for an Act to Amend and Re-enact Section 8657 of the Compiled Laws of North Dakota for the Year 1913, Relating to Letters of Administration, and Who Are Entitled Thereto.

Was read the first and second time and referred to the committee on Judiciary.

Senate Bill No. 88: A Bill for an Act to Amend and Re-enact Section 8551 of the Compiled Laws of North Dakota for the Year 1913, Relating to Citations and Notices Issued by the County Court and How the Same Must be Served.

Was read the first and second time and referred to the committee on Judiciary.

Senate Bill No. 84: A Bill for an Act to Appropriate the Sum of Eight Hundred Twenty-one and 75-100 Dollars (\$821.-75) for Printing the 1917-1918 Biennial Report of the Attorney General.

Was read the first and second time and referred to the committee on Appropriations.

Senate Bill No. 104: A Bill for an Act to Repeal Section 153, Compiled Laws of North Dakota for 1913, Relating to Fees for the Registration of Bonds.

Was read the first and second time and referred to the committee on Insurance.

Senate Bill No. 115: A Bill for an Act to Amend and Re-enact Sections 3, 6 and 12 of Chapter 157 of the Session Laws of 1919, Regular Session, Relating to the Authorizing and Regulating the Exchange of Reciprocal or Insurance Contracts Among Individuals, Partnerships and Corporations.

Was read the first and second time and referred to the committee on Insurance.

Senate Bill No. 103: A Bill for an Act to Compel City Councils, City Commissions and Boards of Education of Independent School Districts to Publish Proceedings of All Meetings in Official Paper to be Designated by Them.

Was read the first and second time and referred to the committee on Public Printing.

Senate Bill No. 7:

A Bill for an Act to Repeal Section 14 of Chapter 225, Laws of North Dakota, 1919, Relating to the Taxation of Transfers of Property by Will, Gift or by Intestate Law.

Was read the first and second time and referred to the committee on Judiciary.

Senate Bill No. 110: A Bill for an Act to Amend and Re-enact Section 811 of Chapter 69 of the Laws of the State of North Dakota for the Year of 1919, Providing for a Bond for Attorneys.

Was read the first and second time and referred to the committee on Judiciary.

Senate Bill No. 98: A Bill for an Act to Amend and Re-enact Section 3552, Compiled Laws of North Dakota for the Year 1913, Permitting Incorporated Towns and Villages Having a Population of Not Less Than Two Hundred Inhabitants to Become Incorporated as a City.

Was read the first and second time and referred to the committee on Cities and Municipal Corporations.

Senate Bill No. 30: A Bill for an Act to Amend and Re-enact Section 9 of Chapter 167 of the Session Laws of North Dakota for the Year 1919, Relating to the Salary and Expenses of the District Judges.

Was read the first and second time and referred to the committee on Judiciary.

Senate Bill No. 11:

A Bill for an Act Amending and Re-Enacting Section 10251 of the Compiled Laws of North Dakota for the Year 1913, Relating to Unlawful Obligations in Writing.

Was read the first and second time and referred to the committee on Judiciary.

Senate Bill No. 17: A Bill for an Act to Appropriate \$10,000 to Aid in the Educational Work Being Carried on by North Dakota Tuberculosis Association, and the Prevention of the Spread of Tuberculosis more Definitely Prescribed in Chapter 7 of the Session Laws of North Dakota for the year 1915, for the Salary and Traveling Expenses of Field Workers and Nurses.

Was read the first and second time and referred to the committee on Appropriations.

Senate Bill No. 31: A Bill for an Act to Amend and Re-enact Section 780 of the Compiled Laws of North Dakota, for the Year 1913, as Amended by Chapter 30, of the Special Session Laws of North Dakota, for the Year 1919, Relating to Compensation of Court Stenographers, and Providing for the Payment of Expenses.

Was read the first and second time and referred to the committee on Judiciary.

The courtesies of the floor were extended to George Thom, Jr., M. D. Anderson, Mr. Bornna, Mr. Berg, W. T. Maher, A. B. Guptil, Mr. Keifer, Mr. Russell, Mitchell Telenga, E. M. Anderson, J. W. Tiedeman.

Mr. Cart moved that the House do now recess until 1 o'clock P. M. February 24, 1921, which motion prevailed and the House so recessed.

C. L. DAWSON,
Chief Clerk.

FIFTY-FIRST DAY AFTER RECESS AND
FIFTY-SECOND DAY

House of Representatives,
Bismarck, North Dakota,
February 24, 1921.

The House convened at 1 o'clock p. m. pursuant to recess taken, the Speaker presiding.

The Speaker called Mr. Shipley to the chair.

On motion the House reverted to the seventh order of Business.

MOTIONS AND RESOLUTIONS

Mr. Twichell moved that the House request the Senate to return House Bill No. 104, which motion prevailed.

Mr. Twichell moved that the House request the Senate to return House Bill No. 25, which motion prevailed.

The Speaker returned to the chair.

FIRST AND SECOND READING OF SENATE BILLS

Senate Bill No. 16: A Bill for an Act Providing for a Reward for the Arrest and Conviction of Persons Charged with the Violation of the Prohibition Laws of this State and for Appointment of Special Deputy Sheriffs to Enforce such Prohibition Laws.

Was read the first and second time and referred to the committee on Judiciary.

Senate Bill No. 58: A Bill for an Act Making It Unlawful for Any Railroad Corporation, Doing Business in North Dakota, to Operate Any Locomotive Engine Propelled by Steam or Electric Power, Without Equipping Such Engine With a Vestibuled Cab; and Prescribing a Penalty for the Violation of This Act.

Was read the first and second time and referred to the committee on Railroads.

Senate Bill No. 64: A Bill for an Act to Repeal Chapter 222, Laws 1919, in Regard to Taxes on Shares of Stock.

Was read the first and second time and referred to the committee on Tax and Tax Laws.

Senate Bill No. 66: A Bill for an Act to Promote, Foster and Encourage the Proper Marketing of Agricultural Products and By-Products, and for the Creation of a Co-Operative Marketing Association and Providing for License Fees.

Was read the first and second time and referred to the committee on Agriculture.

Senate Bill No. 71: A Bill for an Act to Amend and Re-enact Section 2185 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 67 of the Special Session Laws of North Dakota for the Year 1919, Relating to Real Estate Taxes Due and Delinquent and the Penalty and Interest Thereon.

Was read the first and second time and referred to the committee on Tax and Tax Laws.

Senate Bill No. 89: A Bill for an Act to Amend and Re-enact Section 1 of Chapter 204 of the Laws of North Dakota for the Year 1915; an Act to Compel Railroad Companies to Maintain Suitable Stock Yards and Erect Suitable Barns for the Convenience of the Public; to Restrain Any Person From Using the Stock Yards for Any Other Purpose Than Shipping; and to Provide a Penalty for the Violation Thereof.

Was read the first and second time and referred to the committee on Railroads.

Senate Bill No. 97: A Bill for an Act to Authorize the Valuation of Bonds and Other Securities Held by Life Insurance Companies, Assessment Life Associations and Fraternal Beneficiary Associations by the Amortization Method.

Was read the first and second time and referred to the committee on Insurance.

Senate Bill No. 116: A Bill for an Act to Amend and Re-enact Chapter 179 of the Session Laws of 1915; an Act to Amend Chapter 177 of the Laws of 1911 (Same Being Sections 11402 to 11428, Inclusive, Compiled Laws 1913), Entitled "Juvenile Court," by Adding Thereto Certain Provisions Giving the Court Power When Necessary to Appoint District Juvenile Commissioners, Guardians ad litem, and to Make Rules and Regulations Prescribing Their Duties and Fixing Their Compensation; also to Enact Such Other Provisions Which Are Best Calculated to Carry Out the Purpose of Said Chapter 177.

Was read the first and second time and referred to the committee on Judiciary.

MESSAGE FROM THE SENATE

SENATE CHAMBER

Bismarck, N. D., Feb., 24, 1921

Mr. Speaker: I have the honor to transmit herewith the following bills:

Senate Bill No. 155: A Bill for an Act Defining Duration of the War.

Senate Bill No. 162: A Bill for an Act to Provide a Minimum Amount of Training, a Minimum Salary for a Teaching Experience of Less Than One School Year, and a Schedule of Salary Minimums for a Teaching Experience of From One to Six Years Inclusive, for the Teachers in the Public Schools of North Dakota.

Senate Bill No. 197: A Bill for an Act Making an Appropriation for the Care and Maintenance of Persons Affected with Leprosy.

Senate Bill No. 201: A Bill for an Act Making an Appropriation to Pay the Irrigation or Water Tax on State School Lands, Included Within the Williston Irrigation District.

Senate Bill No. 65: A Bill for an Act Requiring the Evaluation of the Board of Railroad Commissioners, of all Common Carrier Railroad Property Within the State of North Dakota; Requiring the Fixing of the Fair Value Thereof for Rate Making Purposes; and Providing for an Appropriation to Carry Out the Provisions Thereof.

Senate Bill No. 48: A Bill for an Act Requiring County Commissioners to have Classified all Acre Property in the State, Providing method of Contracting for Such Work of Classification, Authorizing a Tax Levy Therefor, Fixing Classification Schedules, Providing for Notice to Public prior to Adoption of such Classification and Fixing the duties of the Board of County Commissioners, Boards of Review and Equalization and Local Assessors with respect to such Classification Schedules.

Senate Bill No. 117: A Bill for an Act Empowering the Board of County Commissioners of Each County to Designate Depositories for County Funds and Providing the Procedure and the Regulations Under Which Such Funds May be Deposited.

Senate Bill No. 111: A Bill for an Act entitled: "An Act Prescribing What Number of Stockholders Shall Constitute a Quorum in Stockholders' Meetings of Domestic Corporations, and also Providing that the Written Consent of the Holders of a Majority in Value of the Subscribed Capital Stock Shall be Effectual for Certain Purposes, also Making Provision for Notice for Stockholders' Meetings, and Repealing Conflicting Laws."

Senate Bill No. 136: A Bill for an Act Declaring the Purpose of the State of North Dakota to Engage in the Enterprise of Furnishing Electricity for Power, Heat and Lighting Purposes to the Inhabitants and Public of the City of Bismarck and of the County of Burleigh, and to Supply Electricity to All State Buildings Owned or Leased by the State of North Dakota in Said City and County and to the State Street Car Line.

Senate Bill No. 135: A Bill for an Act Providing for the Issuance of Bonds of the State of North Dakota in a Sum Not Exceeding \$250,000.00, to be Known as "Bonds of North

Dakota, Electric Utility Series;" Prescribing the Terms and Stating the Purposes Thereof; Providing for a Tax and Making Other Provisions for the Payment Thereof; Making Appropriations for the Payment of Interest and Principal of Said Bonds and to Carry Into Effect the Provisions of This Act.

Which the Senate has passed and your favorable consideration is respectfully requested.

Very respectfully,
W. J. PRATER,
Secretary.

FIRST AND SECOND READING OF SENATE BILLS

Senate Bill No. 120: A Bill for an Act to Amend and Re-enact Section 23 of Chapter 138 of the Session Laws of North Dakota for the Year 1919, Regular Session, Relating to the Grading and Inspection of Grains.

Was read the first and second time and referred to the committee on Grain and Grain Grading.

Senate Bill No. 121: A Bill for an Act to Provide for the Acceptance of the Benefits of an Act by the Senate and House of Representatives of the United States of America in Congress Assembled. (H. R. 4438, Approved, June 2, 1920), Entitled an Act to Provide for the Promotion of Vocational Rehabilitation of Persons Disabled in Industry or Otherwise and Their Return to Civil Employment, to Provide for the Administration of Same.

Was read the first and second time and referred to the committee on State Affairs.

Senate Bill No. 123: A Bill for An Act to Amend and Re-enact Section 1147, Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 197, of the Laws of North Dakota for the Year 1919, Relating to the Formation of New Common School Districts.

Was read the first and second time and referred to the committee on Education.

Senate Bill No. 133: A Bill for an Act to Empower Cities and Villages to Levy and Collect a Tax for the Purpose of Furnishing Musical Concerts to the Public.

Was read the first and second time and referred to the committee on Tax and Tax Laws.

Senate Bill No. 140: A Bill for an Act to Amend and Re-enact Chapter 224, Laws of North Dakota, for the Year 1919, an Act for the Purpose of Raising Revenue to Defray the General Expenses of the State Government by Providing for a Tax on the Incomes of Individuals, Fiduciaries, Corporations, Joint Stock Companies or Associations and Insurance Companies in the State of North Dakota; Classifying and Graduating Incomes for the Purpose of Taxation; Providing for Exemptions and Deductions in Certain Cases; Describing a Method of Levying and Collecting Said Tax; Prescribing Penalties for Non-conformance With the Provisions of this Act.

and Repealing All Acts and Parts of Acts in Conflict Herewith.

Was read the first and second time and referred to the committee on Tax and Tax Laws.

Senate Bill No. 141: A Bill for An Act to Amend and Re-enact Section 1717 of the Compiled Laws of North Dakota for the year 1913, as Amended by Section 4 of Chapter 113 of the Session Laws of 1915, and Chapter 145 of Session Laws of North Dakota for the Year 1917, Relating to the Support of Feeble Minded Persons in the Institution of the Feeble Minded.

Was read the first and second time and referred to the committee on State Affairs.

Senate Bill No. 147: A Bill for an Act to Amend and Re-enact Chapter 183 of the Session Laws of 1917, an Act Requiring the Owners of Personal Property to Notify the County Treasurer of the Sale of Such Property at Public Auction, Providing for the Collection of Their Personal Property Taxes and Prescribing Dates of Auctioneers in Relation Thereto.

Was read the first and second time and referred to the committee on Tax and Tax Laws.

Senate Bill No. 148: A Bill for an Act to Amend Chapter 131 of the Session Laws of 1919. Enacted by the Sixteenth Session of the Legislative Assembly, Pertaining to the Giving of Notices of Intention to Foreclose Real Estate Mortgages.

Was read the first and second time and referred to the committee on Judiciary.

Senate Bill No. 154: A Bill for an Act Prescribing the Fees to be Paid to Newspapers for the Publication and Printing of all Legal Notices and Repealing all Acts or Parts of Acts in Conflict Herewith.

Was read the first and second time and referred to the committee on Judiciary.

Senate Bill No. 156: A Bill for an Act Restricting Rights of Litigants to Bring Actions in Courts to Set Aside Taxes or Assessments or to Recover Taxes Before Submitting Their Claims to the Board of County Commissioners for Adjustment and Dismissing Actions Heretofore Brought.

Was read the first and second time and referred to the committee on Tax and Tax Laws.

Senate Bill No. 158: A Bill for an Act to Provide for Conciliation of Controversies and to Repeal Sections 9187, 9188, 9189, 9190, 9191 and 9192 of the Compiled Laws of North Dakota, 1913.

Was read the first and second time and referred to the committee on Judiciary.

Senate Bill No. 163: A Concurrent Resolution for an Amendment to the Constitution of the State of North Dako-

ta, Relating to the Compensation and Mileage of Legislative Members.

Was read the first and second time and referred to the committee on State Affairs.

Senate Bill No. 172: A Bill for an Act to Repeal Sections 1960, 1961, 1962, 1963, 1964, 1965, 1966, 1967, and 1968 Compiled Laws of the State of North Dakota for 1913 and Amend Section 1969 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to the Levy and Collection of Poll Tax.

Was read the first and second time and referred to the committee on Tax and Tax Laws.

Senate Bill No. 173: A Bill for an Act Providing for Salaries of County Auditors, Registers of Deeds, County Judges, State's Attorneys, Clerks of District Courts, Sheriffs, and County Superintendents of Schools, and Repealing Chapter 112 of the Laws of 1915 and All Acts and Parts of Acts in Conflict Herewith, and Chapter 105 of the Session Laws of 1919.

Was read the first and second time and referred to the committee on State Affairs.

Mr. Speaker: The chair at this time desires to make a statement.

The request of the House to the Senate for the return of House Bill No. 104, and House Bill No. 25, has been refused.

As stated by the chair from the floor of the House in making the motion concerning such request the purpose of the return of House Bill No. 104, was for reconsideration and indefinite postponement of the measure, which, in the form it went to the Senate placed all property subject to a valuation for taxation purposes at 100 percent: This with the object of leaving the classification of property for taxation as at present.

The purpose of the return of House Bill No. 25, was as stated by the Speaker from the floor, in making the motion, to exempt from taxation all structures and improvements on agricultural lands, that is to leave such structures and improvements exempt as at present.

The Senate having had their attention called to the rule which provides that "Either House shall return any bill or resolution called for by resolution of the other House, if the bill or resolution is yet in possession of the House called upon, and no action thereon has been had."

In discussion in the Senate, one member maintained that action had been taken, and this in all seriousness, in that the clerk in reading the bill had moved his lips. The President of the Senate held that the referring of the bill to the Committee was action thereon, and that a two-thirds vote would be required to accede to the request of the House. While your Speaker was in the Senate considerable talk was had about the **gag rule of the Speaker**, and Senator Bowman arose and made the following motion: "That the Sargent at Arms

be instructed to bring the Speaker of the House before the bar of the Senate and that he be required to apologize for a statement claimed to have been made by the Speaker that the Senate had invoked the previous question at least ten times as often as had the House." Which motion was laid upon the table.

Mr. Prezler moved that the House do now adjourn which motion prevailed and the House so adjourned.

C. L. DAWSON,
Chief Clerk.

FIFTY-SECOND DAY

House of Representatives,
Bismarck, North Dakota,
February 24, 1921.

The House convened at 2 o'clock p. m. pursuant to adjournment the Speaker presiding.

Prayer by Chaplain Rev. Huffman.

Roll call: All members present except Mr. Lazier.

PRESENTATION OF PETITIONS AND COMMUNICATIONS

Beulah, North Dakota Feb., 1921.

J. B. Hagelberger,
Bismarck, N. Dak.

We the undersigned citizens and tax payers of Mercer county humbly beg you to use your best endeavor to get some financial aid for the Mercer county fair from the state.

G. E. ROSE and 71 others.

REPORTS OF STANDING COMMITTEES

The committee on Insurance made the following report:

Mr. Speaker: Your committee on Insurance to whom was referred.

Senate Bill No. 53: A Bill for an Act to Amend and Re-enact Chapter 160 of the Session Laws of North Dakota for the Year 1919 as Amended by Chapter No. 38 of the Special Session Laws of the 16th Legislative Assembly of the State of North Dakota for the Year 1919 Relating to State Hail Insurance.

Have had the same under consideration and recommend that the same be amended as follows:

In Section 3, line 18, of the engrossed bill, strike out everything after the word "annum" down to and including the word "emergency" in line 24.

Section 5, line 3, between the words "listed actually" insert the word "as".

Section 6, line 2, strike out the words "year 1919 and each year thereafter," and insert in lieu thereof the following "years 1921, 1922, 1923, 1924 and 1925," Line 5, after the word "Act", insert the following "and creating a permanent surplus in the hail insurance fund to be applied in paying losses more promptly." In line nine, strike out the word "of" and insert in lieu thereof the word "from". In line 11, strike out everything after the word "into" and add the following "the State Hail Insurance Fund, but a separate record of such moneys shall be kept by the county and state treasurers."

Section 7, line 7, strike out the words "date of issue for the period of one year" and insert in lieu thereof the following, "first day of December until called for payment by the State Treasurer." Line 9, strike out everything after the word "year" down to and including the word "Department," in line 12. Line 20 after the word "indemnity" insert the following "provided further, that if the sum collected by the maximum levy should be insufficient to pay all losses in any one year, the payment of losses shall be prorated."

Section 8, line 3, correct the word "forwith" to "forthwith". Line 7, after the word "such", strike out the word "tax" and insert in lieu thereof "indemnity taxes." Line 8, insert the word "a" between the words "in separate." In line 9, change the word "funds" to read "fund", insert the word "State" between the words "the Hail" and strike out the remainder of the paragraph after the words "Insurance Fund."

Section 9, line 2, change the word "assessors" to read "assessor."

Section 10, line 18, insert the word "that" before the word "delinquent." Line 20 after the word "taxes" insert the words "in one sum." In the same line, after the word "certificate" insert the words "shall be". Line 27, insert the word "State" between the words "the Hail". Line 28, after the word "Fund" strike out the balance of the sentence.

Section 11, Line 1, change the word "any" to read "every". Line 2, strike out the words "or the occupant or other" and insert the word "or". In the same line, after the word "tenant" insert the following "or his agent". Line 17, after the word "tenant" insert the following "or their agents." Line 24, strike out the word "occupant". Line 25, after the word "tenant" insert the words "or their agents."

Section 12, line 3, strike out the word "tenth" and insert in lieu thereof the word "fifteenth". Line 9, strike out the words "Commissioner of Insurance" and insert in lieu thereof the words "County Auditor". Line 10, strike out the words "Commissioner of Insurance" and insert in lieu thereof the following "County Auditor". In the same line, strike out the words "a reasonable time" and insert the words "three days". Line 11, strike out the words "County Auditor" and insert in lieu thereof the words "Commissioner of Insurance". Line 15, strike out the word "to" and insert in lieu thereof the word "shall". Line 16, after the word

"Auditor" add the following, "or a qualified Justice of the Peace". Line 17, after the word "withdrawal" add the following: "Provided, further, that it shall be the duty of the Hail Insurance Department to furnish each County Auditor for distribution by the assessors all withdrawal blanks, crop listing blanks, extension application blanks and loss report blanks together with self addressed envelopes necessary in their respective townships". Line 21, strike out the words "Commissioner of Insurance" and insert in lieu thereof the words "County Auditor." Line 25, strike out the words "Hail Insurance Department" and insert in lieu thereof the words "County Auditor". Line 33, strike out the words "Commissioner of Insurance" and insert in lieu thereof the words, "County Auditor." Line 34, after the words "prior to" strike out the remainder of the sentence and insert in lieu thereof the words "October first". Line 36, after the word "withdrawal" insert the word "up". Line 37 strike out the words "Hail Insurance Department" and insert the words "County Auditor". Line 38, strike out the word "tenth" and insert the word "Fifteenth". Line 42, after the word "extension" add the following "but such application may be cancelled at any time prior to July 1st."

Section 13, line 2, after the word "keep" strike out the word "the" and add the following "one copy of the crop". Line 3, insert the word "the" between the words "by assessors". Line 6, strike out the word "he" and insert the words "the County Auditor." Line 9, strike out the words "the sum of \$250.00" and insert in lieu thereof the following "50 cents per each 1000 acres of tillable area." Line 13, after the word "that" strike out the word "in". Line 15 change the word "section" to read "Act". Line 16, after the words "during the" insert the word "time". Line 19, strike out the words "for the first twenty-five days of such delinquency" "from" insert in lieu thereof the following "to the extent of". Line 20, after the word "for" add the following "to any county". Line 23, after the word "excess" strike out the remainder of the paragraph and insert in lieu thereof the following "Of the amount above provided for".

Section 15, line 3, insert the word "the" between the words "where owner". Line 5, strike out the words "Hail Insurance Department" and insert in lieu thereof the words "County Auditor". Line 6, after the word "made" insert the following "out in duplicate". Line 7, at the end of the line, and the following "one of these copies shall be forwarded to the Hail Insurance Department within three days after it is filed." Line 8, before the word "shall" insert the words "Such application".

Section 16, line 9, insert the word "estimated" between the words "the percent".

Section 17, line 20, insert the word "in" between the words "concur the".

Section 18, line 5, strike out the word "sub-section" and insert the word "part".

Section 21, line 2, strike out the figures 25th and insert the figure "1st". Line 14 after the word "Fund" strike

out the following: "and the Permanent Hail Revolving Fund". Line 18, change the word "to" to read "shall" and after the word "Fund" strike out the following: "and the Permanent Hail Revolving Fund," Line 20, strike out the words "date of issue" and insert the following: "1st day of December". Line 23, after the word "Treasurer" strike out the words "prior to the 15th day of each month" and insert the words "at least once each month". Line 26, after the word "month" strike out the balance of the sentence.

Section 23, in the title change the word "FUNDS" to read "FUND". Line 2, change the word "section" to read "sections" and before the figure "7", insert the figure and word "6 and". Line 11, insert the words "approval and" between the words "the assistance". Strike out all of paragraph (b) down to and including the words "any year", in line 42.

Section 24, line 5, change the word "of" to read "or".

And when so amended the same do pass.

ROY JOHNSON,
Chairman.

CONSIDERATION OF MESSAGES FROM THE SENATE

Mr. Watt moved that the House do now concur that the concurrent resolution of the Senate relating to provisions of Section 24, Chapter 147, of the Session Laws of the State of North Dakota for the year 1919.

Mr. Patterson moved as an amendment that the resolution be referred to the committee on State Affairs, which amendment was lost.

The question being on the motion of Mr. Watt to concur in the resolution,

The motion prevailed and the House so concurred in the resolution.

FIRST AND SECOND READING OF SENATE BILLS

Senate Bill No. 181: A Bill for an Act to Amend and Re-enact Section 144 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to the Keeping of Permanent Books of Record by the State Treasurer and the State Auditor, and Authorizing the Re-arrangement and Revision of the Present System.

Was read the first and second time and referred to the committee on State Affairs.

Senate Bill No. 182: A Bill for a Concurrent Resolution to Amend and Re-enact Section 173 of Article 10 of the Constitution of the State of North Dakota Providing for the Election of County Officials.

Was read the first and second time and referred to the committee on State Affairs.

Senate Bill No. 187: A Bill for an Act Amending and Re-enacting Section 1334 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to the Interest on Bonds of Common School Districts.

Was read the first and second time and referred to the committee on State Affairs.

Senate Bill No. 189: A Bill for an Act to Amend and Re-enact Section 1008 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 121 of the Session Laws of North Dakota for the Year 1919.

Was read the first and second time and referred to the committee on Elections and Election privileges.

Senate Bill No. 192: A Bill for an Act to Amend and Re-enact Section 4929 of the Compiled Laws of North Dakota for the Year 1913, Relating to the Fees to be Paid by Insurance Companies Doing Business in This State.

Was read the first and second time and referred to the committee on Insurance.

Senate Bill No. 195: A Bill for an Act Relating to the Taking of New Promissory Notes in Renewal of Notes Already Held by Banks, Other Corporations or Individuals, Effecting Their Legality.

Was read the first and second time and referred to the committee on Judiciary.

Senate Bill No. 198: A Bill for an Act to Amend and Re-enact Section 3522 of the Compiled Laws of North Dakota for the Year 1913, Prescribing the Rate of Mileage Allowed the Sheriff.

Was read the first and second time and referred to the committee on State Affairs.

Senate Bill No. 199: A Bill for an Act to Repeal Section 3522 of the Compiled Laws of North Dakota for 1913 Providing for Livery Allowed Sheriffs.

Was read the first and second time and referred to the committee on State Affairs.

Senate Bill No. 200: A Bill for an Act Authorizing the Renewal of the Period of Corporate Existence of Certain Corporations Whose Period of Duration has Expired Without the Renewal Thereof, and Legalizing Acts and Contracts of Such Corporation Made or Done and Performed Subsequent to the Expiration of the Original Period of Existence of Such Corporations.

Was read the first and second time and referred to the committee on Corporations other than municipal.

Senate Bill No. 202: A Bill for an Act to Amend and Re-enact Section 2 of Chapter 63 of the Session Laws of 1915 Prescribing and Limiting the Punishment of the Crime of Murder in the First Degree and Limiting the Time, Manner and Conditions Whereby Such Person May be Pardoned.

Was read the first and second time and referred to the committee on Judiciary.

Senate Bill No. 203: A Bill for an Act to Amend and Re-enact Section 10 of Chapter 31 of the Special Laws of North Dakota for the Year 1919 Relating to the Purchase of Cattle by County.

Was read the first and second time and referred to the committee on State Affairs.

Senate Bill No. 155: A Bill for an Act Defining Duration of the War.

Was read the first and second time and referred to the committee on Judiciary.

Senate Bill No. 162: A Bill for an Act to Provide a Minimum Amount of Training, a Minimum Salary for a Teaching Experience of Less Than One School Year, and a Schedule of Salary Minimums for a Teaching Experience of From One to Six Years Inclusive, for the Teachers in the Public Schools of North Dakota.

Was read the first and second time and referred to the committee on State Affairs.

Senate Bill No. 197: A Bill for an Act Making an Appropriation for the Care and Maintenance of Persons Affected with Leprosy.

Was read the first and second time and referred to the committee on Appropriations.

Senate Bill No. 201: A Bill for an Act Making an Appropriation to Pay the Irrigation or Water Tax on State School Lands, Included Within the Williston Irrigation District.

Was read the first and second time and referred to the committee on Appropriations.

Senate Bill No. 65: A Bill for an Act Requiring the Evaluation of the Board of Railroad Commissioners, of, all Common Carrier Railroad Property Within the State of North Dakota; Requiring the Fixing of the Fair Value Thereof for Rate Making Purposes; and Providing for an Appropriation to Carry Out the Provisions Thereof.

Was read the first and second time and referred to the committee on Appropriations.

Senate Bill No. 48: A Bill for an Act Requiring County Commissioners to have Classified all Acre Property in the State, Providing method of Contracting for Such Work of Classification, Authorizing a Tax Levy Therefor, Fixing Classification Schedules, Providing for Notice to Public prior to Adoption of such Classification and Fixing the duties of the Board of County Commissioners, Boards of Review and Equalization and Local Assessors with respect to such Classification Schedules.

Was read the first and second time and referred to the committee on Tax and Tax Laws.

Senate Bill No. 117: A Bill for an Act Empowering the Board of County Commissioners of Each County to Designate Depositories for County Funds and Providing the Procedure and the Regulations Under Which Such Funds May be Deposited.

Was read the first and second time and referred to the committee on State Affairs.

Senate Bill No. 111: A Bill for an Act entitled: "An Act Prescribing What Number of Stockholders Shall Constitute a Quorum in Stockholders' Meetings of Domestic Corporations, and also Providing that the Written Consent of the Holders of a Majority in Value of the Subscribed Capital Stock Shall be Effectual for Certain Purposes, also Making Provision for Notice for Stockholders' Meetings, and Repealing Conflicting Laws."

Was read the first and second time and referred to the committee on Appropriations.

Senate Bill No. 136: A Bill for an Act Declaring the Purpose of the State of North Dakota to Engage in the Enterprise of Furnishing Electricity for Power, Heat and Lighting Purposes to the Inhabitants and Public of the City of Bismarck and of the County of Burleigh, and to Supply Electricity to all State Buildings Owned or Leased by the State of North Dakota in Said City and County and to the State Street Car Line.

Was read the first and second time and referred to the committee on Appropriations.

Senate Bill No. 135: A Bill for an Act Providing for the Issuance of Bonds of the State of North Dakota in a Sum Not Exceeding \$250,000.00, to be Known as "Bonds of North Dakota, Electric Utility Series;" Prescribing the Terms and Stating the Purposes Thereof; Providing for a Tax and Making Other Provisions for the Payment Thereof; Making Appropriations for the Payment of Interest and Principal of Said Bonds and to Carry Into Effect the Provisions of This Act.

Was read the first and second time and referred to the committee on Appropriations.

THIRD READING OF SENATE BILLS

Senate Bill No. 24: A Bill for an Act to Amend and Re-enact Section 4400 of the Compiled Laws of North Dakota, 1913, Relating to Affirmative Proof Required in Divorce Actions.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 68, nays 33, absent and not voting 12.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bollinger, Botz, Brady, Bratsberg, Bryans, Burkhart, Burns, Cart, Cole, Doyle,

Eckert, Elmer, Erickson of Divide, Flom, Freeman, Fredrickson, Frandson, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Hartl, Heaton, Johnson of Steele, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Slope, Miller, Nathan, Oberg, Olsgard, Patterson, Peters, Quadé, Sherman, Shimmin, Sims, Starke, Strain, Vogel, Weld of Kidder, Wood.

Nays: Boyd, Carlson, Durkee, Ellingson, Erickson of Walsh, Grangaard, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Traill, Kjos, Morton, Mikkelson, Ness, Nagel, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Plath, Preszler, Root, Sagen, Semling, Slominski, Sproul, Ulland, Watt, Weld of Wells, Whitmer, Mr. Speaker.

Absent and not voting: Bjorgo, Harding, Hempel, Johnson of Sargent, Lazier, Martin of Slope, Maxwell, Mouck, Olson of Barnes, Reichert, Shipley, Yeater.

So the bill passed and the title was agreed to.

Senate Bill No. 29: An Act to Amend and Re-enact Section 1 of Chapter 4 of the Laws Passed by the Special Session of the Sixteenth Legislative Assembly of the State of North Dakota, Begun and Held at Bismarck, the Capital of Said State, on Tuesday, the Twenty-fifth Day of November, A. D. 1919, and Concluding Thursday, December the Eleventh, 1919, Being an Act to Appropriate \$225,000.00 for the Purpose of Aiding in the Construction of a Bridge Across the Missouri River From Burleigh County to Morton County in the State of North Dakota, and the Further Sum of \$35,000.00 for the Construction of a Bridge Across the Red River, at Pembina, Pembina County, and Kittson County, Minnesota, Under the Provisions of Chapter 73 of the Laws Passed at the Sixteenth Session of the Legislative Assembly of North Dakota, Approved March 5, 1919; and Such Appropriation be proved 9:00 A. M. December 12, 1919.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 104, nays 0, absent and not voting 9.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Butz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Hartl, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Slope, Mikkelson, Miller,

Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Peters, Plath, Preszler, Quade, Reichert, Renault, Root, Sagen, Semling, Sherman, Shimmin, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood.

Absent and not voting: Harding, Hempel, Lazier, Maddock of Mountrail, Martin of Bottineau, Maxwell, Patterson, Shipley, Yeater.

So the bill passed and the title was agreed to.

Mr. Watt gave notice of his intention to move on the next legislative day for reconsideration of the vote by which Senate Bill No. 24 was passed.

Senate Bill No. 37: A Bill for an Act Entitled, an Act to Cure Defects in the Title of Real Estate Caused by Failure of Foreign Corporations to Comply with Section 5238 Compiled Laws, 1913.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 103, nays 0, absent and not voting 10.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhardt, Burns, Carlson, Cart, Cole, Doyle, Durkee, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hail, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Trail, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Mountrail, Magnuson, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Peters, Plath, Preszler, Quade, Reichert, Renault, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Bauer, Eckert, Grangaard, Harding, Johnson of Steele, Lazier, Maddock of Benson, Martin of Bottineau, Patterson, Ulland.

So the bill passed and the title was agreed to.

The House reverted to the Seventh order of business.

MOTIONS AND RESOLUTIONS

Mr. Halcrow moved that Senate Bill No. 18, be referred to the committee on Temperance.

Mr. Preszler moved that the motion of Mr. Halcrow be laid on the table.

Roll call demanded.

The question being on the motion of Mr. Preszler, that the motion of Mr. Halcrow be laid on the table.

The roll was called and there were ayes 52, nays 58, absent and not voting 3.

Ayes: Allen, Anderson of Griggs, Bauer, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Jardine, Johnson of Cass, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimm'n, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson of Burleigh, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Hartl, Hempel, Heaton, Johnson of Pembina, Johnson of Steele, Kamrath, Kellogg, Kitchen, Lakie, Larkin, Larson of Ransom, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olafson, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer.

Absent and not voting: Harding, Lazier, Yeater.

So the motion was lost.

The question being on the motion of Mr. Halcrow to refer Senate Bill No. 18 to the committee on Temperance.

Call of the House demanded.

The roll being called all members were present except Messrs. Harding, Lazier and Oberg.

Mr. Grangaard moved that a call of the House be dispensed with which motion prevailed and further proceedings under.

Call of the House was dispensed with.

The roll was called and there were ayes 56, nays 54, absent and not voting 3.

Ayes: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Halcrow, Hanson of Benson, Hall, Hartl, Hempel, Heaton, Johnson of Pembina, Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Levin, McLarty, McManus, Maddock of Benson, Maddock of

Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olafson, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer.

Nays: Allen, Anderson of Burleigh, Bauer, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Hanson of Grand Forks, Jardine, Johnson of Cass, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Snimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Absent and not voting: Harding, Lazier, Yeater.

So the motion of Mr. Halcrow prevailed and Senate Bill No. 18 was referred to the committee on temperance.

Mr. Kitchen asks permission to explain his vote and have it recorded in the journal.

Mr. Speaker: I do not believe in impeaching the judgment of the Speaker of the House as to the committee to which this bill was referred.

Any such conduct on the majority of this House would also be questioning the motive and judgment of the presiding officer of the Senate who acted in like manner as our Speaker.

I vote No.

THIRD READING OF SENATE BILLS

Senate Bill No. 80: A Bill for an Act to Prevent the Adulteration and Deception in Varnishes and Varnish Substitutes and Providing for the Proper Labeling of the Same.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 102, nays 3, absent and not voting 8.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Hartl, Hempel, Heaton, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Quade, Reichert, Renauld, Root,

Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Mr. Speaker.

Nays: Bilquist, Jardine, Olafson.

Absent and not voting: Carlson, Harding, Lakie, Lazier, Maddock of Mountrail, Preszler, Ulland, Vogel, Yeater.

So the bill passed and the title was agreed to.

Mr. Grangaard moved that the House do now recess for 15 minutes, which motion prevailed and the House so recessed.

AFTER RECESS

The House convened pursuant to recess taken, the Speaker presiding.

The courtesies of the floor were extended to Ed. Eide, M. B. Hogaboom, F. L. Goodman, Dr. Healey, Thos. Moore, Paul Griffith, E. B. Olson, Mrs. Maud Wheelock, Miss Fannie Young, Miss Aughney.

Mr. Opland moved that the House do now adjourn until 2 o'clock p. m. February 25, 1921, which motion prevailed and the House adjourned.

C. I. DAWSON,
Chief Clerk.

FIFTY-THIRD DAY.

House of Representatives.
Bismarck, North Dakota,
February, 25, 1921.

The House convened at 2 o'clock P. M. pursuant to adjournment, the Speaker presiding.

Prayer by Chaplain, Rev. Huffman.

Roll call, all members present except Mr. Lazier.

REVISION AND CORRECTION OF THE JOURNAL.

The committee on revision and correction of the Journal made the following report:

Mr. Speaker:

Your committee on revision and correction of the Journal have carefully examined the Journal of the Fifty-first Day and recommend that the same be corrected as follows:

On page 5 after line 14, insert the report of the Engrossing Committee on House Bill No. 25.

On page 13, line 3, change the word "passed" to the word "was lost."

On page 15, line 22, change the letter "e" to letter "i" in the last word in line. In line 24, strike out the word "bill" and insert in lieu thereof the word "mill."

On page 14 line 16 strike out the word "not" and change the word "of" to "to". In line 17 strike out the ending "ing" in first word, and the word "didn't."

And when so corrected recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted which motion prevailed and the report was adopted.

Also:

Mr. Speaker: Your committee on revision and correction of the Journal have carefully examined the Journal of the

52nd day and recommend that the same be corrected as follows:

On page one, strike out line 14. On page 10 strike out lines 21 and 22.

On page 16, line 11 from bottom of the page strike out the word "made" and insert in lieu thereof the word "under."

On page 17, line 21, after the word committee, strike out the period and insert the following: "to which."

On page 6, line 15, from the bottom of page, strike out the word "except" and insert in lieu thereof the word "exempt."

And when so corrected recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted.

PRESENTATION OF PETITIONS AND COMMUNICATIONS.

Cando, N. Dak., Feb. 23, 1921.

A. J. McLarty, House, Bismarck, N. Dak.:

The undersigned legal voters of Towner county urgently request you to support the extension appropriation in the agricultural college budget. We believe that agricultural extension work is vital to the interests of better and more profitable agriculture and must have proper state support.

ALEX CURRIE,
And 25 Others.

REPORTS OF STANDING COMMITTEES.

Mr. Speaker: Your committee on Insurance to whom was referred:

Senate Bill No. 97: A Bill for an Act to Authorize the Valuation of Bonds and Other Securities Held by Life Insurance Companies, Assessment Life Associations and Fraternal Beneficiary Associations by the Amortization Method.

Have had the same under consideration and recommend that the same do pass.

ROY JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

Senate Bill No. 104: For an Act to Repeal Section 153, Compiled Laws of North Dakota for 1913, Relating to Fees for the Registration of Bonds.

Have had the same under consideration and recommend that the same do pass.

ROY JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

Senate Bill No. 192: A Bill for an Act to Amend and Re-enact Section 4929 of the Compiled Laws of North Dakota for the Year 1913, Relating to the Fees to be Paid by Insurance Companies Doing Business in This State.

Have had the same under consideration and recommend that the same do pass.

ROY JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Election and Election Privileges to whom was referred:

Senate Bill No. 57: A Concurrent Resolution for an Amendment to the Constitution Relating to the Residence Required of an Elector.

Have had the same under consideration and recommend that the same do pass.

D. E. SHIPLEY,
Chairman.

Mr. Shipley moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

Senate Bill No. 189: A Bill for an Act to Amend and Re-enact Section 1008 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 121 of the Session Laws of North Dakota for the Year 1919.

Have had the same under consideration and recommend that the same be indefinitely postponed.

D. E. SHIPLEY,
Chairman.

Mr. Shipley moved that the report be adopted, which motion prevailed and the report was adopted, and further consideration of Senate Bill No. 189 was indefinitely postponed.

Mr. Speaker: Your committee on State Affairs to whom was referred:

Senate Bill No. 83: A Bill for an Act Amending and Re-enacting Section 2618, Compiled Laws of North Dakota, for the Year 1913, as Amended by Chapter 140 of the Session Laws of North Dakota, for the Year 1919, Relating to the Herd Law.

Have had the same under consideration and recommend that the same be indefinitely postponed.

MARTIN OLSEN,
Chairman.

Mr. Olsen moved that the report be adopted, which motion prevailed and the report was adopted, and further consideration of Senate Bill No. 83 was indefinitely postponed.

Mr. Speaker: A majority of Your committee on State Affairs to whom was referred.

Senate Bill No. 139: An Act Entitled an Act for the Protection of Employees as Members of Labor Organizations.

Have had the same under consideration and recommend that the same be indefinitely postponed.

Mr. Speaker: A minority of your committee on State Affairs to whom was referred:

Senate Bill No. 139: A Bill for an Act Entitled an Act for the Protection of Employees as Members of Labor Organizations.

Have had the same under consideration and recommend that the same do pass.

J. H. BURKHART,
WALTER MADDOCK,

Mr. Olson moved the adoption of the majority report.

Mr. Burkhart moved that the minority report be substituted for the majority report, which motion was lost.

The question being on the adoption of the majority report the motion prevailed and further consideration of Senate Bill No. 139 was indefinitely postponed.

The committee on State Affairs made the following report.

Mr. Speaker: Your committee on State Affairs to whom was referred:

Senate Bill No. 141: A Bill for An Act to Amend and Re-enact Section 1717 of the Compiled Laws of North Dakota for the year 1913, as Amended by Section 4 of Chapter 113 of the Session Laws of 1915, and Chapter 145 of Session Laws of North Dakota for the Year 1917, Relating to the Support of Feeble Minded Persons in the Institution of the Feeble Minded.

Have had the same under consideration and recommend that the same be indefinitely postponed.

MARTIN OLSEN,
Chairman.

Mr. Olsen moved that the report be adopted, which motion prevailed and the report was adopted, and further consideration of Senate Bill No. 141 was indefinitely postponed.

Mr. Speaker: Your committee on State Affairs to whom was referred:

Senate Bill No. 143: A Bill for an Act to Prevent Any Person from Registering as a Guest in Any Hotel in the State of North Dakota Under a Fictitious or False Name.

Have had the same under consideration and recommend that the same do pass.

MARTIN OLSEN,
Chairman.

Mr. Olsen moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on State Affairs to whom was referred:

Senate Bill No. 150: A Bill for an Act to Amend and Re-enact Section 9804 and Section 9805 of Chapter 55 of the Laws of North Dakota for the Year 1913, Regulating the Sale to and Use of Firearms by Minors and Providing a Penalty for the Violation Thereof.

Have had the same under consideration and recommend that the same be indefinitely postponed.

MARTIN OLSEN,
Chairman.

Mr. Olsen moved that the report be adopted, which motion prevailed and the report was adopted, and further consideration of Senate Bill No. 150 was indefinitely postponed.

Mr. Speaker: A majority of your committee on State Affairs to whom was referred:

Senate Bill No. 198: A Bill for an Act to Amend and Re-enact Section 3522 of the Compiled Laws of North Dakota for the Year 1913, Prescribing the Rate of Mileage Allowed the Sheriff.

Have had the same under consideration and recommend that the same be indefinitely postponed.

Mr. Speaker: A minority of your committee on State Affairs to whom was referred:

Senate Bill No. 198: A Bill for an Act to Amend and Re-enact Section 3522 of the Compiled Laws of North Dakota for the Year 1913, Prescribing the Rate of Mileage Allowed the Sheriff.

Have had the same under consideration and recommend that the same do pass.

A. N. FLOM,
L. E. HEATON.

Mr. Olson moved that the majority report be adopted.

Mr. Flom moved to substitute the minority report for the majority report, which motion was lost.

The question being on the adoption of the majority report of the committee, which motion prevailed, and further consideration of Senate Bill No. 198 was indefinitely postponed.

Mr. Speaker: A majority of your committee on State Affairs to whom was referred:

Senate Bill No. 199: A Bill for an Act to Repeal Section 3522 of the Compiled Laws of North Dakota for 1913 Providing for Livery Allowed Sheriffs.

Have had the same under consideration and recommend that the same be indefinitely postponed.

MARTIN OLSEN,
Chairman.

Mr. Speaker: A minority of your committee on State Affairs to whom was referred:

Senate Bill No. 199: A Bill for an Act to Repeal Section 3522 of the Compiled Laws of North Dakota for 1913 Providing for Livery Allowed Sheriffs.

Have had the same under consideration and recommend that the same do pass.

A. N. FLOM,
L. E. HEATON.

Mr. Olsen moved that the majority report of the committee be adopted.

Mr. Flom moved that the minority report of the committee be substituted for the majority report, which motion was lost.

The question being on the motion of Mr. Olsen to adopt the majority report of the committee, which motion prevailed and Senate Bill No. 199 was indefinitely postponed.

Mr. Speaker: Your committee on Education to whom was referred:

Senate Bill No. 152: A Bill for an Act to Permit the Use of Certain Ground Upon the Campus of the University and to Consent to the Erection of an Alumni Building Thereupon by the Alumni Association for Purposes of Aiding the University and the Co-operative Interest of Its Alumni and to Grant to Such Alumni Association the Right to Exercise Control and Dominion Over Such Ground and the Building to be Constructed Thereon Subject to the Rules and Regulations of the State and of Its Board of Administration.

Have had the same under consideration and recommend that the same do pass.

JOSEPH A. KITCHEN,
Chairman.

Mr. Kitchen moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Municipal Corporations to whom was referred:

Senate Bill No. 102: A Bill for an Act to Amend and Re-enact Section 3621, Compiled Laws of North Dakota for the Year 1913, Relating to Compensation of Aldermen.

Have had the same under consideration and recommend that the same do pass.

JOHN T. FREEMAN,
Chairman.

Mr. Freeman moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

Mr. Speaker: Your committee on Municipal Corporations to whom was referred:

Senate Bill No. 98: A Bill for an Act to Amend and Re-enact Section 3552, Compiled Laws of North Dakota for the Year 1913, Permitting Incorporated Towns and Villages Having a Population of Not Less Than Two Hundred Inhabitants to Become Incorporated as a City.

Have had the same under consideration and recommend that the same do pass.

JOHN T. FREEMAN,
Chairman

Mr. Freeman moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Appropriations to whom was referred:

Senate Bill No. 197: A Bill for an Act Making an Appropriation for the Care and Maintenance of Persons Affected With Leprosy.

Have had the same under consideration and recommend that the same do pass.

WM. WATT,
Chairman.

Mr. Watt moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on Judiciary made the following report:

Mr. Speaker: Your committee on Judiciary to whom was referred:

Senate Bill No. 116: A Bill for an Act to Amend and Re-enact Chapter 179 of the Session Laws of 1915; an Act to Amend Chapter 177 of the Laws of 1911 (Same Being Sections 11402 to 11428, Inclusive, Compiled Laws 1913), Entitled "Juvenile Court." by Adding Thereto Certain Provisions Giving the Court Power When Necessary to Appoint District Juvenile Commissioners, Guardians ad litem, and to Make Rules and Regulations Prescribing Their Duties and Fixing Their Compensation; also to Enact Such Other Provisions Which Are Best Calculated to Carry Out the Purpose of Said Chapter 177.

Have had the same under consideration and recommend that the same be amended as follows:

TITLE: That all of the title to said bill be stricken out and in lieu thereof insert the following:

"For an Act to amend and re-enact Chapter 177 of the Session Laws of 1911 (same being Sections 11402 to 11428, both inclusive, of the Compiled Laws of North Dakota for the

year 1913) entitled: "Juvenile Court," by adding thereto certain provisions, giving the court power when necessary to appoint District Juvenile Commissioners, Guardians ad litem, and to make rules and regulations prescribing their duties and fixing their compensation; to enact such other provisions as are best calculated to carry out the provisions of said chapter 177 and to amend and re-enact Chapter 179 of the Session Laws of North Dakota for the year 1915."

SECTION 1. That same be stricken out and in lieu thereof insert the following:

"SECTION 1. In order to more fully carry out the provisions of Chapter 177 of the Laws of the State of North Dakota for the year 1911, entitled: "Juvenile Court," (same being Sections 11402 to 11428, inclusive, Compiled Laws 1913) the district judges of the different districts may appoint a suitable and discreet person in each district, either sex, of good moral character, as juvenile commissioner. Said commissioners shall have power to administer oaths; take acknowledgements of instruments; receive complaints and issue warrants for the arrest of persons thereon; to examine fully into the merits of each case; issue subpoenas; compel the attendance of witnesses before them and to report them to the district judge for contempt proceedings for non-attendance or refusal to be sworn or testify as provided by Section 8200 Compiled Laws, 1913; to make such temporary order for the custody and control of the child or children thus brought before them as they may deem proper, and generally have the usual powers of a referee provided by Article VII of Chapter 11 of the Code of Civil Procedure for the trial of civil actions, in addition to the powers herein specially given. Provided, however, that when in the opinion of such commissioners or that of the court a final order for the custody or control of such child or children becomes necessary, either by sending the same to the State Training School or other institutions of this state; or to deprive the parents of their custody and give the same to some other person or persons, either for the purpose of temporary control or permanent adoption, it shall be the duty of such commissioners to make findings and report the same with their recommendations to the district judges, who shall fix a reasonable time and place for hearing, and make such final judgment or order in the case as shall appear proper and right. The venue of all complaints shall be in the county where the child resides or where the cause for which it is sought to arrest such child exists or was committed. All complaints shall be made in the name of the state as plaintiff and the child as defendant. The action thus brought shall be deemed pending in the district court of such county from the time of filing the complaint in said court until finally disposed of by a district judge. Final hearings may be had either at the county seat of the county where the venue is laid, or in the county where the district judge has his permanent chambers as such judge shall direct."

SECTION 3. That same be stricken out and in lieu thereof insert the following:

"SECTION 3. Said juvenile commissioners so appointed shall keep a record of all their proceedings in a suitable

docket kept for that purpose. All necessary books, blanks, place for doing business, stationery and postage for the use of said commissioners in their official business shall be furnished at the expense of the respective counties, prorated according to the population of each county."

SECTION 4. That same be stricken out and in lieu thereof insert the following:

"SECTION 4. Said juvenile commissioners shall receive as full compensation for their services such an amount per diem as shall be approved by the district judge for all the time actually and necessarily employed in the duties of their office, not in any case exceeding the sum of Eight Dollars (\$8.00) per day. Such per diem and expenses to be apportioned by said judge between the several counties where the work originates or is done. Such compensation to be paid monthly by the County Treasurers of such counties respectively on bills duly made out and verified as other bills or accounts against the county, and upon an order of the district judge."

SECTION 5. That same be stricken out and in lieu thereof insert the following:

"SECTION 5. The purpose and intent of this act is not to take from the court or judge any power he may now possess, but rather to supplement the efficiency of the work of the district court or judge by casting upon the juvenile commissioners the labor of caring for details and making it only necessary to exercise a judicial function by trying a case or making a final order, and to that end said commissioners shall be subject to appointment and removal by the district judge as they may deem it necessary."

SECTION 6. That same be stricken out and in lieu thereof insert the following:

"SECTION 6. EMERGENCY.) Whereas an emergency exists, now therefore this act shall be in effect from and after its passage and approval."

And when so amended recommend the same do pass.

C. H. STARKE,
Chairman.

Mr. Speaker: Your committee on Judiciary to whom was referred:

Senate Bill No. 56: A Bill for an Act Providing for the Cancellation of Mortgages by Order of the District Court Judges of the State of North Dakota.

Have had the same under consideration and recommend that the same be indefinitely postponed.

C. H. STARKE,
Chairman.

Mr. Starke moved that the report be adopted, which motion prevailed and the report was adopted, and further consideration of Senate Bill No. 56 was indefinitely postponed.

Mr. Speaker: Your committee on Judiciary to whom was referred:

Senate Bill No. 87: A Bill for an Act to Amend and Re-enact Section 8657 of the Compiled Laws of North Dakota for the Year 1913, Relating to Letters of Administration, and Who Are Entitled Thereto.

Have had the same under consideration and recommend that the same be indefinitely postponed.

C. H. STARKE,
Chairman.

Mr. Starke moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Judiciary to whom was referred:

Senate Bill No. 88: A Bill for an Act to Amend and Re-enact Section 8551 of the Compiled Laws of North Dakota for the Year 1913, Relating to Citations and Notices Issued by the County Court and How the Same Must be Served.

Have had the same under consideration and recommend that the same be indefinitely postponed.

C. H. STARKE,
Chairman.

Mr. Starke moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Judiciary to whom was referred:

Senate Bill No. 122: A Bill for An Act to Provide for the survival of Actions and Causes of Action for Damages, Pain and Suffering and Personal Injuries.

Have had the same under consideration and recommend that the same do pass.

C. H. STARKE,
Chairman.

Mr. Starke moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Judiciary to whom was referred:

Senate Bill No. 30: A Bill for an Act to Amend and Re-enact Section 9 of Chapter 167 of the Session Laws of North Dakota for the Year 1919, Relating to the Salary and Expenses of the District Judges.

Have had the same under consideration and recommend that the same be indefinitely postponed.

C. H. STARKE,
Chairman.

Mr. Starke moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on Judiciary made the following report:

Mr. Speaker: Your committee on Judiciary to whom was referred:

Senate Bill No. 31: A Bill for an Act to Amend and Re-enact Section 780 of the Compiled Laws of North Dakota, for the Year 1913, as Amended by Chapter 30, of the Special Session Laws of North Dakota, for the Year 1919, Relating to Compensation of Court Stenographers, and Providing for the Payment of Expenses.

Have had the same under consideration and recommend that the same be amended as follows:

SECTION 1. That all of Section one (1) be stricken out and in lieu thereof inserted the following:

"Section 1. That Section 780 of the Compiled Laws of North Dakota for the year 1913, as amended by Chapter 30, of the Special Session Laws of North Dakota for the year 1919, be amended and re-enacted to read as follows:

"SECTION 780. Each Court Stenographer shall receive a salary of Two Thousand (\$2,000.00) per annum, payable in monthly equal installments in the counties constituting the judicial district in which such stenographer is employed, which salary shall be apportioned according and in proportion to the number of suits entered and commenced in the district court of the respective counties of such district in the preceding year. It shall be the duty of the presiding judge of each judicial district, on the first day of January, of each year, or as soon thereafter as may be, to apportion the amount of such salary to be paid by each county, in his district on the basis aforesaid, and it shall be the duty of the County Auditors of the respective counties in such judicial district to issue to the order of such Court Stenographer a warrant for the amount shown to be due by such apportionment. As reimbursement for expenses incurred in the performance of such official duties outside of the county where the District Court Chambers are situated, the Court Stenographer shall receive for actual living expenses a sum not to exceed Four (\$4.00) Dollars per day and for travel, actual transportation, which sums shall be paid monthly, upon itemized statements submitted to the District Judge, upon the order of the District Judge, by the county wherein such Court Stenographer is at such time attending to such official duties. For making of the transcript such Court Stenographer shall be entitled to receive compensation at the rate of fifteen cents for each one hundred words, and the same when ordered by the Judge, shall be paid by the county chargeable with the costs of the action, and in all other cases, by the party requesting such transcripts; provided, however, that when four additional copies are ordered at the same time for the use of the same party, then such Court Stenographer shall be entitled to receive ten cents per hundred words, for such additional copies.

And when so amended recommend the same do pass.

C. H. STARKE,
Chairman.

Mr. Speaker: Your committee on Tax and Tax Laws to whom was referred:

Senate Bill No. 172: A Bill for an Act to Repeal Sections 1960, 1961, 1962, 1963, 1964, 1965, 1966, 1967, and 1968 Compiled Laws of the State of North Dakota for 1913 and Amend Section 1969 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to the Levy and Collection of Poll Tax.

Have had the same under consideration and recommend that the same be indefinitely postponed.

J. A. JARDINE,
Chairman.

Mr. Jardine moved that the report be adopted, which motion prevailed and the report was adopted.

MESSAGE FROM THE SENATE.

SENATE CHAMBER

Bismarck, North Dakota,
February 24, 1921.

Mr. Speaker: I have the honor to inform you that the Senate has concurred in the House Concurrent Resolution relating to memorializing congress to take action on the Great Lakes-St. Lawrence Tide Water Project.

Very respectfully,
W. J. PRATER,
Secretary.

SENATE CHAMBER

Bismarck, North Dakota,
February 24, 1921.

Mr. Speaker: I have the honor to return herewith the following bills:

House Bill No. 115: A Bill for an Act to Amend and Re-enact Section 6854 of the Compiled Laws of North Dakota for the Year 1919, Relating to Thresher's Liens and Who may Have.

House Bill No. 98: A Bill for an Act to Amend and Re-enact Section 3710 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Contractors. How Paid.

House Bill No. 92: A Bill for an Act Providing for a Committee to Investigate the Proposed Roosevelt Park.

House Bill No. 34: A Bill for an Act to Fix the Salaries of Certain County Officers, to Provide for the Payment Thereof, for the Employment and Payment of Deputies and Clerk Hire in Such Offices, the Collection and Deposit of Fees, and the Repeal of Certain Laws.

Which the Senate has indefinitely postponed.

Very respectfully,
W. J. PRATER,
Secretary.

REPORTS OF STANDING COMMITTEES.

Mr. Speaker: A majority of your committee on Tax and Tax Laws to whom was referred:

Senate Bill No. 164: A Bill for an Act to Limit the Margin of Profit on Sales of Farm Land by Agents and Brokers.

Have had the same under consideration and recommend that the same be indefinitely postponed.

J. A. JARDINE,
Chairman.

The committee on Tax and Tax Laws made the following report:

Mr. Speaker: A minority of your committee on Tax and Tax Laws to whom was referred:

Senate Bill No. 164: A Bill for an Act to Limit the Margin of Profit on Sales of Farm Land by Agents and Brokers.

Have had the same under consideration and recommend that the same do pass.

J. A. JARDINE,
Chairman.

Mr. Jardine moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Jardine moved that the majority report of the committee indefinitely postponing Senate Bill No. 164, be adopted, which motion was adopted and further consideration of Senate Bill No. 164 was indefinitely postponed.

Mr. Speaker: Your committee on Tax and Tax Laws to whom was referred:

Senate Bill No. 147: A Bill for an act to Amend and Re-enact Section 7655 of the Compiled Laws of North Dakota for the Year 1913. Relating to the Obtaining, Preparation and Settlement of Statement of the Case on Appeals in Civil Actionse.

Have had the same under consideration and recommend that the same do pass.

J. A. JARDINE,
Chairman.

Mr. Jardine moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Tax and Tax Laws to whom was referred:

Senate Bill No. 133: A Bill for an Act to Empower Cities and Villages to Levy and Collect a Tax for the Purpose of Furnishing Musical Concerts to the Public.

Have had the same under consideration and recommend that the same be amended as follows:

At the end of Section 2 add the following: "Such money shall be paid out on warrants duly drawn and executed by the Board of City Commissioners, City Council or Board of Trustees."

And when so amended recommend the same do pass.

J. A. JARDINE,
Chairman.

MESSAGES FROM THE SENATE.

SENATE CHAMBER

Bismarck, North Dakota,
February 25, 1921.

Mr. Speaker: I have the honor to return herewith the following bills:

House Bill No. 107: A Bill for an Act to Amend and Re-enact Section 10298 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 162 of the Laws of North Dakota for the Year 1915, as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Relating to the Season for Killing Deer.

House Bill No. 99: A Bill for an Act to Amend and Re-enact Section 3529 of the Compiled Laws of North Dakota for the Year 1913, Relating to Fees of Notaries Public.

House Bill No. 42: A Bill for an Act to Amend and Re-enact Section 3969 of the Compiled Laws of North Dakota for the Year 1919, Relating to Excluding Farm Lands From the Limits of City, Town and Villages.

Which the Senate has passed unchanged.

Very respectfully,
W. J. PRATER,
Secretary.

SENATE CHAMBER

Bismarck, North Dakota,
February 25, 1921.

Mr. Speaker: I have the honor to return herewith the following bills:

House Bill No. 35: A Bill for an Act to Amend and Re-enact Section 33 of Chapter 161 of the Laws of North Dakota for the Year 1915 as Amended by Chapter 122 of the Laws of North Dakota for the Year 1917 as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Relating to Game Birds and Season for Killing.

House Bill No. 109: A Bill for an Act Legalizing Certain Acts of City, Village and School District Officials.

House Bill No. 189: A Bill for an Act to Repeal Sections 811 and 812 of the Compiled Laws of North Dakota for 1913, as Amended and Re-enacted by Chapter 69 of the Laws of North Dakota (Regular Session) for 1919, Relating to License Fees for Attorneys and Counsellors at Law.

Which the Senate has indefinitely postponed.

Very respectfully,
W. J. PRATER,
Secretary.

SENATE CHAMBER

Bismarck, North Dakota,
February 25, 1921.

Mr. Speaker: I have the honor to transmit the following concurrent resolution:

Whereas, The State Flood commission is authorized to make investigations to determine proper means of controlling the tributaries of the Red River in order to prevent recurrence of the past disastrous floods, and

Whereas, The Canadian provincial and federal officials have, in conference with our state officials and Winnipeg, expressed great desire to co-operate with the states of North Dakota and Minnesota in working out a broad plan of control, and

Whereas, The basin of the Pembina river, consisting of 3,700 square miles lies partly in the United States and partly in Manitoba, and

Whereas, its flood waters cause great damage to Pembina county and Manitoba;

Be It Resolved, That the Senate and House of Representatives concurring, does hereby authorize the Flood Engineer to negotiate with the like department in Manitoba to the end that they jointly make such investigations and surveys as are necessary to determine the improvements needed to fit in with the general plan of flood protection now being prepared by the state to submit to the War Department.

Which the Senate adopted and your favorable consideration is respectfully requested.

Very respectfully,

W. J. PRATER,
Secretary.

Mr. Watt moved that the Concurrent Resolution be referred to the committee on State Affairs, which motion prevailed and the resolution was so referred.

MOTIONS AND RESOLUTIONS.

Mr. Mouck moved that further action on Senate Bill No. 41 be deferred until the next legislative day, which motion prevailed.

Mr. Johnson, of Cass, moved that Senate Bill No. 59 be withdrawn from the Committee on Insurance and referred to the Committee on Tax and Tax Laws, which motion prevailed and the bill was so referred.

CONSIDERATION OF MESSAGES FROM THE SENATE

Mr. Grangaard moved that the Concurrent Resolution memorializing Congress to take action on the Great Lakes-St. Lawrence Tide Water Project be adopted, which motion prevailed and the resolution was adopted.

On motion the house reverted to the Seventh order of business.

MOTIONS AND RESOLUTIONS

Mr. Starke moved that the House reconsider the vote by which Senate Bill No. 24 was passed, which motion prevailed and the vote was so reconsidered.

Mr. Starke moved that the rules be suspended and that Senate Bill No. 24 be amended by striking out the words "in open" at the end of line 5, and the word "court" in line 6, of Section 1, which motion prevailed and the bill was so amended.

THIRD READING OF SENATE BILLS

Senate Bill No. 35: A Bill for an Act Repealing Section 6972 of the Compiled Laws of the State of North Dakota for the year 1913, Relating to Negotiable Instruments Made Payable at a Bank.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 93, nays 8, absent and not voting 12.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bjerke, Bjorgo, Bollinger, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Freeman, Fredrickson, Frandson, Hagelbarger, Halcrow, Hanson of Benson, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Morton, Mouck, Nathan, Oberg, Olafson, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Semling Sherman, Shimmin, Shipley, Sims, Sproul, Strain, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Flom, Grangaard, Lackey, Ness, Nagel, Olsgard, Ophaug, Root.

Absent and not voting: Bilquist, Botz, Durkee, Hanson of Grand Forks, Hall, Johnson of Steele, Lazier, Miller, Sagen, Slominski, Starke, Ulland.

So the bill passed together with the emergency clause and the title was agreed to.

Senate Bill No. 96: A Bill for an Act to Amend and Re-enact Section 3550 of the Compiled Laws of the State of North Dakota of 1913, Relating to the Appointment of District Court Bailiff's and Compensation Thereof.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 99, nays 0, absent and not voting 14.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjorgo, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Cart, Cole, Doyle, Durkee, Eckert, Elmer, Erickson of Divide, Erickson of Walsh,

Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Semling, Sherman, Shimmín, Shipley, Sims, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Bjerke, Bollinger, Botz, Carlson, Ellingson, Heaton, Johnson of Steele, Lazier, McLarty, McManus, Maxwell, Ophaug, Sagen, Slominski.

So the bill passed together with the emergency clause and the title was agreed to.

Senate Bill No. 33: A Bill for an Act to Amend and Re-enact Section 2625, Compiled Laws of North Dakota for 1913, Relating to Trespass of Animals.

Was read the third time.

Mr. Bauer moved that further consideration of Senate Bill No. 33 be indefinitely postponed, which motion was lost.

The question being on the final passage of the bill, the roll was called and there were ayes 72, nays 28, absent and not voting 13.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bilquist, Bjorgo, Bollinger, Botz, Brady, Bratsberg, Bryans, Burkhardt, Burns, Cart, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Cass, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kelly, Kitchen, Kjos, Kopp, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McManus, Maddock of Benson, Magnuson, Martin of Slope, Maxwell, Miller, Morton, Mouck, Oberg, Olafson, Olson of Barnes, Olson of Ramsey, Opland, Patterson, Peters, Quade, Reichert, Renauld, Root, Semling, Shimmín, Shipley, Sproul, Vogel, Weld of Kidder, Weld of Wells, Yeater.

Nays: Bauer, Eoyd, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Hanson of Grand Forks, Heaton, Jardine, Kellogg, Martin of Bottineau, Mikkelson, Nagel, Nathan, Olsgard, Ophaug, Plath, Preszler, Sherman, Sims, Starke, Strain, Ulland, Watt, Mr. Speaker.

Absent and not voting: Bjerke, Carlson, Cole, Johnson of Pembina, Lackey, Lazier, McLarty, Maddock of Mountrail, Ness, Olsen of Billings, Sagen, Slominski, Whitmer, Wood.

So the bill passed and the title was agreed to.

Senate Bill No. 44: A Bill for an Act to Amend and Re-enact Section 4 of Chapter 187 of the Session Laws of North Dakota for the Year 1919.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 55, nays 0, absent and not voting 28.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Aruser, Babcock, Bauer, Bilquist, Bjorgo, Bollinger, Botz, Bratsberg, Burkhardt, Burns, Carlson, Cart, Doyle, Durkee, Erickson of Walsh, Flom, Freeman, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, Maddock of Benson, Maddock of Mountrail, Martin of Bottineau, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Peters, Plath, Preszler, Quade, Reichert, Renaud, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Sproul, Starke, Ulland, Vogel, Watt, Wood, Yeater, Mr. Speaker.

Absent and not voting: Bjerke, Boyd, Brady, Bryans, Cole, Eckert, Ellingson, Elmer, Erickson of Divide, Fredrickson, Frandson, Grangaard, Hagelbarger, Hanson of Grand Forks, Johnson of Sargent, Johnson of Steele, Lazier, McLarty, Magnuson, Magnuson, Martin of Slope, Maxwell, Patterson, Slominski, Strain, Weld of Kidder, Weld of Wells, Whitmer.

So the bill passed and the title was agreed to.

Senate Bill No. 34: A Bill for an Act Legalizing and Validating all Notices and Publications Commenced in an Official Newspaper Prior to the 1st day of January, 1921.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 88, nays 2, absent and not voting 23.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Aruser, Babcock, Bauer, Bilquist, Bjorgo, Bollinger, Botz, Brady, Bratsberg, Burkhardt, Burns, Carlson, Cart, Durkee, Eckert, Ellingson, Elmer, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Mikkelson, Miller, Mouck, Ness, Oberg, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Peters, Plath, Preszler, Quade, Reichert, Root, Sagen, Sherman.

Shimmin, Shipley, Sims, Sproul, Starke, Ulland, Watt, Weld of Kidder, Wood, Mr. Speaker.

Nays: Nagel, Nathan.

Absent and not voting: Bjerke, Boyd, Bryans, Cole, Doyle, Erickson of Divide, Hanson of Benson, Johnson of Steele, Lazier, McLarty, McManus, Maxwell, Morton, Olafson, Patterson, Renauld, Semling, Slominski, Strain, Vogel, Weld of Wells, Whitmer, Yeater.

So the bill passed and the title was agreed to.

Senate Bill No. 54: A Bill for an Act to Appropriate Money to Take Care of the Deficit in the Maintenance Account of the Hail Insurance Department for the Year Beginning January 1st, 1920, and Ending December 31st, 1920.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 97, nays 3, absent and not voting 13.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Doyle, Durkee, Eckert, Elmer, Erickson of Divide, Erickson of Walsh, Freeman, Fredrickson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnusson, Martin of Bottineau, Martin of Slope, Mikkelsen, Miller, Morton, Mouck, Ness, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olson of Billings, Olson of Ramsey, Ophaug, Patterson, Peters, Preszler, Quade, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Sproul, Starke, Ulland, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Flom, Jardine, Lackey.

Absent and not voting: Bjerke, Cole, Ellingson, Frandson, Lazier, Maxwell, Nagel, Opland, Plath, Reichert, Slominski, Strain, Vogel.

So the bill passed with the emergency clause and the title was agreed to.

Senate Bill No. 32: A Bill for an Act to Amend and Re-enact Sections 11114 and 11115, Compiled Laws of the State of North Dakota for 1913, Relating to the Admitting to Bail of Persons Charged with the Offense of Homicide.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 100, nays 1, absent and not voting 12.

Aycs: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Djerka, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Martin of Bottineau, Martin of Slope, Mikkelson, Miller, Mouck, Nagel, Nathan, Oberg, Olsgard, Olson of Barnes, Olsen of Billings, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Sproul, Starke, Strain, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Johnson of Sargent.

Absent and not voting: Burkhart, Lazier, Maddock of Mountrail, Magnuson, Maxwell, Morton, Ness, Olafson, Olson of Ramsey, Slominski, Ulland, Vogel.

So the bill passed and the title was agreed to.

GENERAL ORDERS

Mr. Larson of Pierce moved that the house resolve itself into a committee of the whole for the consideration of general orders; which motion prevailed, and the house resolved itself into a committee of the whole.

The Speaker called Mr. Larson to the chair.

When the committee arose it submitted the following report:

Mr. Speaker: The committee of the whole have had under consideration:

Senate Bill No. 55: A Bill for an Act to Amend and Re-enact Sections 9014 and 9015, Compiled Laws of North Dakota for the Year 1913, Relating to the Depositing of Official Dockets and Papers of Justices of the Peace.

And recommend that the same be amended as follows

Section 3. That Section three (3) be amended to read as follows: "Section 3. Any county justice of the peace, or any person, violating any of the provisions of this act, shall be liable to a fine of not less than ten dollars nor more than one hundred dollars, to be recovered in a civil action by the county."

And when so amended recommend the same do pass.

Also:

Senate Bill No. 53: A Bill for an Act to Amend and Re-enact Chapter 160 of the Session, Laws of North Dakota for the Year 1919 as Amended by Chapter No. 38 of the Special

Session Laws of the 16th Legislative Assembly of the State of North Dakota for the Year 1919 Relating to State Hail Insurance.

And recommend that the same be amended as follows:

In Section 3, line 18, of the engrossed bill, strike out everything after the word "annum" down to and including the word "emergency" in line 24.

Section 5, line 3, between the words "listed actually" insert the word "as."

Section 6, line 2, strike out the words "year 1919 and each year thereafter," and insert in lieu thereof the following "years 1921, 1922, 1923, 1924, and 1925." Line 5, after the word "Act," insert the following "and creating a permanent surplus in the hail insurance fund to be applied in paying losses more promptly." In line nine, strike out the word "of" and insert in lieu thereof the word "from." In line 11, strike out everything after the word "into" and add the following "the State Hail Insurance Fund, but a separate record of such moneys shall be kept by the county and state treasurers."

Section 7, line 7, strike out the words "date of issue for the period of one year" and insert in lieu thereof the following, "first day of December until called for payment by the State Treasurer." Line 9, strike out everything after the word "year" down to and including the word "Department." in line 12. Line 20 after the word "indemnity" insert the following "provided further, that if the sum collected by the maximum levy should be insufficient to pay all losses in any one year, the payment of losses shall be prorated."

Section 8, line 3, correct the word "forwith" to "forthwith". Line 7, after the word "such," strike out the word "tax" and insert in lieu thereof "indemnity taxes." Line 8, insert the word "a" between the words "in separate." In line 9; change the word "funds" to read "fund," insert the word "State" between the words "the Hail" and strike out the remainder of the paragraph after the words "Insurance Fund."

Section 9, line 2, change the word "assessors" to read "assessor."

Section 10, line 18, insert the word "that" before the word "delinquent." Line 20 after the word "taxes" insert the words "in one sum." In the same line, after the word "certificate" insert the words "shall be." Line 27, insert the word "State" between the words "the Hail." Line 28, after the word "Fund" strike out the balance of the sentence.

Section 11, Line 1, change the word "any" to read "every." Line 2, strike out the words "or the occupant or other" and insert the word "or". In the same line, after the word "tenant" insert the following "or his agent." Line 17, after the word "tenant" insert the following "or their agents." Line 24, strike out the word "occupant." Line 25, after the word "tenant" insert the words "or their agents."

Section 12, line 3, strike out the word "tenth" and insert in lieu thereof the word "fifteenth." Line 9, strike out the

words "Commissioner of Insurance" and insert in lieu thereof the words "County Auditor." Line 10, strike out the words "Commissioner of Insurance" and insert in lieu thereof the following "County Auditor." In the same line, strike out the words "a reasonable time" and insert the words "three days." Line 11, strike out the words "County Auditor" and insert in lieu thereof the words "Commissioner of Insurance." Line 15, strike out the word "to" and insert in lieu thereof the word "shall." Line 16, after the word "Auditor" add the following, "or a qualified Justice of the Peace." Line 17, after the word "withdrawal" add the following: "Provided, further, that it shall be the duty of the Hail Insurance Department to furnish each County Auditor for distribution by the assessors all withdrawal blanks, crop listing blanks, extension application blanks and loss report blanks together with self addressed envelopes necessary in their respective townships." Line 21, strike out the words "Commissioner of Insurance" and insert in lieu thereof the words "County Auditor." Line 25, strike out the words "Hail Insurance Department" and insert in lieu thereof the words "County Auditor." Line 33, strike out the words "Commissioner of Insurance" and insert in lieu thereof the words, "County Auditor." Line 34, after the words "prior to" strike out the remainder of the sentence and insert in lieu thereof the words "October first." Line 36, after the word "withdrawal" insert the word "up." Line 37 strike out the words "Hail Insurance Department" and insert the words "County Auditor." Line 38, strike out the word "tenth" and insert the word "fifteenth." Line 42, after the word "extension" add the following "but such application may be cancelled at any time prior to July 1st."

Section 13 line 2, after the word "keep" strike out the word "the" and add the following "one copy of the crop." Line 3, insert the word "the" between the words "by assessors." Line 6, strike out the word "he" and insert the words, "the County Auditor." Line 9, strike out the words "the sum of \$250.00" and insert in lieu thereof the following "50 cents per each 1000 acres of tillable area." Line 13, after the word "that" strike out the word "in." Line 15 change the word "section" to read "Act." Line 16, after the words "during the" insert the word "time". Line 19 strike out the words "for the first twenty-five days of such delinquency" "from" insert in lieu thereof the following "to the extent of." Line 20, after the word "for" add the following "to any county." Line 23, after the word "excess" strike out the remainder of the paragraph and insert in lieu thereof the following "Of the amount above provided for."

Section 15, line 3, insert the word "the" between the words "where owner". Line 5, strike out the words "Hail Insurance Department" and insert in lieu thereof the words "County Auditor." Line 6, after the word "made" insert the following "out in duplicate." Line 7, at the end of the line, and the following "one of these copies shall be forwarded to the Hail Insurance Department within three days after it is filed." Line 8, before the word "shall" insert the words "Such application."

Section 16, line 9, insert the word "estimated" between the words "the percent."

Section 17, line 20, insert the word "in" between the words "concur the."

Section 18, line 5, strike out the word "sub-section" and insert the word "part."

Section 21, line 2, strike out the figures 25th and insert the figure "1st." Line 14 after the word "Fund" strike out the following: "and the Permanent Hail Revolving Fund." Line 18, change the word "to" to read "shall" and after the word "Fund" strike out the following: "and the Permanent Hail Revolving Fund." Line 20, strike out the words "date of issue" and insert the following: "1st day of December." Line 23, after the word "Treasurer" strike out the words "prior to the 15th day of each month" and insert the words "at least once each month." Line 26, after the word "month" strike out the balance of the sentence.

Section 23, in the title change the word "FUNDS" to read "FUND." Line 2, change the word "section" to read "sections" and before the figure "7", insert the figure and word "6 and." Line 11, insert the words "approval and" between the words "the assistance." Strike out all of paragraph (b) down to and including the words "any year," in line 42.

Section 24, line 5, change the word "of" to read "or."

And when so amended recommend the same do pass.

L. A. LARSON,
Chairman.

Mr. Watt moved that the report be adopted which motion prevailed and the report was adopted.

The courtesies of the floor were extended to A. D. Heaton, H. L. Read and Fred J. Traynor.

Mr. Preszler moved that the House do now adjourn until 2 o'clock p. m. February 26, 1921, which motion prevailed and the House adjourned.

C. L. DAWSON,
Chief Clerk.

FIFTY-FOURTH DAY.

House of Representatives,
Bismarck, North Dakota,
February 26, 1921.

The House convened at 2 o'clock p. m. pursuant to adjournment, the Speaker presiding.

Prayer by Chaplain Rev. Huffman.

Roll call, all members present except Mr. Lazier.

REVISION AND CORRECTION OF THE JOURNAL.

The committee on revision and correction of the journal made the following report:

Mr. Speaker: Your committee on revision and correction of the journal have carefully examined the Journal of the 53d day and recommend that the same be corrected as follows:

On page 13, after line 14 from bottom of page insert.

Mr. Jardine moved that the report be adopted, which motion prevailed and the report was adopted.

And when so corrected recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted.

PETITIONS AND COMMUNICATIONS.

Grand Forks. North Dakota, Feb. 23, 1921.

Hon. John Freeman, Bismarck, No. Dak.

Dear Sir:

We, the undersigned, being interested in the upbuilding of the State of North Dakota and in the increase of land values therein, respectfully call your attention to Senate Bill No. 164, copy of which is attached hereto.

The bill as now outlined, will undoubtedly cause a majority of the real estate men in North Dakota to withdraw from the state. The price of land increases in proportion to the rural population and the real estate men of the state of

North Dakota have been instrumental in bringing into the state, more people than any other one class of men. Most of the real estate concerns doing business in the State of North Dakota make comparatively few sales where they do not have to take in some trade. A trader always inflates his price and the real estate men in North Dakota have to do the same. Under the circumstances, such a law as is proposed by Senate Bill No. 164, would make it impossible for real estate men to continue in business in the State of North Dakota. We therefore respectfully ask you to use your influence to the end that the bill will not become a law.

MARGAN and SCHUTTHERS, and 20 others.

REPORTS OF STANDING COMMITTEES.

Mr. Speaker: Your committee on Judiciary to whom was referred:

Senate Bill No. 7: A Bill for an Act to Repeal Section 14 of Chapter 225, Laws of North Dakota, 1919, Relating to the Taxation of Transfers of Property by Will, Gift or by Intestate Law.

Have had the same under consideration and recommend that the same do pass.

C. H. STARKE,
Chairman.

Mr. Starke moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on Judiciary made the following report:

Mr. Speaker: Your committee on Judiciary to whom was referred:

Senate Bill No. 110: A Bill for an Act to Amend and Re-enact Section 811 of Chapter 69 of the Laws of the State of North Dakota for the Year of 1919, Providing for a Bond for Attorneys.

Have had the same under consideration and recommend that the same be amended as follows:

SECTION ONE. (1)

"Section 1. AMENDMENT). That Section 811 of Chapter 69 of the Session Laws of North Dakota for the year 1919 is hereby amended and re-enacted to read as follows:

"Section 811. (Who May Practice). No person shall be entitled to practice law or act as attorney or counsellor at law or act as attorney or counsellor at law in this state who is also making collections for others unless such person shall first secure a certificate of admission to the bar, and shall also file a bond to the State of North Dakota in the penal sum of Two Thousand Dollars (\$2,000.00) with good and sufficient sureties to be approved by the state bar board for the faithful performance of his duties as attorney or counsellor at law, and collector of moneys for others."

And when so amended recommend the same do pass.

C. H. STARKE,
Chairman.

Mr. Speaker: Your committee on Judiciary to whom was referred:

Senate Bill No. 60: A Bill for an Act to Regulate Assignments for Benefit of Creditors, and Provide for the Carrying Out of the Same Under Court Supervision.

Have had the same under consideration and recommend that the same do pass.

C. H. STARKE,
Chairman.

Mr. Starke moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

Senate Bill No. 154: A Bill for an Act Prescribing the Fees to be Paid to Newspapers for the Publications and Printing of All Legal Notices and Repealing All Acts or Parts of Acts in Conflict Herewith.

Have had the same under consideration and recommend that the same do pass.

C. H. STARKE,
Chairman.

Mr. Starke moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

Senate Bill No. 155: A Bill for an Act Defining Duration of the War.

Have had the same under consideration and recommend that the same do pass.

C. H. STARKE,
Chairman.

Mr. Starke moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

Senate Bill No. 148: A Bill for an Act to Amend Chapter 131 of the Session Laws of 1919, Enacted by the Sixteenth Session of the Legislative Assembly, Pertaining to the Giving of Notices of Intention to Foreclose Real Estate Mortgages.

Have had the same under consideration and recommend that the same do pass.

C. H. STARKE,
Chairman.

Mr. Starke moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

Senate Bill No. 134: A Bill for an Act to Amend and Re-enact Section 1, Chapter 77, of the Session Laws for the Year 1919, an Act Making it Unlawful to Separate or Cause to be

Separated any Child Under Six Months of Age From Its Mother for the Purpose of Committing Such Child to a Foster Home or Institution, and to Regulate the Manner and Circumstances Under Which it May be Done, and to Provide a Penalty for Violation of Said Act.

Have had the same under consideration and recommend that the same be indefinitely postponed.

C. H. STARKE,
Chairman.

Mr. Starke moved that the report be adopted, which motion prevailed and the report was adopted, and further consideration of Senate Bill No. 134 was indefinitely postponed.

Also:

Senate Bill No. 142: A Bill for An Act to Prevent the Taking or Carrying in or Having in Possession Intoxicating Liquor in Any Hotel, Theatre or Dance Hall in the State of North Dakota.

Have had the same under consideration and recommend that the same be indefinitely postponed.

C. H. STARKE,
Chairman.

Mr. Starke moved that the report be adopted, which motion prevailed and the report was adopted, and further consideration of Senate Bill No. 142 was indefinitely postponed.

Mr. Speaker: Your committee on Enrollment and En-grossment have examined the following bills:

House Bill No. 42: A Bill for an Act to Amend and Re-enact Section 3969 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Section 79 of the Session Laws of North Dakota for the Year 1919, Relating to Excluding Farm Lands from the Limits of City, Town and Villages.

House Bill No. 99: A Bill for an Act to Amend and Re-enact Section 3529 of the Compiled Laws of North Dakota for the Year 1913, Relating to Fees of Notaries Public.

House Bill No. 107: A Bill for an Act to Amend and Re-enact Section 10298 of the Compiled Laws of North Dakota for the Year 1913 as Amended by Chapter 162 of the Laws of North Dakota for the Year 1915, as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Relating to the Season for Killing Deer.

And find the same correctly enrolled.

A. J. PRESZLER,
Chairman.

Mr. Preszler moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: A majority of your committee on Appropriations to whom was referred:

Senate Bill No. 135: A Bill for an Act Providing for the Issuance of Bonds of the State of North Dakota in a Sum not

Exceeding \$250,000.00, to be Known as Bonds of North Dakota, Electric Utility Series; Prescribing the Terms and Stating the Purposes Thereof; Providing for a Tax and Making Other Provisions for the Payment Thereof; Making Appropriations for the Payment of Said Bonds and Other Provisions for the Payment of Interest and Principal of Said Bonds and to Carry Into Effect the Provisions of This Act.

Have had the same under consideration and recommend that the same be indefinitely postponed.

WM. WATT,
Chairman.

Mr. Speaker: A minority of your committee on Appropriations to whom was referred:

Senate Bill No. 135: A Bill for an Act Providing for the Issuance of Bonds of the State of North Dakota in a Sum not Exceeding \$250,000.00, to be Known as Bonds of North Dakota, Electric Utility Series; Prescribing the Terms and Stating the Purposes Thereof; Providing for a Tax and Making Other Provisions for the Payment Thereof; Making Appropriations for the Payment of Said Bonds and Other Provisions for the Payment of Interest and Principal of Said Bonds and to Carry Into Effect the Provisions of This Act.

Have had the same under consideration and recommend that the same do pass.

JOHN R. MADDOCK,
CHAS. M. WHITMER,
A. L. MAXWELL,
MARTIN LARSON,
L. O. FREDRICKSON,
FRED E. SIMS,

WM. WATT,
Chairman.

Mr. Watt moved that the majority report of the committee be adopted.

Mr. Vogel moved to substitute the minority report of the committee for the majority report.

Roll call demanded.

The question being on the motion of Mr. Vogel to adopt the minority report.

The roll was called and there were ayes 59, nays 51, absent and not voting 3.

Ayes: Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Boyd, Brady, Bratsberg, Bryans, Burkhardt, Carlson, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Kitchen, Lakie, Larkin, Larson of Ransom, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Ophaug, Opland, Patterson, Preszler, Reichert, Renauld, Semling, Sherman, Sims, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Nays: Allen, Anderson of Burleigh, Bollinger, Botz, Burns, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Harrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Næfel, Nathan, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Peters, Plath, Quade, Root, Sagen, Shimmin, Slominski, Sproul, Starke, Ulland, Watt, Wood. Mr. Speaker.

Absent and not voting: Lazler, Shipley, Strain.

So the motion prevailed and the minority report was adopted.

Mr. Speaker: A majority of your committee on Appropriations to whom was referred:

Senate Bill No. 136: A Bill for an Act Declaring the Purpose of the State of North Dakota to Engage in the Enterprise of Furnishing Electricity for Power, Heat, and Lighting Purposes to the Inhabitants and Public of the City of Bismarck and of the County of Burleigh, and to Supply Electricity to All State Buildings Owned or Leased by the State of North Dakota in Said City and County and to the State Street Car Line.

Have had the same under consideration and recommend that the same be indefinitely postponed.

WM. WATT,
Chairman.

Mr. Speaker: A minority of your committee on Appropriations to whom was referred:

Senate Bill No. 136: A Bill for an Act Declaring the Purpose of the State of North Dakota to Engage in the Enterprise of Furnishing Electricity for Power, Heat, and Lighting Purposes to the Inhabitants and Public of the City of Bismarck and of the County of Burleigh, and to Supply Electricity to All State Buildings Owned or Leased by the State of North Dakota in Said City and County and to the State Street Car Line.

Have had the same under consideration and recommend that the same do pass.

JOHN R. MADDOCK,
CHAS. M. WHITMER,
A. L. MAXWELL,
MARTIN LARSON,
L. O. FREDRICKSON,
FRED E. SIMS,

WM. WATT,
Chairman.

Mr. Watt moved that the majority report of the committee be adopted.

Mr. Vogel moved that the minority report of the committee be substituted for the majority report, which motion prevailed and the minority report of the committee that Senate Bill No. 136, do pass was adopted.

Mr. Speaker: Your committee on Appropriations to whom was referred:

Senate Bill No. 17: A Bill for an Act to Appropriate \$10,000 to Aid in the Educational Work Being Carried on by North Dakota Tuberculosis Association, and the Prevention of the Spread of Tuberculosis more Definitely Prescribed in Chapter 7 of the Session Laws of North Dakota for the year 1915, for the Salary and Traveling Expenses of Field Workers and Nurses.

Have had the same under consideration and recommend that the same do pass.

WM. WATT,
Chairman.

Mr. Watt moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on Appropriations made the following report:

Senate Bill No. 201: A Bill for an Act Making an Appropriation to Pay the Irrigation or Water Tax on State School Lands, Included Within the Williston Irrigation District.

Have had the same under consideration and recommend that the same do pass.

WM. WATT,
Chairman.

Mr. Watt moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on State Affairs to whom was referred:

Senate Bill No. 182: A Concurrent Resolution to Amend and Re-enact Section 173 of Article 10 of the Constitution of the State of North Dakota Providing for the Election of County Officials.

Have had the same under consideration and recommend that the same be amended as follows:

In Section 173 of the engrossed bill, line 6 after the word "attorney" strike out the words "and a"; after the word "judge" insert the words "and a clerk of the district court." Strike out the words "who shall also be clerk of the district court." In the tenth line of the same section, after the word "having" insert the following: "Ten thousand population or less, the county judge shall also be the clerk of the district court." In the eleventh line strike out the words "increased jurisdiction a county judge and clerk of the district court shall be elected." In the seventeenth line strike out the words "sheriff and," in the eighteenth line strike out the words "their respective offices" and insert in lieu thereof the word "office."

And when-so amended recommend the same do pass.

MARTIN OLSEN,
Chairman.

Also:

Senate Bill No. 121: A Bill for an Act to Provide for the Acceptance of the Benefits of an Act by the Senate and House of Representatives of the United States of America in Congress Assembled, (H. R. 4438, Approved June 3, 1920) entitled "An Act to Provide for the Promotion of Vocational Rehabilitation of Persons Disabled in Industry or Otherwise and Their Return to Civil Employment"; to Provide for the Administration of Same.

Have had the same under consideration and recommend that the same do pass.

MARTIN OLSEN,
Chairman.

Mr. Olsen moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

Senate Bill No. 163: A Concurrent Resolution for an Amendment to the Constitution of the State of North Dakota, Relating to the Compensation and Mileage of Legislative Members.

Have had the same under consideration and recommend that the same do pass.

MARTIN OLSEN,
Chairman.

Mr. Olsen moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

Senate Bill No. 203: A Bill for an Act to Amend and Re-enact Section 10 of Chapter 31 of the Special Laws of North Dakota for the Year 1919 Relating to the Purchase of Cattle by County.

Have had the same under consideration and recommend that the same do pass.

MARTIN OLSEN,
Chairman.

Mr. Olsen moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

Senate Bill No. 187: A Bill for an Act Amending and Re-enacting Section 1334 Compiled Laws of the State of North Dakota for the Year 1913, Relating to the Interest on Bonds of Common School Districts

Have had the same under consideration and recommend that the same do pass.

MARTIN OLSEN,
Chairman.

Mr. Olson moved that the report be adopted, which motion prevailed and the report was adopted.

Also:

Senate Bill No. 162: A Bill for an Act to Provide a Minimum Salary for a Teaching Experience of Less Than One School Year, and a Schedule of Salary Minimums for a Teaching Experience of From One to Six Years Inclusive, for the Teachers in the Public Schools of North Dakota.

Have had the same under consideration and recommend that the same do pass.

MARTIN OLSEN,
Chairman.

Mr. Olsen moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: A majority of your committee on State Affairs to whom was referred:

Senate Bill No. 117: A Bill for an Act Empowering the Board of County Commissioners of Each County to Designate Depositories for County Funds and Providing the Procedure and the Regulations Under Which Such Funds May be Deposited

Have had the same under consideration and recommend that the same be indefinitely postponed.

MARTIN OLSEN,
Chairman.

Mr. Speaker: A minority of your committee on State Affairs to whom was referred:

Senate Bill No. 117: A Bill for an Act Empowering the Board of County Commissioners of Each County to Designate Depositories for County Funds and Providing the Procedure and the Regulations Under Which Such Funds May be Deposited.

Have had the same under consideration and recommend that the same do pass.

J. H. BURKHART,
E. E. BRYANS,
WALTER MADDOCK,
WILLIAM KAMRATH.

Mr. Burns moved that the two reports of the committee be not adopted at this time, and that Senate Bill No. 117 be re-referred to the committee, which motion prevailed and the bill was so re-referred.

Mr. Speaker: Your committee on Corporations other than Municipal to whom was referred:

Senate Bill No. 111: A Bill for an Act Entitled: An Act Prescribing What Number of Stockholders Shall Constitute a Quorum in Stockholders' Meetings of Domestic Corporations and Also Providing That the Written Consent of the Holders of a Majority in Value of the Subscribed Capital Stock Shall be Affectual for Certain Purposes, Also Making Provision for Notice for Stockholders' Meetings, and Repealing Conflicting Laws.

Have had the same under consideration and recommend that the same be amended as follows:

In line eight in the engrossed bill, Section one after the word least strike out the word thirty and insert in lieu thereof the word sixty.

In line 29, Section one after the word least strike out the word forty and insert in lieu thereof the word sixty.

And when so amended recommend the same do pass.
S. O. ALLEN,
Chairman.

Mr. Speaker: Your committee on Corporations other than Municipal to whom was referred:

Senate Bill No. 200: A Bill for an Act Authorizing the Renewal of the Period of Corporate Existence of Certain Corporations Whose Period of Duration has Expired Without the Renewal Thereof, and Legalizing Acts and Contracts of Such Corporation Made or Done and Performed Subsequent to the Expiration of the Original Period of Existence of Such Corporations.

Have had the same under consideration and recommend that the same do pass.

S. O. ALLEN,
Chairman.

Mr. S. O. Allen moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Tax and Tax Laws to whom was referred:

Senate Bill No. 156: A Bill for an Act Restricting Rights of Litigants to Bring Actions in Courts to Set Aside Taxes or Assessments or to Recover Taxes Before Submitting Their Claims to the Board of County Commissioners for Adjustment and Dismissing Actions Heretofore Brought.

Have had the same under consideration and recommend that the same be amended as follows:

Strike out all of Section 2 of the engrossed bill and insert in lieu thereof the following:

"SECTION 2. EMERGENCY. Whereas an emergency exists, this act shall be in full force and effect from and after its passage and approval."

And when so amended recommend the same do pass.
J. A. JARDINE,
Chairman.

Mr. Speaker: Your committee on Tax and Tax Laws to whom was referred:

Senate Bill No. 68: A Bill for an Act to Amend and Re-enact Section 2166 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Delinquent Personal Property Taxes.

Have had the same under consideration and recommend that the same be indefinitely postponed.

J. A. JARDINE,
Chairman.

Mr. Jardine moved that the report be adopted, which motion prevailed and the report was adopted.

The committee on Tax and Tax Laws made the following report:

Mr. Speaker: A majority of your committee on Tax and Tax Laws to whom was referred:

Senate Bill No. 59: A Bill for an Act to Amend and Re-enact Section 2141 of the Compiled Laws of North Dakota, for the Year 1913, as Amended, Providing for the Substitution of the Commissioner of Insurance as a Member of the State Board of Equalization Instead of the State Auditor, and Making the Tax Commissioner Secretary Thereof.

Have had the same under consideration and recommend that the same be indefinitely postponed.

J. A. JARDINE,
Chairman.

The committee on Tax and Tax Laws made the following report:

Mr. Speaker: A minority of your committee on Tax and Tax Laws to whom was referred:

Senate Bill No. 59: A Bill for an Act to Amend and Re-enact Section 2141 of the Compiled Laws of North Dakota, for the Year 1913, as Amended, Providing for the Substitution of the Commissioner of Insurance as a Member of the State Board of Equalization Instead of the State Auditor, and Making the Tax Commissioner Secretary Thereof.

Have had the same under consideration and recommend that the same do pass.

J. A. JARDINE,
Chairman.

Mr. Jardine moved that the majority report of the committee be adopted.

Mr. Larkin moved that the minority report of the committee be substituted for the majority report.

Roll call demanded.

The question being on the motion of Mr. Larkin to adopt the minority report.

The roll was called and there were ayes 51, nays 59, absent and not voting 3.

Ayes: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Miller, Morton, Oberg, Olson of Barnes, Op-land, Patterson, Reichert, Renauld, Sherman, Sims, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Nays: Allen, Anderson of Burleigh, Bauer, Bjorgo, Bolinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Fiom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Absent and not voting: Lazier, Maxwell, Strain.

So the motion to adopt the minority report was lost.

The question being on the adoption of the majority report of the committee on Senate Bill No. 59, the motion prevailed, and Senate Bill No. 59 was indefinitely postponed.

MOTIONS AND RESOLUTIONS.

Mr. Johnson of Cass moved that Senate Bill No. 53 be referred to the committee on municipal corporations for further consideration, which motion prevailed and the bill was so referred.

Mr. Mouck moved that Senate Bill No. 41 be referred to the committee on municipal corporations for further consideration.

Mr. Olson of Barnes moved that the motion of Mr. Mouck be laid on the table, which motion was lost.

The question being on the motion of Mr. Mouck, the motion prevailed and Senate Bill No. 41 was so referred.

MESSAGES FROM THE SENATE.

Senate Chamber,
Bismarck, North Dakota,
February 26, 1921.

Mr. Speaker: The Senate requests the return of House Bills Nos. 109 and 92.

Very respectfully,

W. J. PRATER,
Secretary.

Senate Chamber,
Bismarck, North Dakota,
February 26, 1921.

Mr. Speaker: I have the honor to return:

House Bill No. 51: A Bill for an Act to Prohibit the Use of Tobacco by Smoking in Certain Places and Providing Penalty.

Which the Senate has amended as follows:

In next to last line of engrossed bill strike out the figures "\$10.00" and insert in lieu thereof the figures "\$5.00." In the

last line of engrossed bill strike out the figures "\$50.00" and insert in lieu thereof the figures "\$25.00."

Very respectfully,

W. J. PRATER,
Secretary.

CONSIDERATION OF MESSAGES FROM THE SENATE.

Mr. Maddock moved that the House accede to the request of the Senate for the return of House Bill No. 109 which motion prevailed and the bill was returned.

Mr. Olsen of Billings moved that the House accede to the request of the Senate for the return of House Bill No. 92, which motion prevailed and the bill was returned.

Mr. McLarty moved that the House concur in Senate amendments to House Bill No. 51, which motion prevailed, and the amendments were adopted.

Mr. Patterson moved that House Bill No. 51 be considered properly engrossed and the same be placed on its third reading and final passage, which motion prevailed.

THIRD READING OF HOUSE BILLS.

House Bill No. 51: A Bill for an Act to Prohibit the Use of Tobacco by Smoking in Certain Places and Providing Penalty.

Was read the third time.

The question being on the final passage of the bill, as amended by the Senate, the roll was called and there were ayes 87, nays 20, absent and not voting 6.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Brady, Bratsberg, Bryans, Burkhart, Burns, Cart, Cole, Doyle, Durkee, Ellingson, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Frandson, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hempel, Heaton, Johnson of Cass, Johnson of Pembina, Johnson of Steele, Johnson of Traill, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Miller, Morton, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Quade, Reichert, Renauld, Root, Sherman, Shimmin, Sims, Slominski, Sproul, Ulland, Vogel, Watt, Weld of Kidder, Whitmer, Wood, Yeater.

Nays: Boyd, Carlson, Elmer, Grangaard, Hartl, Jardine, Johnson of Sargent, Johnson of Ward, Kopp, Mikkelson, Mouck, Ness, Olsen of Billings, Preszler, Semling, Shipley, Starke, Strain, Weld of Wells, Mr. Speaker.

Absent and not voting: Eckert, Fredrickson, Lazier, McManus, Maxwell, Plath, Sagen.

So the bill passed as amended and the title was agreed to.

THIRD READING OF SENATE BILLS.

Senate Bill No. 24: A Bill for an Act to Amend and Re-enact Section 4400 of the Compiled Laws of North Dakota, 1913, Relating to Affirmative Proof Required in Divorce Actions.

Was read the third time.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 103, nays 1, absent and not voting 9.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhardt, Burns, Carlson, Cart, Cole, Doyle, Durkee, Ellingson, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olgard, Olson of Barnes, Olsen of Billings, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Semling, Sherman, Shimmin, Shipley, Sims, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Hanson of Grand Forks.

Absent and not voting: Eckert, Elmer, Fredrickson, Lazier, Levin, Olafson, Olson of Ramsey, Sagen, Slominski.

So the bill passed as amended and the title, was agreed to.

Senate Bill No. 57: A Concurrent Resolution for an Amendment to the Constitution Relating to the Residence Required of an Elector.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 108, nays 1, absent and not voting 4.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhardt, Burns, Carlson, Cart, Doyle, Durkee, Ellingson, Elmer, Erickson of Divide, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock

of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Starke.

Absent and not voting: Cole, Eckert, Erickson of Walsh, Lazier.

So the bill passed and the title was agreed to.

Senate Bill No. 97: A Bill for an Act to Authorize the Valuation of Bonds and Other Securities Held by Life Insurance Companies, Assessment Life Associations and Fraternal Beneficiary Associations by the Amortization Method.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 108, nays 0, absent and not voting 5.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Sims, Slominski, Starke, Strain, Ulland, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Lazier, Shipley, Sproul, Vogel, Watt.

So the bill passed and the title was agreed to.

Senate Bill No. 98: A Bill for an Act to Amend and Re-enact Section 3552, Compiled Laws of North Dakota for the Year 1913, Permitting Incorporated Towns and Villages Having a Population of Not Less Than Two Hundred Inhabitants to Become Incorporated as a City.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 90, nays 6, absent and not voting 17.

Ayes: Allen, Anderson of Griggs, Babcock, Bauer, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hall, Harding, Hartl, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Slope, Mikkelson, Miller, Morton, Nagel, Nathan, Oberg, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Quade, Reichert, Renauld, Root, Sherman, Shimmin, Shipley, Sims, Slominski, Strain, Ulland, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater.

Nays: Bilquist, Hanson of Grand Forks, Jardine, Martin of Bottineau, Olafson, Mr. Speaker.

Absent and not voting: Anderson of Burleigh, Arduser, Cole, Hanson of Benson, Hempel, Heaton, Johnson of Steele, Lazier, Maxwell, Mouck, Ness, Preszler, Sagen, Semling, Sproul, Starke, Watt.

So the bill passed with the emergency clause and the title was agreed to.

Senate Bill No. 102: A Bill for an Act to Amend and Re-enact Section 3621, Compiled Laws of North Dakota for the Year 1913, Relating to Compensation of Aldermen.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 86, nays 14, absent and not voting 13.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larson of Pierce, Larson of Ransom, McDowell, McGauvran, McLarty, McManus, Martin of Bottineau, Martin of Slope, Mikkelson, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Patterson, Peters, Preszler, Quade, Root, Sagen, Sherman, Shimmin, Slominski, Starke, Strain, Watt, Weld of Kidder, Weld of Wells, Wood, Yeater, Mr. Speaker.

Nays: Bauer, Boyd, Elmer, Grangaard, Jardine, Larkin, Levin, Magnuson, Miller, Opland, Reichert, Renauld, Semling, Sims.

Absent and not voting: Kamrath, Kellogg, Lazier, Maddock of Benson, Maddock of Mountrail, Maxwell, Olafson, Plath, Shipley, Ulland, Vogel, Whitmer.

So the bill passed and the title was agreed to.

Senate Bill No. 104: A Bill for an Act to Repeal Section 153, Compiled Laws of North Dakota for 1913, Relating to Fees for the Registration of Bonds.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 100, nays 0, absent and not voting 13.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burns, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson, of Divide, Erickson, of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Trafton, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Magnuson, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renault, Root, Sagen, Semling, Sherman, Shimmin, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater Mr. Speaker.

Absent and not voting: Bilquist, Bjerke, Burkhart, Carlson, Hanson of Grand Forks, Kamrath, Kellogg, Lakie, Lazier, Maddock of Mountrail, Martin of Bottineau, Martin of Slope, Shipley.

So the bill passed and the title was agreed to.

Mr. Sproul moved that the House do now recess for 15 minutes which motion prevailed and the House so recessed.

AFTER RECESS.

The House Assembled pursuant to recess taken, the Speaker presiding.

THIRD READING OF SENATE BILLS.

Senate Bill No. 122: A Bill for an Act to Provide for the Survival of Actions and Causes of Action for Damages, Pain and Suffering and Personal Injuries.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 43, nays 50, absent and not voting 20.

Ayes: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjorgo, Brady, Burkhart, Burns, Cart, Doyle, Ellingson, Fredrickson, Frandson, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Lakie, Larkin, Larson of Pierce, Larson of Ransom, McManus, Maddock of Benson, Magnuson, Miller, Morton, Oberg, Patterson, Reichert, Renauld, Sherman, Shipley, Sims, Starke, Weld of Kidder, Weld of Wells, Wood, Yeater.

Nays: Allen, Anderson of Burleigh, Bauer, Bollinger, Botz, Boyd, Cole, Durkee, Elmer, Erickson of Walsh, Flom, Freeman, Grangaard, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Levin, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Olafson, Olsgard, Olson of Barnes, Olson of Ramsey, Ophaug, Peters, Plath, Quade, Root, Sagen, Semling, Shimmin, Slominski, Ulland, Watt, Mr. Speaker.

Absent and not voting: Bjerke, Bratsberg, Carlson, Eckert, Erickson of Divide, Kellogg, Lazier, McLarty, Maddock of Mountrail, Martin of Bottineau, Martin of Slope, Maxwell, Nathan, Olsen of Billings, Opland, Preszler, Sproul, Strain, Vogel, Whitmer.

So the bill was lost.

Senate Bill No. 143: A Bill for an Act to Prevent Any Person From Registering as a Guest in Any Hotel in the State of North Dakota Under a Fictitious or False Name.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 86, nays 17, absent and not voting 10.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bollinger, Botz, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Pembina, Kamrath, Kellogg, Kelly, Kopp, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McGauvran, McLarty, McManus, Magnuson, Martin of Bottineau, Maxwell, Miller, Morton, Ness, Nathan, Oberg, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Semling, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Bjorgo, Grangaard, Hanson of Grand Forks, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kitchen, Kjos, Lackey, McDowell, Mikkelson, Mouck, Nagel, Ophaug, Sagen, Sherman, Ulland,

Absent and not voting: Bjerke, Boyd, Ellingson, Johnson of Cass, Johnson of Steele, Lazier, Maddock of Benson, Maddock of Mountrail, Martin of Slope, Olsgard.

So the bill passed and the title was agreed to.

Senate Bill No. 147: A Bill for an Act to Amend and Re-enact Chapter 183 of the Session Laws of 1917, an Act Requiring the Owners of Personal Property to Notify the County Treasurer of the Sale of Such Property at Public Auction, Providing for the Collection of Their Personal Property Taxes and Prescribing Dates of Auctioneers in Relation Thereto.

Was read the third time.

Mr. Patterson moved that Senate Bill No. 147, be re-referred to the committee for further consideration, which motion prevailed and the Bill was so referred.

Senate Bill No. 152: A Bill for an Act to Permit the Use of Certain Ground Upon the Campus of the University and to Consent to the Erection of an Alumni Building Thereupon by the Alumni Association for Purposes of Aiding the University and the Co-operative Interest of Its Alumni and to Grant to Such Alumni Association the Right to Exercise Control and Dominion Over Such Ground and the Building to be Constructed Thereon Subject to the Rules and Regulations of the State and of Its Board of Administration.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 96, nays 5, absent and not voting 12.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjorgo, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Erickson of Walsh, Freeman, Fredrickson, Grangaard, Hagelbarger, Halcrow, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Larkin, Larson of Pierce, Larson of Ransom, Levin, McGauvran, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Oppland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Sproul, Starke, Strain, Ulland, Watt, Weld of Kidder, Whitmer, Wood Yeater, Mr. Speaker.

Nays: Bollinger, Flom, Frandson, Hanson of Benson, McDowell.

Absent and not voting: Bjerke, Eckert, Ellingson, Elmer, Erickson of Divide, Lazier, McLarty, Miller, Renauld, Slominski, Vogel, Weld of Wells.

So the bill passed and the title was agreed to.

Senate Bill No. 192: A Bill for an Act to Amend and Re-enact Section 4929 of the Compiled Laws of North Dakota for

the Year 1913, Relating to the Fees to be Paid by Insurance Companies Doing Business in This State.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 102, nays 0, absent and not voting 11.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burns, Carlson, Cart, Cole, Doyle, Durkee, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Sproul, Starke, Strain, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Bjerke, Burkhart, Eckert, Hanson of Benson, Heaton, Lazier, Maddock of Benson, Miller, Slonimski, Ulland, Vogel.

So the bill passed and the title was agreed to.

Mr. Preszler moved that Senate Bill No. 197 be rereferred to the committee for further consideration, which motion prevailed and Senate Bill No. 197 was so rereferred.

Senate Bill 'No. 55: A Bill for an Act to Amend and Re-enact Sections 9014 and 9015, Compiled Laws of North Dakota for the Year 1913, Relating to the Depositing of Official Dockets and Papers of Justices of the Peace.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 106, nays 0, absent and not voting 7.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp,

Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland Vogel, Watt, Weld of Kidder, Weld of Wells, Yeater, Mr. Speaker.

Absent and not voting: Bjerke, Hall, Lazier, Maddock of Benson, Maddock of Mountrail, Olsen of Billings, Whitmer, Wood.

So the bill passed and the title was agreed to.

On motion the House reverted to the fifth order of business.

REPORTS OF STANDING COMMITTEES

Mr. Speaker: Your committee on Warehouse and Grain Grading to whom was referred:

Senate Bill No. 120: A Bill for an Act to Amend and Re-enact Section 23 of Chapter 138 of the Session Laws of North Dakota for the Year 1919, Regular Session, Relating to the Grading and Inspection of Grains.

Have had the same under consideration and recommend that the same be indefinitely postponed.

L. A. LARSON,
Chairman.

Mr. Larson moved that the report be adopted, which motion prevailed and the report was adopted, and further consideration of Senate Bill No. 120 was indefinitely postponed.

Mr. Speaker: Your committee on Municipal Corporations to whom was referred:

Senate Bill No. 41: A Bill for an Act to Amend and Re-enact Section 4059 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 71, Session Laws of 1915, and Chapter 178, Session Laws of 1917, Relating to Powers of Park Commission, be Amended and Re-enacted to Read as Follows:

Have had the same under consideration and recommend that the same be amended as follows:

That the Emergency Clause be stricken out.

And when so amended recommend the same do pass.

JOHN T. FREEMAN,
Chairman.

GENERAL ORDERS

Mr. Olafson moved that the house resolve itself into a committee of the whole for the consideration of general orders; which motion prevailed, and the house resolved itself into a committee of the whole.

The Speaker called Mr. Olafson to the chair.

When the committee arose it submitted the following report:

Mr. Speaker: The committee of the whole have had under consideration:

Senate Bill No. 31: A Bill for an Act to Amend and Re-enact Section 780 of the Compiled Laws of North Dakota, for the Year 1913, as Amended by Chapter 30, of the Special Session Laws of North Dakota, for the Year 1919, Relating to Compensation of Court Stenographers, and Providing for the Payment of Expenses.

And recommend that the same be amended as follows:

SECTION 1. That all of Section one (1) be stricken out and in lieu thereof inserted the following:

"Section 1. That Section 780 of the Compiled Laws of North Dakota for the year 1913, as amended by Chapter 30, of the Special Session Laws of North Dakota for the year 1919, be amended and re-enacted to read as follows:

"SECTION 780. Each Court Stenographer shall receive a salary of Two Thousand dollars (\$2,000) per annum, payable in monthly equal installments in the counties constituting the judicial district in which such stenographer is employed, which salary shall be apportioned according and in proportion to the number of suits entered and commenced in the district court of the respective counties of such district in the preceding year. It shall be the duty of the presiding judge of each judicial district, on the first day of January, of each year, or as soon thereafter as may be, to apportion the amount of such salary to be paid by each county, in his district on the basis aforesaid, and it shall be the duty of the County Auditors of the respective counties in such judicial district to issue to the order of such Court Stenographer a warrant for the amount shown to be due by such apportionment. As reimbursement for expenses incurred in the performance of such official duties outside of the county where the District Court Chambers are situated, the Court Stenographer shall receive for actual living expenses a sum not to exceed Four (\$4.00) Dollars per day and for travel, actual transportation, which sums shall be paid monthly upon itemized statements submitted to the District Judge, upon the order of the District Judge, by the county wherein such Court Stenographer is at such time attending to such official duties. For making of the transcript such Court Stenographer shall be entitled to receive compensation at the rate of fifteen cents for each one hundred words, and the same when ordered by the Judge, shall be paid by the county chargeable with the costs of the action, and in all other cases by the party requesting such transcripts; provided, however, that when four additional copies are ordered at the same time for the use of the same party, then such Court Stenographer shall be entitled to receive ten cents per hundred words, for such additional copies.

And when so amended recommend the same do pass.

Also:

Senate Bill No. 116: A Bill for an Act to Amend and Re-enact Chapter 179 of the Session Laws of 1915; an Act to Amend Chapter 177 of the Laws of 1911 (Same Being Sections 11402 to 11428, Inclusive, Compiled Laws 1913), Entitled "Juvenile Court," by Adding Thereto Certain Provisions Giving the Court Power When Necessary to Appoint District Juvenile Commissioners, Guardians ad litem, and to Make Rules and Regulations Prescribing Their Duties and Fixing Their Compensation; also to Enact Such Other Provisions Which Are Best Calculated to Carry Out the Purpose of Said Chapter 177.

And recommend that the same be amended as follows:

TITLE: That all of the title to said bill be stricken out and in lieu thereof insert the following:

"For an Act to amend and re-enact Chapter 177 of the Session Laws of 1911 (same being Sections 11402 to 11428, both inclusive, of the Compiled Laws of North Dakota for the year 1913, entitled: "Juvenile Court," by adding thereto certain provisions, giving the court power when necessary to appoint District Juvenile Commissioners, Guardians ad litem and to make rules and regulations prescribing their duties and fixing their compensation; to enact such other provisions as are best calculated to carry out the provisions of said chapter 177 and to amend and re-enact Chapter 179 of the Session Laws of North Dakota for the year 1915."

SECTION 1. That same be stricken out and in lieu thereof insert the following:

"SECTION 1. In order to more fully carry out the provisions of Chapter 177 of the Laws of the State of North Dakota for the year 1911, entitled: "Juvenile Court." (same being Sections 11402 to 11428, inclusive, Compiled Laws 1913) the district judges of the different districts may appoint a suitable and discreet person in each district, either sex, of good moral character, as juvenile commissioner. Said commissioners shall have power to administer oaths; take acknowledgements of instruments; receive complaints and issue warrants for the arrest of persons thereon; to examine fully into the merits of each case; issue subpoenas; compel the attendance of witnesses before them and to report them to the district judge for contempt proceedings; for non-attendance or refusal to be sworn or testify as provided by Section 8200 Compiled Laws, 1913; to make such temporary order for the custody and control of the child or children thus brought before them as they may deem proper, and generally have the usual powers of a referee provided by Article VII of Chapter II of the Code of Civil Procedure for the trial of civil actions, in addition to the powers herein specially given. Provided, however, that when in the opinion of such commissioners or that of the court a final order for the custody or control of such child or children becomes necessary, either by sending the same to the State Training School or other institutions of this state; or to deprive the parents of their custody and give the same to some other

person or persons, either for the purpose of temporary control or permanent adoption, it shall be the duty of such commissioners to make findings and report the same with their recommendations to the district judges, who shall fix a reasonable time and place for hearing, and make such final judgment or order in the case as shall appear proper and right. The venue of all complaints shall be in the county where the child resides or where the cause for which it is sought to arrest such child exists or was committed. All complaints shall be made in the name of the state as plaintiff and the child as defendant. The action thus brought shall be deemed pending in the district court of such county from the time of filing the complaint in said court until finally disposed of by a district judge. Final hearings may be had either at the county seat of the county where the venue is laid, or in the county where the district judge has his permanent chambers as such judge shall direct."

SECTION 3. That same be stricken out and in lieu thereof insert the following:

"SECTION 3. Said juvenile commissioners so appointed shall keep a record of all their proceedings in a suitable docket kept for that purpose. All necessary books, blanks, place for doing business, stationery and postage for the use of said commissioners in their official business shall be furnished at the expense of the respective counties, prorated according to the population of each county."

SECTION 4. That same be stricken out and in lieu thereof insert the following:

"SECTION 4. Said juvenile commissioners shall receive as full compensation for their services such an amount per diem as shall be approved by the district judge for all the time actually and necessarily employed in the duties of their office, not in any case exceeding the sum of Eight Dollars (\$8.00) per day. Such per diem and expenses to be apportioned by said judge between the several counties where the work originates or is done. Such compensation to be paid monthly by the County Treasurers of such counties respectively on bills duly made out and verified as other bills or accounts against the county, and upon an order of the district judge."

SECTION 5. That same be stricken out and in lieu thereof insert the following:

"SECTION 5. The purpose and intent of this act is not to take from the court or judge any power he may now possess, but rather to supplement the efficiency of the work of the district court or judge by casting upon the juvenile commissioners the labor of caring for details and making it only necessary to exercise a judicial function by trying a case or making a final order, and to that end said commissioners shall be subject to appointment and removal by the district judge as they may deem it necessary."

SECTION 6. That same be stricken out and in lieu thereof insert the following:

"SECTION 6. EMERGENCY.) Whereas an emergency exists, now therefore this act shall be in effect from and after its passage and approval."

In line 6, Section 4 of the amendments to the bill on page 7 of the Journal of February 25, strike out the period after the word "day" and add the following: "or exceeding one hundred and fifty dollars (\$150) as such compensation in any one month."

And when so amended recommend the same do pass.

Also:

Senate Bill No. 133: A Bill for an Act to Empower Cities and Villages to Levy and Collect a Tax for the Purpose of Furnishing Musical Concerts to the Public.

And recommend that the same be amended as follows:

At the end of Section 2 add the following: "Such money shall be paid out on warrants duly drawn and executed by the Board of City Commissioners, City Council or Board of Trustees."

And when so amended recommend the same do pass.

JOHN K. OLAFSON,
Chairman.

Mr. Mikkelson moved that the report be adopted, which motion prevailed and the report was adopted.

The courtesies of the floor were extended to C. C. Simondson, Geo. E. Borstrup, W. H. Sansburn, R. W. Frazier, Geo. Witty, Arnold Van Berkom, O. S. Sem, P. H. Miller, J. J. Simonson, E. O. Heminger, Mr. Madson, W. Stern, D. W. Baldwin, E. L. Peterson, J. W. Plunkett.

Mr. Jardine moved that the House do now adjourn until 2 o'clock P. M., February 28, 1921, which motion prevailed, and the House so adjourned.

C. L. DAWSON,
Chief Clerk.

FIFTY-SIXTH DAY.

House of Representatives,
Bismarck, North Dakota,
February 28, 1921.

The House convened at 2 o'clock p. m. pursuant to adjournment, the Speaker presiding.

Prayer by Chaplain Rev. Alfson.

Roll call, all members present except Mr. Lazier.

REVISION AND CORRECTION OF THE JOURNAL.

The committee on revision and correction of the journal made the following report:

Mr. Speaker: Your committee on revision and correction of the journal have carefully examined the Journal of the 54th day and recommend that the same be corrected as follows:

On page 7 strike out the 18th line.

On page 13 of, the Journal of the 49th day strike out line 24.

And when so amended recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted.

PETITIONS AND COMMUNICATIONS.

To our Representatives and Senator from Benson County:

We, the undersigned, qualified voters of Benson county hereby petition you to use your best efforts towards securing sufficient Federal and State aid for the purpose of completing the projects already under way in this county. We are especially interested in the road between Minnewaukan and Oberon, which is already surveyed, at considerable expense, which is the connecting link between Jamestown and Leeds.

Signed by N. V. HALEY, and 300 others.

REPORTS OF STANDING COMMITTEES.

Mr. Speaker: Your committee on Enrollment and En-grossment have examined the following bills:

House Bill No. 51: A Bill for an Act to Prohibit the Use of Tobacco by Smoking in Certain Places and Providing Penalty.

And find the same correctly enrolled.

A. J. PRESZLER,
Chairman.

Mr. Preszler moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Railroads to whom was referred:

Senate Bill No. 58: A Bill for an Act Making it Unlawful for Any Railroad Corporation Doing Business in North Dakota, to Operate Any Locomotive Engine Propelled by Steam or Electric Power, Without Equipping Such Engine With a Vestibuled Cab; and Prescribing a Penalty for the Violation

Have had the same under consideration and recommend that the same do pass.

J. D. ROOT,
Chairman.

Mr. Root moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Railroads to whom was referred:

Senate Bill No. 89: A Bill for an Act to Amend and Re-enact Section 1 of Chapter 204 of the Laws of North Dakota for the Year 1915; an Act to Compel Railroad Companies to Maintain Suitable Stock Yards and Erect Suitable Barns for the Convenience of the Public; to Restrain Any Person From Using the Stock Yards for Any Other Purpose Than Shipping; and to Provide a Penalty for the Violation Thereof.

Have had the same under consideration and recommend that the same be indefinitely postponed.

J. D. ROOT,
Chairman.

Mr. Root moved that the report be adopted, which motion prevailed and the report was adopted, and further consideration of Senate Bill No. 89 was indefinitely postponed.

THIRD READING OF SENATE BILLS.

Senate Bill No. 7: A Bill for an Act to Repeal Section 14 of Chapter 225, Laws of North Dakota, 1919, Relating to the Taxation of Transfers of Property by Will, Gift or by Intestate Law.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 97, Nays 2, absent and not voting 14.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Blquist, Ejerke, Bjorge, Bollinger, Botz, Boyd, Bratsberg, Burkhardt, Burns, Carlson, Cart, Doyle,

Eckert, Ellingson, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Harding, Hartl, Jardine, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Morton, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Wood Yeater, Mr. Speaker.

Nays: Hempel, Heaton.

Absent and not voting: Brady, Bryans, Cole, Durkee, Elmer, Hall, Johnson of Cass, Lazier, Maddock of Benson, Miller, Oberg, Peters, Semling, Starke, Whitmer.

So the bill passed and the title was agreed to.

Senate Bill No. 60: A Bill for an Act to Regulate Assignments for Benefit of Creditors, and Provide for the Carrying Out of the Same Under Court Supervision.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 110, nays 0, absent and not voting 3.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Brautsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Bilquist, Lazier, Weld of Kidder.

So the bill passed and the title was agreed to.

Senate Bill No. 154: A Bill for an Act Prescribing the Fees to be Paid to Newspapers for the Publications and Printing of All Legal Notices and Repealing All Acts or Parts of Acts in Conflict Herewith.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 111, nays 0, absent and not voting 2.

Ayes: Allen, Anderson of Burleigh, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhardt, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr Speaker.

Absent and not voting: Lazier, Shipley.

So the bill passed with the emergency clause and the title was agreed to.

Senate Bill No. 155: A Bill for an Act Defining Duration of the War.

Was read the third time.

Mr. Whitmer moved that further consideration of Senate Bill No. 155 be indefinitely postponed.

Mr. Kelly moved that the motion be laid upon the table, which motion prevailed.

The question being on the final passage of the bill, the roll was called and there were ayes 105, nays 4, absent and not voting 4.

Ayes: Allen, Anderson of Burleigh, Arduser, Babcock, Bauer, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhardt, Burns, Carlson, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kamrath, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Lar-

son of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slomniski Sproul, Starke, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Anderson of Griggs, Cart, Erickson of Divide, Hall.

Absent and not voting: Bilquist, Cole, Johnson of Steele, Kellogg, Lazier, Strain.

So the bill passed and the title was agreed to.

The Speaker called Mr. Johnson of Cass to the chair.

Senate Bill No. 148: A Bill for an Act to Amend Chapter 131 of the Session Laws of 1919, Enacted by the Sixteenth Session of the Legislative Assembly, Pertaining to the Giving of Notices of Intention to Foreclose Real Estate Mortgages.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 108, nays 1, absent and not voting 4.

Ayes: Allen, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Hancock, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Flom.

Absent and not voting: Anderson of Burleigh, Erickson of Walsh, Lazier, Mikkelson, Shipley.

So the bill passed and the title was agreed to.

MESSAGES FROM THE SENATE.

SENATE CHAMBER.

Bismarck, N. D., Feb. 28, 1921.

Mr. Speaker: I have the honor to return herewith the following bills:

House Bill No. 186: A Concurrent Resolution Amending the Constitution of the State of North Dakota Relating to the Term of Office of the Judges of the Supreme Court.

House Bill No. 29: A Bill for an Act to Amend and Re-enact Section 1137 of the General School Laws Entitled Salary and Expenses.

House Bill No. 198: A Bill for an Act to Provide for Nomination of Candidates for the Offices of Presidential Electors, United States Senator, and Member of Congress and to Elect Delegates to the National Party Convention, National Committeemen and Party Precinct Committeemen and to Repeal Sections 917, 918 and 919 of the Compiled Laws of North Dakota for the Year 1913, and all Other Acts or Parts of Acts that are in Conflict with the Provisions Hereof.

House Bill No. 158: A Bill for an Act to Amend and Re-enact Sections 948 and 968 of the Compiled Laws of 1913, and to Repeal Section 991 of the Compiled Laws of 1913, Relating to Elections.

House Bill No. 191: A Bill for an Act Empowering the State Inspector of Grades, Weights and Measures to Waive Certain Requirements of the Laws, Rules, and Regulations of the State of North Dakota, Relating to Public Grain Warehouses in the Case of Grain Warehouses Which Have Given Bond and are Licensed Under the United States Warehouse Act.

House Bill No. 190: A Bill for an Act Empowering the State Inspector of Grades, Weights and Measures to Fix Maximum Rates for the Storage, Insurance, and Handling of Grain in Public Grain Warehouses; Requiring Warehousemen to Insure all Grain Stored in Public Grain Warehouses; and Repealing Section 3116 of the Compiled Laws of 1913. enact Section 1 of Chapter 126 of the Laws of North Dakota

House Bill No. 187: A Bill for an Act to Amend and Re-enact Chapter 138 of the Session Laws of North Dakota for the Year 1919, Creating and Establishing the Department of Grades, Weights, and Measures Under the Direction and Supervision of the Board of Railroad Commissioners; Defining and Prescribing the Duties and Powers Thereof; Providing for the Licensing of Public Warehouses, Grain Buyers and Persons Engaged in Soliciting or Procuring Consignments of Grain, Seeds or Other Agricultural Products; Providing for the Establishing of Central Marketing Places; Providing for the Appointment of State Inspector, State Deputy Inspectors and Deputy Inspectors, Chief Elevator Accountant and Warehouse Inspectors, Defining Their Duties and Powers; Providing for Bonds from Public Warehouses to Secure all Moneys due the holders of Outstanding Grain Tickets; Requiring Pub-

lic Warehouses to Keep Records of Their Business; Authorizing the fixing of a Reasonable Margin to be Paid the Producer of Grain; Providing for the Inspection of Public Warehouses; Providing for the Payment of Dockage Having Value; Authorizing Investigation of All Matters Bearing Upon the Marketing of Grain; Authorizing the Employment of Clerks, Experts and All Other Employees Necessary to Carry Out the Provisions of This Act, and Making an Appropriation Therefor; and Providing Penalties for the Violation of Any of the Provisions of This Act.

Which the Senate has indefinitely postponed.

Very respectfully,
W. J. PRATER,
Secretary.

Mr. Speaker: I have the honor to return herewith the following bills:

House Bill No. 119: A Bill for an Act Declaring Sow Thistles to be a Noxious Weed, Prohibiting for Its Destruction and Providing for the Payment of the Expense of Its Destruction.

House Bill No. 206: A Bill for an Act Authorizing Boards of County Commissioners to Issue Refunding Bonds to Fund or Refund for the Purpose of Seed Grain or Seed and Feed Grain Bonds or Warrants Theretofore Issued Pursuant to Law for the Purchase of Seed Grain and Feed or Either.

House Bill No. 125: A Bill for an Act to Amend and Re-enact Section 2681 of the Compiled Laws of the State of North Dakota for 1913, Compensation for Members of State Live Stock Sanitary Board.

House Bill No. 168: A Bill for an Act to Amend and Re-enact Section 287 of the Compiled Laws of North Dakota for the Year 1913 as Amended by Chapter 241 of the Session Laws of 1915, and as Amended by Chapter 204 of the Session Laws of 1917, and as Amended by Chapter 198 of the Session Laws of 1919, Relating to the Investment of University and School Land Funds.

House Bill No. 106: A Bill for an Act to Amend and Re-enact Section 46 of Chapter 161 of the Laws of North Dakota for the Year 1915, as Amended by Chapter 63, of the Laws of North Dakota for the Year 1917, as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Prohibiting the Trapping, Catching, Killing, or Destroying of Beaver and Otter, for a Limited Period.

House Bill No. 160: A Bill for an Act to Amend and Re-enact Section 52 of Chapter 161 of the Session Laws of North Dakota for the Year 1915, as Amended by Section 52 of Chapter 122 of the Session Laws for the Year 1917, Relating to Bag Limit of Game Birds.

House Bill No. 57: A Bill for an Act to Amend and Re-enact Section 1455 of the Compiled Laws of the State of North Dakota for the Year 1913, and Section 1456 of the Compiled Laws of the State of North Dakota for the Year 1913, as

Amended by Chapter 207 of the Session Laws of the State of North Dakota for the Year 1917, Relating to County Agricultural and Training Schools.

House Bill No. 124: A Bill for an Act to Amend and Re-enact Chapter 205 of the Session Laws of the State of North Dakota for the Year 1919 Prohibiting the Sale of Any New Draft Sleds Within the State of Which the Runners Measure Less Than Four Feet Six Inches from Center to Center and Making the Sale of Same a Misdemeanor and Providing for the Revocation of the License of Any Foreign Corporation to do Business in the State Which Fails to Comply With the Terms of this Act.

House Bill No. 59: A Bill for an Act to Amend and Re-enact Section 3905 of the Compiled Laws of North Dakota for the Year 1913, Relating to the Building and Repairing of Sidewalks by Villages, the Giving of Notices Thereof, the Duties of Real Property Owners, and the Powers of the Board of Trustees in Regard Thereto.

Which the Senate has passed unchanged.

Very respectfully,
W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to return House Bill No. 118:

House Bill No. 118: A Bill for an Act to Amend and Re-enact Sections 624 and 625 of the Compiled Laws of North Dakota for the Year 1913 as Amended by Chapter 252 of the Laws of North Dakota for the Year 1917 and by Chapter 25 of the Laws Passed by the Special Session of the Legislative Assembly of North Dakota in 1919, Relative to the Commissioner of Noxious Weeds.

Which the Senate has amended as follows:

On page 3 of the engrossed bill, in Section 2, line 4, after the figures 1917, insert "as amended by Chapter 25, Special laws of 1919.

Very respectfully,
W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to return House Bill No. 159:

House Bill No. 159: A Bill for an Act to Amend and Re-enact Section 26 of Chapter 161 of the Session Laws of 1915. Relating to Hours for Shooting.

Which the Senate has amended as follows:

Section 1, line 2 of the printed bill after the word "amended" insert the words "and re-enacted."

Very respectfully,
W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to return House Bill No. 146:

House Bill No. 146: A Bill for an Act to Amend and Re-enact Section 3533 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 104 of the Session Laws of 1915, Relating to the Compensation and Office Hours of County Commissioners.

Which the Senate has amended as follows:

In line 6 of Section 3533 of the engrossed bill strike out the word "five" and insert the word "six" in lieu thereof, and in same line strike out the figure "5" and insert the figure "6" therefor.

Very respectfully,
W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to return House Bill No. 183:

House Bill No. 183: A Bill for an Act to Amend and Re-enact Chapter 1342 of the Compiled Laws of North Dakota for 1913, as Amended by Chapter 141 of the Session Laws of North Dakota for the Year 1915 and Chapter 206 of the Session Laws of North Dakota for the Year 1917, Relating to Compulsory Attendance, School Age and the Transportation of Pupils.

Which the Senate has amended as follows:

Amend the title as follows: In line 3 of the printed bill after the figures "1915" strike out the word "and" and insert in lieu thereof the words "as amended by."

In line 1 of the engrossed bill after the enacting clause strike out figure "1" and insert in lieu thereof the words and figure "Section 1, Amendment."

In line 3 of printed bill after the figures 1915, strike out the word "and" and insert in lieu thereof the words "as amended by" and in line 4 after the word "amended" insert the words "and re-enacted."

In line 51 of the printed bill strike out the word "more" and insert in lieu thereof the word "two."

Very respectfully,
W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to return House Bill No. 171:

House Bill No. 171: A Bill for an Act Authorizing the Board of Administration to Create a Students Loaning Fund in State Sormal Schools.

Which the Senate has amended as follows: -

In Section 3, line 7 of the engrossed bill (section 3, line 6, printed bill) strike out the figures "\$500.00" and insert in lieu thereof the figures "\$300.00."

Very respectfully,
W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to return House Bill No. 154:

House Bill No. 154: A Bill for an Act to Amend and Re-enact Section 10184 and 10185 of the Compiled Laws of North Dakota for 1913, Prohibiting the Manufacture, Sale, Disposing of, Giving Away, and Soliciting Orders for Cigarettes, or Cigarette Papers and Providing Penalty.

Which the Senate has amended as follows:

In the printed bill, Section 2, lines 23, 24, 25 and 26 after the word shall strike out the words when such is proved to the satisfaction of the court that such was kept for sale be held to be prima facie evidence by any court where such owner, clerk or employee shall be on trial for violating any provision of this Act, and insert in lieu thereof comma be prima facie evidence of the keeping of the same for sale.

Section 3, line 9, strike out the word "and" and insert the word "or" Emergency clause lost.

Very respectfully,
W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to return House Bill No. 81:

House Bill No. 81: A Bill for an Act to Establish a Uniform Egg Law, for Regulating and Preventing the Sale of Eggs Unfit as Articles of Human Food, Requiring Eggs to be Canded, Requiring a License for Dealers in Eggs and Establishing a Penalty for Violation of this Act.

Which the Senate has amended as follows:

Printed bill, Section 3 in line 15 after the word than strike out the word two and insert in lieu thereof the word one. In line 16 strike out the word inches and insert in lieu thereof the word inch. In line 22 after the word than strike out the word two and insert in lieu thereof the word one. In line 23 strike out the word inches and insert in lieu thereof the word inch.

In line six of Section one strike out the word "of" and insert the word "in."

Very respectfully,
W. J. PRATER,
Secretary.

THIRD READING OF SENATE BILLS.

Senate Bill No. 135: A Bill for an Act Providing for the Issuance of Bonds of the State of North Dakota in a Sum not

. Exceeding \$250,000.00, to be Known as Bonds of North Dakota, Electric Utility Series; Prescribing the Terms and Stating the Purposes Thereof; Providing for a Tax and Making Other Provisions for the Payment Thereof; Making Appropriations for the Payment of Said Bonds and Other Provisions for the Payment of Interest and Principal of Said Bonds and to Carry Into Effect the Provisions of This Act.

Was read the third time.

Call of the House demanded.

The roll being called, all members were present except Bjorgo, Lazier, Mr. Lazier being excused.

Mr. Watt moved that further proceedings under the call of the House be dispensed with, which motion prevailed and further proceedings under call of the House were dispensed with.

The question being on the final passage of the bill, the roll was called and there were ayes 54, nays 57, absent and not voting 2.

Ayes: Anderson of Griggs, Arduser, Babcock, Bauer, Biliquist, Bjerke, Brady, Bratsberg, Bryans, Burkhart, Carr, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Opland, Palterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Nays: Allen, Anderson of Burleigh, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr Speaker.

Absent and not voting: Bjorgo, Lazier.

So the bill was lost.

Mr. Twichell moved that the vote by which Senate Bill No. 135 was lost, be reconsidered and the motion to reconsider be laid on the table. Which motion prevailed.

The following members explained their votes as follows:

Mr. Bauer: I am going to vote aye on this bill.

I am going to vote aye because I believe it is for the best interests of the taxpayers of the state and city of Bismarck for me to do so. It cost the state over \$300.00 during the month of January to haul coal to capitol. I believe this expense can be eliminated by consolidating capitol and penitentiary lighting plants at penitentiary and have work done by convict labor, free of cost, to state. I am going to vote aye because the state of North Dakota with government aid is building a bridge across the Missouri river which is going

to be lighted by electricity and I believe the state should furnish that light instead of paying a private concern for so doing.

I am going to vote aye because I expect to see this plant enlarged and furnish light and electricity for the Reform School at Mandan.

I am going to vote aye because I think it is right.

Mr. Hanson of Grand Forks: I am going to vote no on this bill for two reasons. First, because the taxes on the people of this state are too high at the present time, and should be reduced instead of increased. I vote no for the reason I do not think we should go into any more state owned industries at this time because if the present state owned industries prove a success we can expand and go into more of them later.

Mr. Hempel: "I had some good reasons for voting aye on this S. B. 135 before discussion, but since the matter has been so forcefully discussed I have more good reasons—some reasons that have been brought out right here on the floor. I will mention just one—the one given by the gentleman, our Mr. Speaker himself. That may be reason for the Speaker to vote "no" on this bill but to me that alone would be almost reason enough to vote "aye" and I do vote "aye."

Mr. Johnson of Pembina: I vote no on this bill because I do not believe in state owned and state operated industries of any kind.

Maddock of Mountrail: I vote aye on this bill although I am not sure that the bill is meritorious as far as mention of the city of Bismarck is concerned. I believe it is meritorious in regard to combining the two lighting plants and running it at the penitentiary. I vote aye in full confidence that the farmers of this State stand as a bullwark against Socialism, Bolshevism and anarchy.

Mr. Preszler: By passing this bill and its companion bill we are creating a new state industry. In other words, another lemon. My constituents do not want another lemon and therefore I vote "no."

Mr. Sims: I do not believe that politics should have anything to do with this matter for what I consider the best interests of the people of the state of North Dakota. I vote aye.

Mr. Semling: I vote no on this bill for the reason that I believe this measure is contrary to the principles set forth in the platform upon which I was elected; and for the reason that I believe there is a difference between state owned and municipally owned utilities; and for the reason that I believe it will be harmful to the credit of North Dakota to signify a further desire to put large sums of money into state owned industrial enterprises—I cannot support these measures. Mr. Speaker, I vote no.

Mr. Twitchell moved that further consideration of Senate Bill No. 136 be indefinitely postponed.

Call of the House demanded. The roll being called all members were present except Mr. Bjorgo and Lazier.

Mr. Twitchell moved that further proceedings under call of the House be dispensed with, which motion prevailed and further proceedings under call of the House were dispensed with.

The question being on the indefinite postponement of Senate Bill No. 136.

The roll was called and there were ayes 57, nays 53, absent and not voting 3.

Ayes: Allen, Anderson of Burleigh, Bollinger, Botz, Boyd Burns, Carlson Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmis, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Arduser, Babcock, Bauer, Biquist, Bjerke, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lokie, Larkin, Larson of Ransom, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Bjorgo, Lazier, Opland.

So the motion prevailed and further consideration of Senate Bill No. 136 was indefinitely postponed.

Mr. Hanson of Grand Forks moved that the vote by which the motion to indefinitely postpone Senate Bill No. 136, was carried, be reconsidered and the motion to reconsider be laid on the table, which motion prevailed and further consideration of Senate Bill No. 136 was indefinitely postponed.

The Speaker returned to the chair.

Mr. Sagen moved that the House do now recess for 15 minutes, which motion prevailed and the House so recessed.

AFTER RECESS.

The House convened pursuant to recess taken, the Speaker presiding.

SIGNING OF BILLS.

The Chief Clerk announced that the Speaker was about to sign:

House Bill No. 52: A Bill for an Act Levying a Tax of One Mill Upon Each Dollar of Assessed Valuation of all Taxable Property Within the State for Each Year for the Purpose of Creating a fund to be known as the "Returned Soldiers' Fund," Providing for the Payment Thereof to Returned Soldiers, Defining the Powers and Duties of the Adjutant General and of the Industrial Commission with Reference Thereto and Making an Appropriation Therefor.

House Bill No. 107: A Bill for an Act to Amend and Re-enact Section 10298 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 162 of the Laws of North Dakota for the Year 1915, as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Relating to the Season for Killing Deer.

House Bill No. 42: A Bill for an Act to Amend and Re-enact Section 3969 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Section 79 of the Session Laws of North Dakota for the Year 1919, Relating to Excluding Farm Lands From the Limits of City, Town and Villages.

House Bill No. 51: A Bill for an Act to Prohibit the Use of Tobacco by Smoking in Certain Places and Providing Penalty.

House Bill No. 99: A Bill for an Act to Amend and Re-enact Section 3529 of the Compiled Laws of North Dakota for the Year 1913, Relating to Fees of Notaries Public.

And the Speaker signed the same in the presence of the House.

REPORTS OF STANDING COMMITTEES.

Mr. Speaker: Your committee on Public Health to whom was referred:

Senate Bill No. 21: A Bill for an Act Creating a Public Health Commission; Fixing the Membership Thereof, and Defining its Powers and Duties.

Have had the same under consideration and recommend that the same be indefinitely postponed.

C. A. SAGEN,
Chairman.

Mr. Sagen moved that the report be adopted, which motion prevailed and the report was adopted.

GENERAL ORDERS

Mr. Shipley moved that the house resolve itself into a committee of the whole for the consideration of general orders; which motion prevailed, and the house resolved itself into a committee of the whole.

The Speaker called Mr. Shipley to the chair.

When the committee arose it submitted the following report.

Mr. Speaker: The committee of the whole have had under consideration:

Senate Bill No. 110: A Bill for an Act to Amend and Re-enact Section 811 of Chapter 69 of the Laws of the State of North Dakota for the Year of 1919, Providing for a Bond And recommend that the same be amended as follows:

SECTION ONE. (1)

"Section 1. AMENDMENT. That Section 811 of Chapter 69 of the Session Laws of North Dakota for the year 1919 is hereby amended and re-enacted to read as follows:

"Section 811. (Who May Practice). No person shall be entitled to practice law or act as attorney or counsellor at law or act as attorney or counsellor at law in this state who is also making collection for others unless such person shall first secure a certificate of admission to the bar, and shall also file a bond to the state of North Dakota in the penal sum of Two Thousand Dollars (\$2,000.00) with good and sufficient securities to be approved by the state bar board for the faithful performance of his duties as attorney or counsellor at law, and collector of moneys for others."

And when so amended recommend the same do pass.

Also:

Senate Bill No. 182: A Bill for a Concurrent Resolution to Amend and Re-enact Section 173 of Article 10 of the Constitution of the State of North Dakota Providing for the Election of County Officials.

And recommend that the same be amended as follows:

In Section 173 of the engrossed bill, line 6 after the word "attorney" strike out the words "and a"; after the word "judge" insert the words "and a clerk of the district court" Strike out the words "who shall also be clerk of the district court." In the tenth line of the same section, after the word "having" insert the following: "Ten thousand population or less, the county judge shall also be the clerk of the district court." In the eleventh line strike out the words "increased jurisdiction a county judge and clerk of the district court shall be elected." In the seventeenth line strike out the words "sheriff and." In the eighteenth line strike out the words "their respective offices" and insert in lieu thereof the word "office."

And by striking out the last sentence in the engrossed bill.

And when so amended recommend the same do pass.

Also:

Senate Bill No. 111: A Bill for an Act Entitled: An Act Prescribing What Number of Stockholders Shall Constitute a Quorum in Stockholders' Meetings of Domestic Corporations and Also Providing That the Written Consent of the Holders of a Majority in Value of the Subscribed Capital Stock Shall be Affectual for Certain Purposes, Also Making Provision for Notice for Stockholders' Meetings, and Repealing Conflicting

And recommend that the same be amended as follows:

In line eight in the engrossed bill. Section one after the word least strike out the word thirty and insert in lieu thereof the word sixty.

In line 29, Section one after the word least strike out the word forty and insert in lieu thereof the word sixty.

And when so amended recommend the same do pass.

Also:

Senate Bill No. 156: A Bill for an Act Restricting Rights of Litigants to Bring Actions in Courts to Set Aside Taxes or Assessments or to Recover Taxes Before Submitting Their Claims to the Board of County Commissioners for Adjustment and Dismissing Actions Heretofore Brought.

And recommend that the same be amended as follows:

Strike out all of Section 2 of the engrossed bill and insert in lieu thereof the following:

"SECTION 2. EMERGENCY. Whereas an emergency exists, this act shall be in full force and effect from and after its passage and approval."

And when so amended recommend the same do pass.

Also:

Senate Bill No. 41: A Bill for an Act to Amend and Re-enact Section 4059 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 71, Session Laws of 1915, and Chapter 173, Session Laws of 1917, Relating to Powers of Park Commission, be Amended and Re-Enacted to Read as Follows:

And recommend that the same be amended as follows:

In line 6, page 1, of the printed bill, preceding the figures (1), insert "Section 4059. POWERS OF PARK COMMISSION. LIMITED LEVY. BONDS; THE PARK COMMISSION SHALL HAVE POWER."

In Sub-division 5, on page 2, line 24, of the printed bill, after the word "engineer" insert "and surveyor of such park commission, and to procure the services of a clerk for such commission."

In line 26 strike out "twenty-five dollars" and insert "fifty dollars."

In line 27 of said sub-division 5, on page 2, strike out the words "for the performance of manual labor."

Strike out sub-division 6 and insert in lieu thereof as sub-division 6 the following:

Sub-division 6. To issue negotiable bonds of such park district in an amount not to exceed one per cent (1%) of the assessed value of the taxable property within such park district for the preceding year; provided, further, that no bonds shall be issued as herebefore provided, unless at a general or special election after twenty days notice in a newspaper published in the city, stating the purpose for which such bonds are to be issued and the amount thereof, the legal voters of such park district shall by a majority vote, determine in favor of issuing such bonds; provided, further, that at or before the time of issuing such bonds or incurring the indebtedness for which the same are to be issued provision shall be made for the collection of direct annual tax sufficient to pay the interest upon said debt or such bonds when the same falls due and to pay and discharge the principal thereof when the same becomes due, and such

provisions for the collection of such annual tax shall be ir-repealable until such debt is paid; provided, further, that no bonds issued under the provisions of this chapter shall be issued for a longer period than twenty years and that such bonds shall bear interest at a rate not to exceed six per cent (6%) and shall be sold for not less than their par value. Bonds as hereinbefore provided to be issued, shall be so issued and used exclusively for the purchasing and acquiring of land, boulevards and ways for such parks or park system or for the permanent improvement thereof including the erection of buildings, pools, ponds and the erections of dams in waters adjacent thereto. The Board of Park Commissioners are hereby empowered and authorized to issue bonds in place of or to supply means to meet maturing bonds or for the consolidation or funding of the same.

In Sub-division 7, on page 3, in line 43, after the word "Board" insert "the proceeds of which said taxes shall also be available for use in payment for any land in such year or theretofore purchased or for improvements theretofore made for park purposes"

In line 44 of said sub-division 7, strike out the word "one and one-half" and insert in lieu thereof the word "two."

Strike out all of such sub-division 7 after the word "government" in line 48 thereof.

And that the emergency clause be stricken off.

D. E. SHIPLEY,
Chairman.

Mr. Kelly moved that the report be adopted which motion prevailed and the report was adopted.

The house reverted to the Fifth order of business.

REPORTS OF STANDING COMMITTEES

Mr. Speaker: Your committee and Appropriations to whom was referred:

Senate Bill No. 197: A Bill for an Act Making an Appropriation for the Care and Maintenance of Persons Affected With Leprosy.

Have had the same under consideration and recommend that the same be amended as follows:

In the printed bill.

In the title strike out the period after the word leprosy and add the following: "and for the education and care of any minor children who have been exposed to leprosy."

In lines 2 and 3 of the bill strike out the words Two Thousand Five Hundred Dollars and the numerals (\$2500.00), and insert in lieu thereof the words Four Thousand Five Hundred Dollars and the numerals (\$4500.00).

In line 5 after the word "and" insert the following: "providing for the care and education of."

And when so amended recommend the same do pass.

WM. WATT,
Chairman.

Mr. Speaker: Your committee on appropriations to whom was referred:

Senate Bill No. 39: A Bill for an Act to appropriate the sum of \$175,000.00 for the purpose of aiding in the construction of a bridge across the Missouri River from Burleigh County to Morton County in the State of North Dakota under the provision of Chapter 73 of the laws passed at the sixteenth session of the legislative assembly of North Dakota, approved March 5, 1919, in addition to the sum appropriated by Chapter 4 of the special session of the sixteenth legislative assembly, approved December 12, 1919, and that such appropriation be made from the State Highway Fund.

Have had the same under consideration and recommend that the same do pass.

WM. WATT,
Chairman.

Mr. Watt moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on appropriations to whom was referred:

Senate Bill No. 84: A Bill for an Act to appropriate the sum of eight hundred twenty-one and 75-100 dollars (\$821.75) for printing the 1917-1918 biennial report of the attorney general.

Have had the same under consideration and recommend that the same do pass.

WM. WATT,
Chairman.

Mr. Watt moved that the report be adopted, which motion prevailed and the report was adopted.

The courtesies of the floor were extended to Jack Williams, Steve Gorman, Leo Schaffer, O. S. Sem, C. I. Crone, G. J. Oppgard, J. P. Lundquist, S. S. Simonson, A. E. Champlin, Hon. Adam Bollinger, J. W. Plunkett.

Mr. Root moved that the House do now adjourn until 2 o'clock p. m. March 1st, 1921, which motion prevailed and the House adjourned.

C. L. DAWSON,
Chief Clerk.

FIFTY-SEVENTH DAY.

House of Representatives,
Bismarck, North Dakota,
March 1, 1921.

The House convened at 2 o'clock p. m. pursuant to adjournment, the Speaker presiding.

Prayer by Chaplain Rev. Alfson.

Roll call: All members present.

REVISION AND CORRECTION OF THE JOURNAL.

The committee on revision and correction of the journal made the following report:

Mr. Speaker: Your committee on revision and correction of the journal have carefully examined the Journal of the 56th day and recommend that the same be corrected as follows:

Strike out the last 4 lines on page 11, and the first 9 lines on page 12 and insert in lieu thereof the following:

Mr. Bauer: I am going to vote aye on this bill.

I am going to vote aye because I believe it is for the best interests of the taxpayers of the state and city of Bismarck for me to do so. It cost the state over \$300.00 during the month of January to haul coal to capitol. I believe this expense can be eliminated by consolidating capitol and penitentiary lighting plants at penitentiary and have work done by convict labor, free of cost, to state. I am going to vote aye because the state of North Dakota with government aid is building a bridge across the Missouri river which is going to be lighted by electricity and I believe the state should furnish that light instead of paying a private concern for so doing.

I am going to vote aye because I expect to see this plant enlarged and furnish light and electricity for the Reform School at Mandan.

I am going to vote aye because I think it is right.

On page 12 after line 17 insert the following:

Mr. Hempel: "I had some good reasons for voting aye on this S. B. 135 before discussion, but since the matter has

been so forcefully discussed I have more good reasons—some reasons that have been brought out right here on the floor. I will mention just one—the one given by the gentleman, our Mr. Speaker himself. That may be reason for the Speaker to vote “no” on this bill but to me that alone would be almost reason enough to vote “aye” and I do vote aye.”

PRESENTATION OF PETITIONS AND COMMUNICATIONS.

The following telegram was received and read:

Washington, D. C., March 1, 1921.

Hon. Thomas Hall, Secretary of State, Bismarck, N. Dak.

Government seed grain loans as requested by North Dakota legislature met with serious opposition in House notwithstanding fact that opposition was determined and powerful. We succeeded yesterday after hard fight in securing approval for two million dollars which the Senate will undoubtedly agree. While bill does not so state understanding is that one million dollars of it is to be allotted to North Dakota with a limit to each applicant of two hundred dollars. Details as to the method of making application and closing loans will be furnished you as soon as prepared by Secretary of Agriculture George M. Young, M. C.

REPORTS OF STANDING COMMITTEES.

Mr. Speaker: Your committee on Insurance to whom was referred:

Senate Bill No. 115: A Bill for an Act to Amend and Re-enact Sections 3, 6 and 12 of Chapter 157 of the Session Laws of 1919, Regular Session, Relating to the Authorizing and Regulating the Exchange of Reciprocal or Insurance Contracts Among Individuals, Partnerships and Corporations.

Have had the same under consideration and recommend that the same be amended as follows:

In line 5 of the title insert the word “Inter” before the word insurance.

And when so amended recommend the same do pass.

ROY JOHNSON,
Chairman.

The committee on Judiciary made the following report:

Mr. Speaker: Your committee on Judiciary to whom was referred:

Senate Bill No. 158: A Bill for an Act to Provide for Conciliation of Controversies and to Repeal Sections 9187, 9188, 9189, 9190, 9191 and 9192 of the Compiled Laws of North Dakota, 1913.

Have had the same under consideration and recommend that the same be amended as follows:

That the first word “specied” in line 3 of Section VI, page 3 of the engrossed bill be corrected to read “specified.”

That the word "complained" in line 6 of Section VI, page 3 of the Engrossed Bill be corrected to read "complaining."

That the word "of" in line 8 of Section VI, page 3 of the Engrossed Bill be stricken out and insert in lieu thereof the word "or."

That the word "hearing" in line 6 of Section XI, page 5 of the Engrossed Bill be stricken out and insert in lieu thereof the word "bearing."

And when so amended recommend the same do pass.

C. H. STARKE,
Chairman.

Mr. Speaker: Your committee on Judiciary to whom was referred:

Senate Bill No. 202: A Bill for an Act to Amend and Re-enact Section 2 of Chapter 63 of the Session Laws of 1915 Prescribing and Limiting the Punishment of the Crime of Murder in the First Degree and Limiting the Time, Manner and Conditions Whereby Such Person May Be Pardoned.

Have had the same under consideration and recommend that the same be amended as follows:

SECTION 2. That the word "ninety" in the seventh line of Section two (2) of the enrolled bill be stricken out and in lieu thereof the word "fifty" inserted.

And when so amended recommend the same do pass.

C. H. STARKE,
Chairman.

Mr. Speaker: Your committee on Judiciary to whom was referred:

Senate Bill No. 195: A Bill for an Act Relating to the Taking of New Promissory Notes in Renewal of Notes Already Held by Banks, Other Corporations or Individuals, Effecting Their Legality.

Have had the same under consideration and recommend that the same be amended as follows:

SECTION 1. That the word "renewal" in the last line of section one (1) of the engrossed bill be stricken out and in lieu thereof the word "renewed" inserted.

That the word "renewal" in the last line of section one (1) of the engrossed bill be stricken out and in lieu thereof inserted the following, "renewed."

And when so amended recommend the same do pass.

C. H. STARKE,
Chairman.

Mr. Speaker: Your committee on Enrollment and Engrossment respectfully report that:

House Bill No. 42: A Bill for an Act to Amend and Re-enact Section 3969 of the Compiled Laws of North Dakota for

the Year 1913, as Amended by Section 79 of the Session Laws of North Dakota for the Year 1919, Relating to Excluding Farm Lands from the Limits of City, Town and Villages.

House Bill No. 51: A Bill for an Act to Prohibit the Use of Tobacco by Smoking in Certain Places and Providing Penalty.

House Bill No. 52: A Bill for an Act Levying a Tax of One Mill Upon Each Dollar of Assessed Valuation of all Taxable Property Within the State for Each Year for the Purpose of Creating a fund to be known as the "Returned Soldiers' Fund," Providing for the Payment Thereof to Returned Soldiers, Defining the Powers and Duties of the Adjutant General and of the Industrial Commission with Reference Thereto and Making an Appropriation Therefor.

House Bill No. 99: A Bill for an Act to Amend and Re-enact Section 3529 of the Compiled Laws of North Dakota for the Year 1913, Relating to Fees of Notaries Public.

House Bill No. 107: A Bill for an Act to Amend and Re-enact Section 10298 of the Compiled Laws of North Dakota for the Year 1913 as Amended by Chapter 162 of the Laws of North Dakota for the Year 1915, as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Relating to the Season for Killing Deer.

Were delivered to the governor for his approval at the hour of 2:25 o'clock p. m.

A. J. PRESZLER,
Chairman.

SIGNING OF BILLS.

The Chief Clerk announced that the Speaker was about to sign:

Senate Bill No. 29: A Bill for an Act to Amend and Re-enact Section 1 of Chapter 4 of the Laws Passed by the Special Session of the Sixteenth Legislative Assembly of the State of North Dakota, Begun and Held at Bismarck, the Capital of Said State, on Tuesday, the Twenty-fifth Day of November, A. D. 1919, and Concluding Thursday, December the Eleventh, 1919, Being an Act to appropriate \$225,000.00 for the Purpose of Aiding in the Construction of a Bridge Across the Missouri River From Burleigh County to Morton County in the State of North Dakota, and the Further Sum of \$35,000.00 for the Construction of a Bridge Across the Red River, at Pembina, Pembina County, and Kittson County, Minnesota, Under the Provisions of Chapter 73 of the Laws Passed at the Sixteenth Session of the Legislative Assembly of North Dakota, Approved March 5, 1919; and Such Appropriation be Made From the State Highway Fund; Which Act Was Approved 9:00 A. M. December 12, 1919.

Senate Bill No. 33: A Bill for an Act to Amend and Re-enact Section 2625, Compiled Laws of North Dakota for 1913, Relating to Trespass of Animals.

Senate Bill No. 34: A Bill for an Act Legalizing and Validating all Notices and Publications Commenced in an Official Newspaper Prior to the 1st day of January, 1921.

Senate Bill No. 35: A Bill for an Act Repealing Section 6972 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Negotiable Instruments Made Payable at a Bank.

Senate Bill No. 37: A Bill for an Act Entitled, an Act to Cure Defects in the Title of Real Estate Caused by Failure of Foreign Corporations to Comply with Section 5238 Compiled Laws 1913.

Senate Bill No. 44: A Bill for an Act to Amend and Re-enact Section 4 of Chapter 187 of the Session Laws of North Dakota for the Year 1919.

Senate Bill No. 57: A Concurrent Resolution for an Amendment to the Constitution Relating to the Residence Required of an Elector.

Senate Bill No. 80: A Bill for an Act to Prevent the Adulteration and Deception in Varnishes and Varnish Substitutes and Providing for the Proper Labeling of the Same.

Senate Bill No. 96: A Bill for an Act to Amend and Re-enact Section 3550 of the Compiled Laws of the State of North Dakota of 1913, Relating to the Appointment of District Court Bailiff's and Compensation Thereof.

Senate Bill No. 97: A Bill for an Act to Authorize the Valuation of Bonds and Other Securities Held by Life Insurance Companies, Assessment Life Associations and Fraternal Beneficiary Associations by the Amortization Method.

Senate Bill No. 98: A Bill for an Act to Amend and Re-enact Section 3552, Compiled Laws of North Dakota for the Year 1913, Permitting Incorporated Towns and Villages Having a Population of Not Less Than Two Hundred Inhabitants to Become Incorporated as a City.

Senate Bill No. 102: A Bill for an Act to Amend and Re-enact Section 3621, Compiled Laws of North Dakota for the Year 1913, Relating to Compensation of Aldermen.

Senate Bill No. 104: A Bill for an Act to Repeal Section 153, Compiled Laws of North Dakota for 1913. Relating to Fees for the Registration of Bonds.

Senate Bill No. 143: A Bill for an Act to Prevent Any Person From Registering as a Guest in Any Hotel in the State of North Dakota Under a Fictitious or False Name.

Senate Bill No. 152: A Bill for an Act to Permit the Use of Certain Ground Upon the Campus of the University and to Consent to the Erection of an Alumni Building Thereupon by the Alumni Association for Purposes of Aiding the University and the Co-operative Interest of Its Alumni and to Grant to Such Alumni Association the Right to Exercise Control and Dominion Over Such Ground and the Building to be Constructed Thereon, Subject to the Rules and Regulations of the State and of Its Board of Administration.

And the Speaker signed the same in the presence of the House.

REPORTS OF STANDING COMMITTEES.

Mr. Speaker: Your majority members of the committee on Judiciary to whom was referred:

Senate Bill No. 153: A Bill for an Act to Amend and Re-enact Section 8122 of the Compiled Laws of North Dakota for 1913, as Amended by Chapter 180 of the Laws of 1915 and as Amended by Chapter 151 of the Laws of 1917, Relating to Foreclosure of Land Contracts.

Have had the same under consideration and recommend that the same do pass.

C. H. STARKE,
Chairman.

Mr. Speaker: Your minority members of the committee of Judiciary to whom was referred:

Senate Bill No. 153: A Bill for an Act to Amend and Re-enact Section 8122 of the Compiled Laws of North Dakota for 1913, as Amended by Chapter 180 of the Laws of 1915 and as Amended by Chapter 151 of the Laws of 1917, Relating to Foreclosure of Land Contracts.

Have had the same under consideration and recommend that the same be indefinitely postponed.

(Signed)

OPHAUG,
BAUER,
STARKE,
PLATH,
ELLINGSON.

C. H. STARKE,
Chairman.

Mr. Olson of Barnes moved that the majority report be adopted.

Mr. Starke moved that the minority report be substituted for the majority report, which motion was lost.

The question being on the motion of Mr. Olson of Barnes, the motion prevailed and the majority report was adopted.

Mr. Speaker: Your committee on Judiciary to whom was referred:

Senate Bill No. 11: A Bill for an Act Amending and Re-enacting Section 10251 of the Compiled Laws of North Dakota for the Year 1913, Relating to Unlawful Obligations in Writing.

Have had the same under consideration and recommend that the same do pass.

C. H. STARKE,
Chairman.

Mr. Starke moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Tax and Tax Laws to whom was referred:

Senate Bill No. 71: A Bill for an Act to Amend and Re-enact Section 2185 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 67 of the Special Session Laws of North Dakota for the Year 1919, Relating to Real Estate Taxes Due and Delinquent and the Penalty and Interest Thereon.

Have had the same under consideration and recommend that the same be amended as follows:

In line 7, Section 2185, page 1 of the Engrossed Bill place a period after the word "following" and strike out the balance of that line and all of the following line 8 up to the words "a penalty" and insert in lieu thereof the following:

"If any part of the tax which becomes delinquent on March 1st remains unpaid after that date there shall attach to the entire tax levied and assessed."

And when so amended recommend the same do pass.

J. A. JARDINE,
Chairman.

Mr. Speaker: Your committee on Tax and Tax Laws to whom was referred:

Senate Bill No. 48: A Bill for an Act Requiring County Commissioners to have Classified all Acre Property in the State, Providing method of Contracting for Such Work of Classification, Authorizing a Tax Levy Therefor, Fixing Classification Schedules, Providing for Notice to Public prior to Adoption of such Classification and Fixing the duties of the Board of County Commissioners, Boards of Review and Equalization and Local Assessors with respect to such Classification Schedules.

Have had the same under consideration and recommend that the same be amended as follows:

In line 2, Section 1 of the Engrossed Bill after the word "commissioners" insert the following: "Upon receipt of a petition bearing the signatures of not less than fifty percent (50%) of the resident freeholders of such acreage property."

In the same line, strike out the words "each and every" and insert in lieu thereof the word "such."

In line 5 of Section 1 of the Engrossed Bill strike out the words "their respective" and insert in lieu thereof the word "said."

In the same line change the word "counties" to the word "county."

And when so amended recommend the same do pass.

J. A. JARDINE,
Chairman.

MESSAGE FROM THE SENATE.

SENATE CHAMBER.

Bismarck, N. D., March 1, 1921.

Mr. Speaker: I have the honor to return herewith the following bills:

House Bill No. 20: A Bill for an Act to Amend and Re-enact Section 8 of Chapter 162 of the Laws of North Dakota for the Year 1919, Relating to the Enforcement of Payment of Premiums to the Workmen's Compensation Fund.

House Bill No. 128: A Bill for an Act to Amend and Re-enact Section 2110 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 221 of the Session Laws of 1919, Relating to the Listing of Property of Corporations, Joint-Stock Companies or Associations for Taxation.

House Bill No. 18: A Bill for an Act to Amend and Re-enact Section 2 of Chapter 162 of the Laws of North Dakota for the Year 1919, Defining Certain Words and Phrases in said Chapter.

House Bill No. 162: A Bill for an Act to Amend and Re-enact Section 13b and Section 43 of Chapter 225, Laws of North Dakota, 1919, Relating to the Taxation of Transfers of Property by Will, Gift or by Intestate Law.

House Bill No. 109: A Bill for an Act Legalizing Certain Acts of City, Village and School District Officials.

House Bill No. 60: A Bill for an Act Appropriating Five Thousand (\$5,000.00) Dollars for the Purpose of Erecting a Suitable Dairy Barn at the Experimental Station, Situated at Hettinger, Adams County, North Dakota.

House Bill No. 75: A Bill for an Act to appropriate Money for the Purpose of constructing a Beef Cattle Barn at the Langdon Sub-Station.

Which the Senate has passed unchanged.

Very respectfully,

W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to return herewith the following bills:

House Bill No. 21: A Bill for An Act to Amend and Re-enact Section 5 of Chapter 162 of the Laws of North Dakota for 1919, Relating to Information Furnished by Employers to the Workmen's Compensation Bureau of North Dakota and Penalty for Failure to Furnish Information Required.

House Bill No. 63: A Bill for an Act to Amend and Re-enact Section 7644 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 1 of the Session Laws for the Year 1919, (Regular Session), Relating to Change of Judges in Civil and Criminal Actions in the District Court, for Prejudice or Bias of Judge Thereof; Providing for the Calling in of Another Judge of Another Judicial District, and the Payment of His Expenses, and the Discharge of Jurors Therein.

House Bill No. 155: A Bill for an Act to Amend and Re-enact Section 4624 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Conveyances and Mortgages of Railroad Corporations, so as to Provide the

Manner of Execution and Manner and Place of Record of Every Conveyance or Lease, Deed of Trust, Mortgage or Assignment, or Satisfaction Thereof, Made by Any Railroad, Telegraph or Telephone Corporation.

House Bill No. 6: A Bill for an Act to Amend and Re-enact Section 7949 of North Dakota, 1913, Relating to Continuances of Cases.

House Bill No. 170: A Bill for an Act to Amend and Re-enact Section 7633 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to When Special Verdicts Directed to Special Findings, How Prepared and Judgment Entered Thereon.

House Bill No. 72: A Bill for an Act to Amend and Re-enact Section 4924 of the Compiled Laws of North Dakota for the Year 1913, Relating to Taxation of Insurance Companies.

House Bill No. 127: A Bill for an Act to Amend and Re-enact Section 2702 of the Compiled Laws of the State of North Dakota for 1913 as Amended by Chapter 263, Session Laws of North Dakota for the Year 1915, and Amending and Re-enacting Section 2706 of the Compiled Laws of the State of North Dakota for 1913, Relating to the Reimbursement of Owners of Tubercular Cattle.

House Bill No. 116: A Bill for an Act Providing for the Furnishing by the Register of Deeds of Each County to Elevators Making Application and Paying the Fee Provided Therefor, of an Abstract of all Mortgages and Liens Upon Grain Grown During Each Year, and Filed in the Office of the Register of Deeds.

House Bill No. 126: A Bill for an Act Relating to the Application of the Tuberculin Test and Eradication of Bovine Tuberculosis in Townships in Counties in North Dakota Under Direction of the State Live Stock Sanitary Board by Petition of a Majority of Freeholders in Such Township.

House Bill No. 22: A Bill for an Act to Amend and Re-enact Section 3 of Chapter 162 of the Laws of North Dakota for the Year 1919, Relating to the Payment of Compensation to Injured Employees, or their dependents, and the Payment of Burial Expenses in the Event of Death Resulting from Injuries.

Which the Senate has passed unchanged.

Very respectfully,

W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to return herewith the following bills:

House Bill No. 68: A bill for an Act to Amend and Re-enact Section 27 of Chapter 162 of the Session Laws of North Dakota for the Year 1919, Relating to and for the Benefit of Injured Employees and their Dependents in Hazardous Employments, and Providing Funds with which to Carry on the Work of the Workmen's Compensation Bureau.

House Bill No. 69: A Bill for an Act to Amend and Re-enact Section 6 of Chapter 162 of the Session Laws of North Dakota for the Year 1919, Relating to and for the Benefit of Employees Injured and the Dependents of Employees Killed in Hazardous Employments, Fixing the Duties and Liabilities of Employees and Employers, and Providing Methods of Securing the Payment of Obligations Arising in Favor of Injured Employees and Their Dependents.

House Bill No. 97: A Bill for an Act Permitting the City to Make Advancements Upon Material Purchased by a Contractor for Use in the Performance of Contracts for Municipal Improvements.

House Bill No. 210: For an Act to Cancel Uncollected Personal Property Taxes Assessed for 1910 and Prior eYars.

House Bill No. 114: A Bill for an Act to Amend and Re-enact Chapter 171 of the Session Laws of North Dakota for the Year 1919, Limiting the Power of Courts to Grand Injunctions and Prohibiting the Issuing of Restraining Orders and Injunctions in Certain Labor Matters.

House Bill No. 7: A Bill for an Act Providing for the Appointment of County Brand Inspectors; Defining the Duties of Railways in the Shipment of Certain Stock; Penalty.

Which the Senate has indefinitely postponed.

Very respectfully,

W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to inform you that the President has appointed Senators Ployhar, Fraser and Ettestad as a conference committee on House Bill 23.

Very respectfully,

W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to return House Bill No. 185:

House Bill No. 185: A Bill for an Act to Amend and Re-enact Section One, Chapter 124, of Session Laws of 1917, as Amended by Chapter 136, Session Laws of 1919, Relating to Witness Fees in Garnishment Proceedings.

Which the Senate has amended as follows:

In line 8 of the engrossed bill after the word "of" strike out the word "one" and insert in lieu thereof "two." In line 9 of the engrossed bill strike out the figure "\$1.00" and insert in lieu thereof "\$2.00."

Very respectfully,

W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to return House Bill No. 147:

House Bill No. 147: A Bill for an Act to Amend and Re-enact Section 5179 of the Compiled Laws of 1913 as Amended and Re-enacted by Chapter 55 of the Session Laws of 1915, Relating to the Department of the State Examiner.

Which the Senate has amended as follows:

In line 11 of Sec. 5179 strike out the word "minimum" and strike out the period at the end of line 12.

At the end of line 12 of Sec. 5179 add the following: "and not more than two hundred dollars."

Very respectfully,
W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to return House Bill No. 31:

House Bill No. 31: A Bill for an Act Creating a Children's Code Commission; fixing the Membership Thereof; Defining its Powers and Duties; and Making an Appropriation Therefor.

Which the Senate has amended as follows:

In the printed bill Section 2 line 9 after the word "Association" strike out the period and insert in lieu thereof "State Federation of Labor and Member of the State Minimum Wage Department."

And in line 3 of Section 1 strike out the word "five" and insert in lieu thereof the word "seven."

Very respectfully,
W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to return House Bill No. 101:

House Bill No. 101: A Bill for an Act Entitled, An Act Establishing a System of State Free Employment Service, Providing for the Maintenance Thereof, Defining the Duties of Such Department, Its Officers and Employees, and Appropriating Money for the Carrying Out of the Provisions of This Act.

Which the Senate has amended as follows:

At the end of Section 7 the following amendment be inserted which shall be known as Section 8. "The Commissioner of Agriculture and Labor is hereby authorized and empowered to co-operate with the Federal government in the establishment and maintenance within the State of North Dakota of one or more employment bureaus for the purpose of bringing together the man and the job. Such co-operative employment bureaus, when established, shall be under the joint management of the co-operating parties, and the cost and expense of establishing and of carrying on any such bureau, shall be borne by the co-operative par-

ties, upon an equitable basis to be agreed upon between them."

In section 8 of the engrossed bill correct the number to read "section 9." In section 9 of the engrossed bill correct the number to read "number 10."

In section 8 of the engrossed bill the words and figures "\$6,000.00" be stricken out, and the words and figures "\$10,000.00" be inserted.

Very respectfully,
W. J. PRATER,
Secretary.

Bismarck, N. D., March 1, 1921.

Also:

Mr. Speaker: I have the honor to inform you that the Senate requests the return of H. B. 183, H. B. 190, H. B. 191.

Very respectfully,
W. J. PRATER,
Secretary.

Bismarck, N. D., Feb. 28, 1921.

Also:

Mr. Speaker: I have the honor to transmit the following concurrent resolution:

CONCURRENT RESOLUTION.

Introduced by Mees.

WHEREAS, The motion picture industry is rapidly approaching first rank in the field of industries throughout the United States of America; and

WHEREAS, In the past there have been produced and shown throughout the United States of America certain pictures as do not tend toward the development of good, moral influence; and

WHEREAS, We believe such pictures should not have been produced which would have prevented their being shown; and

WHEREAS, Several states contemplate at this time the passage of legislation which will enable the governing body of such states to regulate the showing of such motion picture films with the view of eliminating the objectionable films from the screen; and

WHEREAS, We believe that the proper place to effect such elimination is at the source of production.

NOW THEREFORE BE IT RESOLVED, BY THE SENATE OF THE STATE OF NORTH DAKOTA; THE HOUSE CONCURRING THEREIN, That we respectfully petition the Congress of the United States of America, in session assembled, that they take the necessary steps to pass such legislation as will enable this government to supervise the production of all films to be shown throughout the United States of America, to the end that none but such films as are of a good, moral character may hereafter be produced and shown.

BE IT FURTHER RESOLVED, That the Secretary of State be and he is hereby directed to mail copies of this resolution to the president of the Senate and the Speaker of the House of Representatives from the State of North Dakota at Washington, D. C.

Which the Senate adopted and your favorable consideration is respectfully requested.

Very respectfully,
W. J. PRATER,
Secretary.

REPORTS OF STANDING COMMITTEES.

Mr. Speaker: A majority of your committee on Judiciary to whom was referred:

Senate Bill No. 16: A Bill for an Act Providing for a Reward for the Arrest and Conviction of Persons Charged with the Violation of the Prohibition Laws of this State and for Appointment of Special Deputy Sheriffs to Enforce such Prohibition Laws.

Have had the same under consideration and recommend that the same be indefinitely postponed.

C. H. STARKE,
Chairman.

Mr. Speaker: A minority of your committee on Judiciary to whom was referred:

Senate Bill No. 16: A Bill for an Act Providing for a Reward for the Arrest and Conviction of Persons Charged with the Violation of the Prohibition Laws of this State and for Appointment of Special Deputy Sheriffs to Enforce such Prohibition Laws.

Have had the same under consideration and recommend that the same be amended as follows:

After the word "receive" in line 10 Section 1, page 1 of the engrossed bill, strike out the balance of the section and insert in lieu thereof the following: "From the proceeds resulting from the sale, as provided by law, of any such wagon, buggy, automobile, water or air craft or other vehicle or conveyance, after deducting the expense and cost of such sale, as provided by law, fifty percent (50 percent) of such proceeds resulting from such sale and the remaining fifty percent (50%) of such proceeds shall be credited to the state school fund as fines and forfeitures. In case several officers as aforesaid or their deputies shall assist in such arrest and conviction, then fifty percent (50%) of the proceeds of such sale shall be equally divided among such persons."

And when so amended recommend the same do pass.

Signed: Larkin, Johnson of Steele, McManus, McLarty, Olson of Barnes.

Mr. Starke moved that the majority report be adopted.

Mr. Larkin moved that the minority report be substituted for the majority report.

Mr. Bauer moved the previous question being, shall the previous question be put, which motion prevailed.

The question being on the motion to adopt the minority report the motion was lost.

The question now being on the motion of Mr. Starke to adopt the majority report, roll call demanded.

The roll was called and there were ayes 63, nays 44, absent and not voting 6.

Ayes: Allen, Bauer, Bollinger, Botz, Boyd, Bryans, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Frandson, Grangaard, Hanson of Benson, Hanson of Grand Forks, Hartl, Jardine, Johnson of Cass, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen of Billings, Ophaug, Peters, Plath, Quade, Root, Sagen, Semling, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Watt, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Brady, Bratsberg, Burkhart, Cart, Doyle, Eckert, Erickson of Divide, Fredrickson, Hagelbarger, Halcrow, Hall, Harding, Hempel, Heaton, Johnson of Steele, Kellogg, Larkin, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Miller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Vogel, Weld of Kidder.

Absent and not voting: Anderson of Burleigh, Elmer, Kamrath, Maxwell, Olson of Ramsey, Preszler.

So the motion prevailed and further consideration of Senate Bill No. 16 was indefinitely postponed.

Mr. Shipley moved that the vote by which Senate Bill No. 16 was indefinitely postponed be reconsidered and the motion to reconsider be laid on the table, which motion prevailed.

Mr. Speaker: The chair desires the record to show that the reports of the committee on Senate Bill No. 16 had been under discussion more than an hour and a half when the previous question was moved.

Mr. Speaker: Your committee on Tax and Tax Laws to whom was referred:

Senate Bill No. 147: A Bill for an Act to Amend and Re-enact Chapter 183 of the Session Laws of 1917, an Act Requiring the Owners of Personal Property to Notify the County Treasurer of the Sale of Such Property at Public Auction, Providing for the Collection of Their Personal Property Taxes and Prescribing Dates of Auctioneers in Relation Thereto.

Have had the same under consideration and recommend that the same be amended as follows:

In line 10, Section 1, page 1 of the engrossed bill insert a comma after the word "sale" and strike out the balance of the section and insert in lieu thereof the following: "which

must contain the name and postoffice address of the clerk of such auction sale."

Strike out the last word "or" in line 1, Section 2, page 2 of the engrossed bill, also the first word "notices" in line 2, Section 2, page 2 of the engrossed bill.

After the word "the" in line 6, Section 2, page 2 of the engrossed bill, strike out the balance of the section and insert in lieu thereof the following: "clerk of said public auction sale by registered letter showing the amount due on the property to be sold at said auction sale."

Strike out the first word "the" in line 1, Section 3, page 2 of the engrossed bill and insert in lieu thereof the word "Every."

In line 7 of Section 3, page 2 of the engrossed bill after the word "shall" insert the following: "within ten days from date of said sale."

And when so amended recommend the same do pass.

J. A. JARDINE,
Chairman.

Mr. Speaker: A majority of your committee on State Affairs have had under consideration:

Senate Bill No. 117: A Bill for an Act Empowering the Board of County Commissioners of Each County to Designate Depositories for County Funds and Providing the Procedure and the Regulations Under Which Such Funds May be Deposited.

And recommend that the same be amended as follows:

Strike out all of the bill after the words "A Bill For" and insert in lieu thereof the following:

An Act Designating the Depositories of all Public Funds and Fixing the Minimum Rate of Interest; Requiring Competitive Bids for Such Deposits; Providing for Publicity with Reference to Such Funds and Depositories; Prescribing Penalties for Violation of this Act; Defining Terms Used Herein, and Repealing Sections 370 to 374, Inclusive, Sections 1472 to 1488, Inclusive, and Sections 3315 to 3329, Inclusive, of the Compiled Laws of 1913.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE STATE OF NORTH DAKOTA:

Section 1. DEFINITION OF TERMS. (a) The term "public corporation" as used in this act, shall be construed to include counties, townships, school districts, villages and cities, and all public bodies corporate, except the State of North Dakota and all state, penal, charitable, correctional, educational and industrial institutions, enterprises and business projects.

(b) The term "school district" shall include all common school districts, special school districts, independent school districts, consolidated school districts, and cities and other bodies politic or corporate, organized as school districts under a special law, or operating under a special law.

(c) The term "board," as used in this act, unless otherwise indicated, shall be construed to include the governing board of school districts as hereinbefore defined; the city council or commission in cities, the board of county commissioners, the board of trustees of villages, the board of township supervisors.

(d) The term "clerk," as used in this act, unless otherwise indicated, shall include the clerks of school boards in common school districts, in consolidated school districts, in special school districts, the secretary of the board of education in independent school districts, the clerk or secretary of the school board in special school districts, the city auditor in case of school districts in cities organized under a special act or law, the county auditor in his capacity as clerk of the board of county commissioners, the clerk or secretary of the board of trustees in villages and the clerk of the board of township supervisors.

(e) The term "public funds," as used in this act, unless the context otherwise indicates, shall be construed to include all funds derived from taxation, fees, penalties, sale of bonds, or from any other source which belong to and are the property of public corporations as defined in section one of this act. It shall include all sinking funds of such public corporations, and all funds from whatever source derived and for whatever purpose to be expended, of which such public corporations have legal custody. It shall include the funds of which any such board, bureau, commission or individual, created or authorized by law to have control of such funds as the legal custodian for any purpose whatsoever, whether such funds were derived from general or special taxation or the assessment of persons, corporations or individuals for a specified purpose, or from the sale of bonds.

Section 2. In counties where township organization is incomplete, the Board of County Commissioners shall perform all duties, with reference to the designation of depositories and the deposit of public funds, in townships in such counties which, if the townships were duly organized, would under the provisions of this act devolve upon the board of township supervisors.

Section 3. All funds of such public corporations, as defined herein, shall be deposited in state or national banks located within the State of North Dakota, and which have been duly designated as depositories of public funds as provided in this act. The treasurer of such public corporations and all persons by law charged with the custody of public funds, which, according to the provisions of this act, shall be deposited in depositories duly designated as provided herein, shall promptly upon receipt of such funds deposit the same in a duly designated depository in compliance with this act. Checks or drafts on funds deposited as herein provided shall be drawn by the legal custodian thereof in his official capacity only; and no checks or drafts on such deposits shall be paid or honored by such depository unless so drawn. Any person violating the provisions of this section shall be guilty of a misdemeanor, and shall, in addition thereto, be liable to the public corporation, the state, and any state institution, in a civil action for all damages caused or suffered thereby.

Section 4. Any state bank duly incorporated in this state under and pursuant to the laws governing the incorporation of banking corporations, and any national bank situated and doing business within the State of North Dakota, may be designated a depository of public funds by the proper board as herein defined. The board may select two or more banks in the same county as depositors, but if more than one bank be designated the board shall deal with the banks selected and designated impartially, both as to the deposit of funds and the withdrawal of funds, and the requirement as to bonds. The board shall take into consideration, in selecting and designating the depository or depositories, the condition of each bank and the capital, surplus and general credit thereof.

Section 5. In counties where only one bank is located or functioning, the board may designate such bank as a depository, or it may designate another state or national bank, or banks within the state, as depository, or depositories, in the manner and upon the conditions provided in this act. In counties where there is no bank in existence or functioning the board may designate any state or national bank or banks outside of such county and within the state as a depository, or depositories, in the manner and upon the conditions provided in this act for the selection of depositories of public funds.

Section 6. In no case shall the amount of county funds deposited by the county commissioners in any one bank exceed the combined capital and surplus of such bank. In counties where the deposits to be made by the county commissioners of county funds, exceed the combined capital and surplus of all the banks in the county, the board of county commissioners may nevertheless deposit such county funds in banks within the county, upon the condition that such banks furnish a sufficient bond as required in this act.

Section 7. Before any deposit shall be made in any depository by or in behalf of any public corporation, such depository shall furnish a bond payable to the public corporation making such deposit in an amount that shall at least equal the largest deposit that may at any time be in such depository; said bond shall be approved as to form, amount and sufficiency by the board. If the board fails or refuses to approve any such bond the same may be presented to the Judge of the District Court, upon three days notice to the clerk of the board of public corporation to which bond was submitted and in case of cities involving deposits of municipal funds, the city auditors, respectively, and the judge shall forthwith proceed to hear and determine the sufficiency of such bond and may approve or disapprove the same as the facts warrant. If he approves such bond the said bank shall be declared a depository of the funds of such public corporation. The sureties on all bonds required by public corporations according to the provisions of this law shall justify as required by law in arrest and bail proceedings; provided, however, that in lieu of such personal bond, the board of public corporation involved, may require such bank designated as a depository to file a surety bond for a sum equal to the amount of funds such bank may receive according to the provisions of this act. The bond, when approved, shall

be deposited with the county auditor. This bond shall be a continuing bond and shall continue binding until the proper board of the public corporation shall require a new or different bond; but in no case involving the deposit of funds of public corporations shall such bond be continued without a renewal thereof, for a longer period than four years.

Section 8. The board shall at its regular meeting in July of each odd numbered year after the taking effect of this act, assemble and examine all outstanding bonds and require new bonds whenever necessary in order to comply with the provisions of this law. If there be no regular meeting of the board in July required by any law heretofore in force, the board shall assemble for said purpose not later than the third Tuesday in July. At its first regular meeting in July after this act takes effect the board shall designate depositories of public funds as herein provided. The clerk of such board shall on the first day of July when this act takes effect, and thereafter, at least ten days before such meeting, notify every bank in the county, both state and national, that at the next regular meeting, or if no regular meeting be required by law, then at a meeting to be called for that purpose, the board will designate a depository or depositories of public funds. Such notice shall be given by registered mail. The notice shall further recite the probable amount of public funds to be deposited, indicating separately sinking funds to be deposited on time, and call funds to be subject to check or draft; such notice shall advise the bank that proposals will be received for such deposits, and that the interest rate on such deposits shall be not less than two per cent deposited by private persons. Proposals for deposits shall be sealed and delivered to the clerk prior to the time fixed for such meeting, and shall state in writing what rate of interest will be paid on average daily balances during the month and what interest will be paid on time deposits.

Section 9. The proposals for public deposits referred to in the preceding section hereof shall be by the clerk laid before the board at the meeting aforesaid, and shall be thereupon opened by such clerk in the presence of the board and the board shall thereupon proceed to designate a depository, or depositories, of public funds under its control.

Section 10. Every National Banking Corporation, designated as a state depository under the provisions of this act for the deposit of funds, shall be required to permit the examination and inspection by the state examiner of any report or reports made to the comptroller of currency, relative to the financial condition of such association. The state examiner may also call for special reports from any such depository whenever in his judgment the same is necessary in order to obtain full and complete knowledge of the condition of the public funds therein deposited. If any National Banking corporation fails to comply with a demand of the state examiner for such inspection, as provided herein, the state examiner shall certify that fact to the board having charge as herein defined, forthwith, and the person

charged by law with the custody of such public funds, shall immediately withdraw from the said depository all funds of the state deposited therein.

Section 11. The rate of interest on all public funds deposited as herein provided shall be not less than two percent (2%) on daily balances subject to check or draft, credited monthly, and not less than four percent (4%) on time deposits. It is the intention of this act that depositories of public funds in this state shall pay substantially the same rate of interest thereon as such banks pay to individual depositors upon individual deposits.

Section 12. Each depository shall furnish to the public corporation to whose credit the deposit is held, on the first day of each month, an itemized statement of account in such depository subject to check. Such statement shall be verified whenever required, by the treasurer of any public corporation as to funds of such corporation. All sums of interest accruing on funds so deposited shall be credited to said deposit on the first day of each month for the preceding month.

Section 13. All such public funds shall be deposited in the name of the public corporation to which the same belongs, and the treasurer shall, between the first and tenth day of the months of January, May and September, in each year, publish once in some newspaper in the county the names of such depositories, the amount of money on deposit therein subject to check and on time deposit and the rate of interest thereon, and the amount of the bond furnished by each depository.

Section 14. This act shall not apply to public corporations and school districts unless the amount in the treasury of such corporation equals or exceeds the sum of five hundred dollars. The board of public corporations having on hand less than five hundred dollars, and therefore not within the provisions of this act, shall deposit all the funds of such public corporations and school districts nevertheless in some bank selected by the board thereof under such conditions and restrictions as shall seem adequate to such board to protect the public interest.

Section 15. To the extent that public funds are deposited as herein provided, the legal custodian thereof, and the sureties on his bond, shall be exempt from all liability thereon by reason of loss of any such funds from failure, or other act of any such depository.

Section 16. Any person violating any of the provisions hereof shall be guilty of a misdemeanor, and shall be fined not less than twenty-five dollars (\$25.00) nor more than one thousand dollars (\$1,000.00) or imprisoned in the county jail not less than ten days nor more than six months or both for each offense.

Section 17. Any board, commission, bureau or individual having the legal custody of any public funds that do not expressly or by name come within the provisions of the preceding sections of this act, shall at least thirty days before its

first meeting in each odd numbered year advertise in a newspaper for proposals for the deposit of such funds. A bond shall be required of the depository designated, and shall be approved by such board, commission, bureau or individual and filed with the county auditor. The provisions of Sections 3, 4, 5, 6, 10, 11, 12, 13, 14 and 15 of this act, with reference to the deposit of public funds in a duly designated depository, the drawing of checks or drafts thereon and the payment thereof, the penalties for violating such provisions as prescribed in Section three hereof, the bank or banks that may be designated, and the considerations entering into such designation, the provision of Section five, with reference to counties in which but one bank or in which no bank is located and functioning, the amount to be deposited in each bank designated, the contents of the notice that proposals will be received, includes the probable amount to be deposited on time and subject to draft, and the minimum rates of interest on each class of deposits, the inspection of reports of national banking corporations by the bank examiner in which state funds or the funds of state institutions are deposited in case that the funds to be deposited under the provisions of this section be the funds of the state or of a state institution as defined herein, shall govern insofar as applicable to the designation of depositories and the deposit of public funds therein by such board, commission, bureau or individual.

Section 18. REPEAL. Sections 370 to 374, inclusive, Sections 1472 to 1488, inclusive, and Sections 3315 to 3329, inclusive, of the Compiled Laws of 1913 are hereby repealed; all acts and parts of acts inconsistent with this act are hereby repealed.

Section 19. EMERGENCY. Whereas, an emergency exists this act shall be in force and effect from and after its passage and approval."

And when so amended recommend that the same do pass.

MARTIN OLSEN,
Chairman

Mr. Speaker: A minority of your committee on State Affairs to whom was referred:

Senate Bill No. 117: A Bill for an Act Empowering the Board of County Commissioners of Each County to Designate Depositories for County Funds and Providing the Procedure and the Regulations Under Which Such Funds May be Deposited.

Have had the same under consideration and recommend that the same do pass.

E. E. BRYANS,
WALTER MADDOCK,
J. H. BURKHART,
THEO. HANSEN,
WILLIAM KAMRATH,

Mr. Flom moved that the majority report of the committee be adopted.

Mr. Maddock of Mountrail moved that the minority report be substituted for the majority report, which motion was lost.

The question being on the motion of Mr. Flom to adopt the majority report, the motion prevailed.

Mr. Speaker: Your committee on State Affairs to whom was referred:

Senate Bill No. 173: A Bill for an Act Providing for Salaries of County Auditors, Registers of Deeds, County Judges, State's Attorneys, Clerks of District Courts, Sheriffs, and County Superintendents of Schools, and Repealing Chapter 112 of the Laws of 1915 and All Acts and Parts of Acts in Conflict Herewith, and Chapter 105 of the Session Laws of 1919.

Have had the same under consideration and recommend that the same be amended as follows:

In line 5 of the title after the word "schools" insert the words "and County Treasurers." In the first line, page 2 of the engrossed bill, strike out the figures "\$25.00" and insert in lieu thereof the figures "\$40.00." In the sixteenth line, Section 2 of the engrossed bill, strike out the figures "\$25.00" and insert in lieu thereof the figures "\$40.00." In the eighteenth line, Section 2, after the word "compensation" add the words "and salary." Strike out the last sentence of Section 2.

And when so amended recommend the same do pass.

MARTIN OLSEN,
Chairman.

Mr. Speaker: Your committee on State Affairs to whom was referred:

Senate Bill No. 181: A Bill for an Act to Amend and Re-enact Section 144 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to the Keeping of Permanent Books of Record by the State Treasurer and the State Auditor, and Authorizing the Re-arrangement and Revision of the Present System.

Have had the same under consideration and recommend that the same do pass.

MARTIN OLSEN,
Chairman.

Mr. Olsen moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on State Affairs to whom was referred:

Senate Concurrent Resolution relative to the cooperation of the Flood Engineer with the Engineer of the Province of Manitoba in regard to the survey of the Red River of the North and its tributaries.

Have had the same under consideration and recommend that the same be indefinitely postponed.

MARTIN OLSEN,
Chairman.

Mr. Maddock of Mountrail moved that the report of the committee be not adopted and that the concurrent resolution be considered in General Orders, which motion prevailed.

Mr. Speaker: A majority of your committee on Temperance to whom was referred:

Senate Bill No. 18: A Bill for an Act to Amend and Re-enact Chapter Six Session Laws 1919 as Amended by Special Session Laws 1919 Relating to the Licensing, Regulating and Supervising the Licensing and Inspection of Pool and Billiard Rooms, Ball and Pin Alleys, Dance Halls, Theaters, Moving Picture Shows, Taxicab or Auto Livery, Places where Soft Drinks are Manufactured or Sold or where Cigars and Tobacco are Sold, or Public Hall, Owned Privately and Used for Public Purposes; Providing Fees Therefor, Inspectors, Office Help and Supplies Thereof; Defining Powers and Duties and Repealing all Acts and Parts of Acts Inconsistent Therewith.

Have had the same under consideration and recommend that the same do pass as amended by your State Affairs committee, and as further amended on the floor of this House.

WALTER MADDOCK,
Chairman.

Mr. Speaker: A minority of your committee on Temperance to whom was referred:

Senate Bill No. 18: A Bill for an Act to Amend and Re-enact Chapter Six Session Laws 1919 as Amended by Special Session Laws 1919 Relating to the Licensing, Regulating and Supervising the Licensing and Inspection of Pool and Billiard Rooms, Ball and Pin Alleys, Dance Halls, Theaters, Moving Picture Shows, Taxicab or Auto Livery, Places where Soft Drinks are Manufactured or Sold or where Cigars and Tobacco are Sold, or Public Hall, Owned Privately and Used for Public Purposes; Providing Fees Therefor, Inspectors, Office Help and Supplies Thereof; Defining Powers and Duties and Repealing all Acts and Parts of Acts Inconsistent Therewith.

Have had the same under consideration and recommend that the same be amended as follows:

In line 6 of the title of the engrossed bill after the words "drinks are" strike out the words "manufactured or sold" and insert in lieu thereof the word "retailed." In Section 1 line 3, after the word "are" strike out the words "manufactured or" and in line four of the same section strike out the first word "sold" and insert in lieu thereof the word "retailed." In Section 2, line 11, after the word "be" strike out the word "herein" and insert the word "therein" in lieu thereof. In Section 3, line 13, after the word "are" and in the first part of line 14 of same Section strike out the words "manufactured or sold" and insert in lieu thereof the word "retailed." In Section 4, line 2, strike out the word "five" and insert in lieu thereof the word "three." In Section 5, line 16, after the word "business" strike out the period and

insert in lieu thereof a comma and strike out the capital "T" in the following word "The" and insert in lieu thereof a small "t". In Section 6, line 12, after the word "thereof" insert a period strike out the following word "and" and capitalize the letter "P" in provided. In section 6, line 13, after the word "that" strike out all of line 13 and all of lines 14 and 15, and in lieu thereof insert the following: "on or before the 5th day of July of each year after and including the year 1921, the state treasurer shall apportion and pay to the treasurers of the several cities, villages and townships within which such license fees are collected, all monies which remain on hand in said attorney general's inspector license fund on July 1st of such year derived from licenses for the previous license year, such payments to be pro-rated to such cities, villages and townships in the same proportion in which they were received, over the cost of pro-rating such funds. Such funds shall be used by such municipalities to defray expenses incurred in local regulation and supervision and in carrying out the duties now or hereinafter enjoined upon them in such regard, including the keeping of the peace in the places which may be licensed under the provisions thereof." In section 7, line 10, after the word "are" strike out the words "manufactured or sold" and insert in lieu thereof the word "retailed."

And when so amended recommend the same do pass.

WALTER MADDOCK.
Chairman.

Mr. Maddock of Mountrall moved that the reports of the committee be not adopted, and that the bill be considered in General Orders, which motion was lost.

The question being on the adoption of the majority report.

Roll call demanded.

Call of the House demanded.

The roll being called all members were found present except Messrs. Cole, Kamrath, Olson of Ramsey, Preszler, Vogel, Martin of Bottineau.

The sergeant-at-arms was directed to bring the absent members before the House.

Mr. Miller moved that further proceedings under call of the House be dispensed with, which motion prevailed and further proceedings under call of the House were dispensed with.

The question being on the adoption of the majority report of the committee

The roll was called and there were ayes 53, nays 59, absent and not voting 1.

Ayes: Allen, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Hanson of Grand Forks, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Trall,

Johnson of Ward, Kelly, Kitchen, Kjos. Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Quade. Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Hempel, Heaton. Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Lazler, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells. Whitmer, Yeater.

Absent and not voting: Preszler.

So the motion was lost.

The following members explained their votes as follows:

Mr. Burkhart: I want it distinctly understood that I am not opposed to the pool hall law as it is now written. This law in effect puts the law back where it was two years ago. I am not in favor of that kind of law enforcement. It has not been my experience that it has been successful—in all my experience I have found it directly to the contrary, therefore I will have to vote "no."

Mr. Halcrow: I wish to explain my vote and have it recorded. I stand by this bill as it came from the Senate and as amended by the temperance committee of the House because the bill was prepared by the Legislative committee of the State Enforcement League, the Scandinavian Total Abstinence Association and the Women's Christian Temperance Union, the temperance organizations of the State that have stood back of our prohibition laws and their enforcement. Because I believe the license fees as cut down and adjusted are more reasonable and just than under the old law. Because we tried the local enforcement of pool hall laws for nearly 30 years and found that it was very inadequate. I believe it is a mistake to go back to that plan and a backward step of this kind means the destruction of the best efforts of our temperance forces for a state system of temperance and moral law enforcement through the past years. Because many states are providing for state enforcement, among them Virginia, Pennsylvania, Iowa, Wyoming and South Dakota. Because this bill gives us a workable enforcement law and provides a state force to enforce the laws when we are up against a desperate situation with our state a thoroughfare for whiskey runners from Canada and stills multiplying by the hundred. Further, I consider it poor statesmanship and un-American to repudiate a law this year that was considered a good law last year simply because the enforcement of that law has passed into other hands. I vote "no."

Mr. Maddock of Benson: I vote "no" on this bill because I believe in progression and not in retrogression—because I believe the passing of this bill is a step backward.

Mr. Sagen. I want to vote "aye" on this bill because I believe in home rule. I believe that every community should enforce their own laws. I am against taking the money from our cities that is needed in policing our cities and sending it down here, as we have had no police protection since this law went into effect. Gambling devices in pool rooms have multiplied. Prior to that time, while justice of the peace, I had a great deal of gambling paraphernalia taken from pool rooms and confiscated, but now they have gone back to it. We have no means for looking after it, and we have no means for policing our town. I vote "aye" because I believe in home rule, and I believe the people at home know more what they need than the people at Bismarck.

Mr. Speaker: Your committee on Public Printing to whom was referred:

Senate Bill No. 103: A Bill for an Act to Compel City Councils, City Commissions and Boards of Education of Independent School Districts to Publish Proceedings of All Meetings in Official Paper to be Designated by Them.

Have had the same under consideration and recommend that the same do pass.

CLAUDE LACKEY,
Chairman.

Mr. Lackey moved that the report be adopted, which motion prevailed and the report was adopted.

REPORTS OF SELECT COMMITTEES.

Mr. Speaker: Your committee on Conference to whom was referred:

House Bill No. 23: A Bill for an Act Designating the Legal Holidays in the State of North Dakota and to Amend and Re-enact Section 7297 of the Compiled Laws of North Dakota, 1913, as Amended by Chapter 143, Session Laws of 1919.

Have had the same under consideration and recommend that the Senate recede from its amendments.

FRANK E. PLOYHAR,
R. L. FRASER,
OLE ETTESTAD,
For the Senate.

A. B. CARLSON,
ROBT. J. BOYD,
LAWRENCE K. BJORGO,
For the House.

Report made by the Legislative Committee on the State Training School at Mandan, North Dakota.

Mr. Speaker: Your committee appointed to make an examination of the State Training School at Mandan, North Dakota, beg to report as follows: Your committee spent the

entire day of February 22nd, 1921, investigating the general needs, methods employed, charges as to venereal diseases and the results accomplished at the State Training School located at Mandan.

We were offered every opportunity by the Superintendent, J. M. Devine, as well as by the officers of the Institution, in getting any and all information regarding the character and condition of the buildings of the institutions; Main Building, in which the large boys are housed; "C" Cottage in which the little boys live and the Girl's Building, which is situated some distance from the other institutional buildings. We find that these three buildings, in which the inmates and officers live cost the State all told \$54,000.00. These buildings as well as all other buildings of the institution, including horse barn, dairy barn, hog and chicken houses, were erected by the labor of the inmates themselves, with the single exception of the Main Building, which was erected by contract labor twenty years ago.

We were given every opportunity to meet with and talk with the inmates personally, and took the occasion to do so.

The buildings are faulty in construction. The radiators in all of them are of an ancient type and should be replaced by a newer, better type. In the Main Building the second and third floors are laid with four-inch pine flooring and have been in constant use for twenty years. The wear and tear of every day use and constant scrubbing have worn them until but little of the original thickness remains. This should be remedied as soon as possible. There are two dormitories (sleeping departments or halls 28x48) in this building. Each contains twenty single beds, which is their full capacity, and when measured by the fact that there is no system of ventilation, makes them unsanitary and unhealthful. The building is in so many ways defective that we feel it should be remodeled, special attention being given to ventilation and heating.

The Little Boys' Building also lacks a system of ventilation and has the same defective heating system. The dormitory of this building is 25x30x9½ and contains twenty-four single beds, far too many for the cubic air space of the room. The superintendent informed us that at times he has, in this building, from twenty-four to thirty-nine little boys and is therefor often obliged to "double up" placing two in several of the beds.

The Girls' Building was visited and carefully inspected. Interviews were had with both the officers in charge and the inmates. As in the case with the other buildings we find this one well managed and directed, and everything neat and clean. The regular eighth grade course of study, as adopted by the State, is followed. Those completing the course take the regular examination. When graduated they secure the State diploma, with graduating exercises held as in any other graded school.

We found the plastered walls and ceiling were in very bad condition owing to faulty plumbing. In several of the rooms the ceiling plaster had fallen off from considerable areas.

Senator Dr. Porter expressed his surprise at not finding a trained nurse at this State Institution where girls suffering from venereal diseases are committed and supposed to be treated. The medical profession acknowledges the fact that no person who has not had a nurse training is competent to handle cases of this kind, administering treatment to the patients and guarding the health of the other inmates and officers against these damnable diseases. Therefore we advise that this Legislature demand that the Board of Administration secure a competent nurse for the Training School at Mandan at once. Said nurse to have charge of carrying out the instructions of the medical advisors of the entire institution.

Three or four years ago an appropriation of \$5,000.00 was secured for repairing the Girls' Building. The roof was raised and a third story completed. On this floor was constructed an isolation ward or hospital room, with linen closet, toilet and both-room, thus providing an opportunity to segregate, in the safest possible manner, inmates when necessary. Since that time all inmates coming to this building have been placed on this particular floor until full assurance was obtained that no contagious disease of any character existed.

We might add that 75% of the girls committed to this institution were sent there for immoral conduct; 60% are affected with venereal disease, either in active form or resulting ailments. There are two at the present time that show gonorrhoea in the active form, none suffering from syphilis. Dr. Nickerson also informed us that all girls arriving at the institution must undergo a rigid examination as to their physical condition in all lines.

There is practically no drainage system except an open ditch, which flows from the Girls' Building on the west directly by the other building on the east and finally empties into a pond made by nature, and there largely remains and has for twenty years. This pond or cess pool, as it is called, is about one hundred fifty feet from the center of activities of the school, namely the buildings of the little and large boys. A process of destroying mosquitoes and flies is employed by pouring kerosene into the head of the ditch and over the cess pool twice each week, from the first of May to October. An appropriation to put in a modern, up-to-date drainage system in the sum of \$25,000.00 was appropriated by the 16th Legislative Assembly.

The need of a gymnasium is imperative. While baseball, football and basketball each go on in their season, still these can be played only during the late spring and summer months, leaving the long winter months, with their long evenings, in which the boys, particularly, are obliged to remain in their stuffy, ill ventilated school rooms until the order for retiring at night is given. This condition should, we believe, be remedied promptly.

We found the buildings orderly and in a clean, well kept condition. Inmates are well clothed and well fed and in

general appearance and health show proper personal attention and care.

On being received at the institution all boys and girls are examined by the institution's physician, Dr. Nickerson for general physical defects; Dr. Ladabee for eye, ear, nose and throat troubles and Dr. Percy for any dental needs, and whatever difficulties are found to exist are at once given the proper treatment necessary to remove the evil or defect. The activity along these lines is indicated by the amount expended during the past biennial period for these specific purposes. Itemized as follows it is:

Drs. Nickerson & Altnow	\$1,452.00
Dr. Speilman	331.50
Dr. Larabee	170.00
Dr. Percy	434.50
Mandan Hospital	826.25
Mandan Drug Store	137.99
Taylor Drug Co.	7.00
Dr. A. O. Henderson, Chiropractor.....	10.00
	\$3,369.23

In conversation regarding these matters the superintendent stated that eighty-five per cent. of all inmates who come to the institution need the services of a physician or surgeon, eye, ear, nose and throat specialists or dentist, and quite a large per cent. need all three.

Tooth brushes and paste are furnished all inmates and not a few have been taught how to use them.

RECOMMENDATIONS.

POWER HOUSE—We recommend a new power house and new boilers. This should be built at some point safe from high water.

HEATING PLANT—We recommend the remodeling of the entire heating plant.

GYMNASIUM—We recommend a new building for a gymnasium of sufficient capacity to afford dormitory accommodations in the upper story.

TEACHER FOR BIG BOYS—At present time the big boys have no teacher. A teacher should be provided at the earliest possible time, and a teacher for small boys so as to relieve the matron of that duty and enable her to devote her time to the care and supervision of the small boys committed to the institution.

Respectfully submitted,

CARL B. OLSEN,
PIUS KOPP,
C. W. REICHERT,
R. W. PATTEN,
W. H. PORTER .

Mr. Olsen of Billings moved that the report of the committee relative to the investigation of the State Training School

at Mandan, be not read at this time but that same be printed in the Journal, which motion prevailed.

CONSIDERATION OF MESSAGES FROM THE SENATE

Mr. Johnson of Cass moved that the House concur in Senate amendments to House Bill No. 118, which motion prevailed.

Mr. Johnson of Cass moved that the rules be suspended and that House Bill No. 118, be considered properly engrossed and that same be placed on third reading and final passage, which motion prevailed.

THIRD READING OF HOUSE BILLS

House Bill No. 118: A Bill for an Act to Amend and Re-enact Sections 624 and 625 of the Compiled Laws of North Dakota for the Year 1913 as Amended by Chapter 252 of the Laws of North Dakota for the Year 1917 and by Chapter 25 of the Laws Passed by the Special Session of the Legislative Assembly of North Dakota in 1919, Relative to the Com-

Was read the third time.

The question being on the final passage of the bill, as amended by the Senate, the roll was called and there were ayes 112, nays 0, absent and not voting 1.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelsen, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olson of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmish, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Preszler.

So the bill passed as amended by the Senate and the title was agreed to.

CONSIDERATION OF MESSAGES FROM THE SENATE

Mr. Lakie moved that the House concur in Senate amendments to House Bill No. 159, which motion prevailed.

Mr. Johnson of Cass moved that the rules be suspended and that House Bill No. 159 be considered properly engrossed, and the same be placed on its third reading and final passage, which motion prevailed.

THIRD READING OF HOUSE BILLS

House Bill No. 159: A Bill for an Act to Amend and Re-enact Section 26 of Chapter 161 of the Session Laws of 1915, Relating to Hours for Shooting.

Was read the third time.

The question being on the final passage of the bill, as amended by the Senate, the roll was called and there were ayes 109, nays 0, absent and not voting 4.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelsen, Morton, Mouck, Ness, Nagel, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Peters, Plath, Quade, Reichert, Renauld, Root, Sagen-Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Miller, Nathan, Patterson, Preszler.

So the bill passed as amended by the Senate and the title was agreed to.

CONSIDERATION OF MESSAGES FROM THE SENATE

Mr. Sproul moved that the House do now concur in Senate amendments to House Bill No. 146, which motion prevailed.

Mr. Johnson of Cass moved that the rules be suspended and that House Bill No. 146 be considered properly engrossed and same be placed on third reading and final passage, which motion prevailed.

THIRD READING OF HOUSE BILLS

House Bill No. 146: A Bill for an Act to Amend and Re-enact Section 3533 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 104 of the Session Laws of 1915, Relating to the Compensation and Office Hours of County Commissioners.

Was read the third time.

The question being on the final passage of the bill, as amended by the Senate, the roll was called and there were ayes 107, nays 0, absent and not voting 6.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger,

Botz, Brady, Bratsberg, Bryans, Burkhart, Burns, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrall, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Boyd, Carlson, Magnuson, Martin of Bottineau, Preszler, Starke.

So the bill passed as amended by the Senate and the title was agreed to.

CONSIDERATION OF MESSAGES FROM THE SENATE

Mr. Kopp moved that the House concur in Senate amendments to House Bill No. 171, which motion prevailed.

Mr. Kopp moved that the rules be suspended and that House Bill No. 171 be considered properly engrossed and same be placed on its third reading and final passage, which motion prevailed.

THIRD READING OF HOUSE BILLS

House Bill No. 171: A Bill for an Act Authorizing the Board of Administration to Create a Students Loaning Fund in State Sormal Schools.

Was read the third time.

The question being on the final passage of the bill, as amended by the Senate, the roll was called and there were ayes 110, nays 0, absent and not voting 3.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Mountrall, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson

of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Peters, Plath, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Maddock of Benson, Patterson, Preszler.

So the bill passed as amended by the Senate and the title was agreed to.

MESSAGES FROM THE SENATE

Mr. Allen moved that the House grant the request of the Senate in asking for the return of House Bills Nos. 183, 190 and 191, which motion prevailed.

Mr. Halcrow moved that the House do concur in the Senate amendments to House Bill No. 154, which motion prevailed.

Mr. Halcrow moved that the rules be suspended and that House Bill No. 154 be considered properly engrossed and same be placed on third reading and final passage, which motion prevailed.

THIRD READING OF HOUSE BILLS

House Bill No. 154: A Bill for an Act to Amend and Re-enact Section 10184 and 10185 of the Compiled Laws of North Dakota for 1913, Prohibiting the Manufacture, Sale, Disposing of, Giving Away, and Soliciting Orders for Cigarettes, or Cigarette Papers and Providing Penalty.

Was read the third time:

The question being on the final passage of the bill, as amended by the Senate, the roll was called and there were ayes 92, nays 3, absent and not voting 18.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Maxwell, Miller, Morton, Ness, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Peters, Plath, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Sims, Slominski, Sproul, Starke, Strain, Ulland, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Mikkelson, Nagel, Nathan.

Absent and not voting: Bjerke, Carlson, Cart, Erickson of Divide, Erickson of Walsh, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Martin

of Bottineau, Martin of Slope, Mouck, Patterson, Preszler, Shipley, Vogel.

So the bill passed as amended by the Senate and the title was agreed to.

CONSIDERATION OF MESSAGES FROM THE SENATE

Mr. Oberg moved that the House do now concur in Senate amendments to House Bill No. 81, which motion prevailed.

Mr. Oberg moved that the rules be suspended and that House Bill No. 81 be considered properly engrossed and same be placed on third reading and final passage, which motion prevailed.

THIRD READING OF HOUSE BILLS

House Bill No. 81: A Bill for an Act to Establish a Uniform Egg Law, for Regulating and Preventing the Sale of Eggs unfit as Articles of Human Food, Requiring Eggs to be Canded, Requiring a License for Dealers in Eggs and Establishing a Penalty for Violation of this Act.

Was read the third time:

The question being on the final passage of the bill, as amended by the Senate, the roll was called and there were ayes 89, nays 3, absent and not voting 21.

Ayes: Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Burkhart, Burns, Carlson, Doyle, Eckert, Ellingson, Elmer, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Heaton, Jardine, Johnson of Pembina, Johnson of Traill, Johnson of Ward, Kamrath, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, McDowell, McGauvran, McLarty, McManus, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olsgard, Olson of Barnes, Olson of Billings, Olson of Ramsey, Ophaug, Opland, Peters, Plath, Quade, Reichert, Renauld, Root, Semling, Sherman, Shimmin, Sims, Slominski, Sproul, Starke, Strain, Ulland, Weld of Kidder, Weld of Wells, Whitmer, Yeater, Mr. Speaker.

Nays: Allen, Durkee, Wood.

Absent and not voting: Bjerke, Bryans, Cart, Cole, Erickson of Divide, Hanson of Grand Forks, Hempel, Johnson of Cass, Johnson of Sargent, Johnson of Steele, Kellogg, Kelly, Levin, Maddock of Benson, Olafson, Patterson, Preszler, Sagen, Shipley, Vogel, Watt.

So the bill passed as amended by the Senate and the title was agreed to.

THIRD READING OF SENATE BILLS

Senate Bill No. 17: A Bill for an Act to Appropriate \$10,000 to Aid in the Educational Work Being Carried on by

North Dakota Tuberculosis Association, and the Prevention of the Spread of Tuberculosis more Definitely Prescribed in Chapter 7 of the Session Laws of North Dakota for the year 1915, for the Salary and Traveling Expenses of Field Workers and Nurses.

Was read the third time:

The question being on the final passage of the bill, the roll was called and there were ayes 106, nays 0, absent and not voting 7.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Ols-gard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Peters, Plath, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmie, Shipley, Sims, Slominski, Sproul, Starke, Strain, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Bjorgo, Heaton, Kellogg, Patterson, Preszler, Ulland, Vogel.

So the bill passed and the title was agreed to.

Senate Bill No. 201: A Bill for an Act Making an Appropriation to Pay the Irrigation or Water Tax on State School Lands, Included Within the Williston Irrigation District.

Was read the third time:

The question being on the final passage of the bill, the roll was called and there were ayes 107, nays 0, absent and not voting 6.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck,

Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Peters, Plath, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Brady, Hanson of Grand Forks, Hempel, Patterson, Preszler, Shipley.

So the bill passed and the title was agreed to.

Senate Bill No. 121: A Bill for an Act to Provide for the Acceptance of the Benefits of an Act by the Senate and House of Representatives of the United States of America in Congress Assembled. (H. R. 4433, Approved June 3, 1920) entitled "An Act to Provide for the Promotion of Vocational Rehabilitation of Persons Disabled in Industry or Otherwise and Their Return to Civil Employment"; to Provide for the Administration of Same.

Was read the third time:

The question being on the final passage of the bill, the roll was called and there were ayes 104, nays 0, absent and not voting 9.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hall, Harding, Hartl, Hempel, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Peters, Plath, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Sims, Slominski, Sproul, Starke, Strain, Ulland, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Bauer, Hanson of Benson, Hanson of Grand Forks, Heaton, Maddock of Mountrail, Patterson, Preszler, Shipley, Vogel.

So the bill passed and the title was agreed to.

Mr. Starke moved that Senate Bill No. 163 be placed at the foot of the Calendar, which motion prevailed.

Senate Bill No. 203: A Bill for an Act to Amend and Re-enact Section 10 of Chapter 31 of the Special Laws of North Dakota for the Year 1919, Relating to the Purchase of Cattle by County.

Was read the third time:

The question being on the final passage of the bill, the roll was called and there were ayes 101, nays 0, absent and not voting 12.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bjorgo, Bollinger, Botz, Boyd, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hall, Harding, Hartl, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Peters, Plath, Quade, Reichert, Renauld, Root, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Wood, Yeater, Mr. Speaker.

Absent and not voting: Bilquist, Bjerke, Brady, Erickson of Divide, Hanson of Benson, Hanson of Grand Forks, Hempel, Heaton, Patterson, Preszler, Sagen, Whitmer.

So the bill passed and the title was agreed to.

Senate Bill No. 187: A Bill for an Act Amending and Re-enacting Section 1334 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to the Interest on Bonds of Common School Districts.

Was read the third time:

The question being on the final passage of the bill, the roll was called and there were ayes 102, nays 1, absent and not voting 10.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjorgo, Bollinger, Botz, Boyd, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Plath, Quade, Reichert, Renauld, Root, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Peters.

Absent and not voting: Bjerke, Brady, Hanson of Grand Forks, Hempel, Heaton, Maddock of Benson, Maddock of Mountrail, Preszler, Sagen, Vogel.

So the bill passed with the emergency clause and the title was agreed to.

Senate Bill No. 162: A Bill for an Act to Provide a Minimum Amount of Training, a Minimum Salary for a Teaching Experience of Less Than One School Year, and a Schedule of Salary Minimums for a Teaching Experience of From One to Six Years Inclusive, for the Teachers in the Public Schools of North Dakota.

Was read the third time:

The question being on the final passage of the bill, the roll was called and there were ayes 57, nays 42, absent and not voting 14.

Ayes: Anderson of Griggs, Babcock, Bauer, Bjorgo, Bryans, Burkhart, Burns, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Erickson of Divide, Fredrickson, Grangaard, Hanson of Benson, Hall, Harding, Johnson of Cass, Johnson of Sargent, Kamrath, Kellogg, Kitchen, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Mouck, Ness, Oberg, Olson of Barnes, Patterson, Peters, Plath, Reichert, Renauld, Sherman, Shimmin, Sims, Slominski, Sproul, Starke, Vogel, Whitmer, Wood, Yeater.

Nays: Allen, Anderson of Burleigh, Arduser, Bilquist, Bollinger, Botz, Bratsberg, Elmer, Erickson of Walsh, Flom, Freeman, Frandson, Hagelbarger, Halcrow, Hartl, Heaton, Jardine, Johnson of Pembina, Johnson of Traill, Johnson of Ward, Kelly, Kjos, Kopp, Lackey, McDowell, McGauvran, Maddock of Mountrail, Mikkelson, Morton, Nagel, Nathan, Olafson, Olsgard, Olsen of Billings, Ophaug, Opland, Quade, Root, Ulland, Watt, Weld of Wells, Mr. Speaker.

Absent and not voting: Bjerke, Boyd, Brady, Carlson, Hanson of Grand Forks, Hempel, Johnson of Steele, Olson of Ramsey, Preszler, Sagen, Semling, Shipley, Strain, Weld of Kidder.

So the bill passed and the title was agreed to.

The courtesies of the floor were extended to C. H. Cooper, S. A. Sweetman, J. L. Robbins.

Mr. Burkhart moved that the House do now recess until 1 o'clock P. M., March 2, 1921, which motion prevailed, and the House so recessed.

C. L. DAWSON,
Chief Clerk.

FIFTY-SEVENTH DAY AFTER RECESS AND
FIFTY-EIGHTH DAY.

House of Representatives,
Bismarck, North Dakota,
March 2, 1921.

The house convened at 1 o'clock P. M. pursuant to recess taken, the Speaker presiding.

At this time the Speaker administered the oath to Walter W. McMahon as desk stenographer.

REPORTS OF STANDING COMMITTEES.

Mr. Speaker: Your committee on Education to whom was referred:

Senate Bill No. 123: A Bill for An Act to Amend and Re-enact Section 1147, Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 197, of the Laws of North Dakota for the Year 1919, Relating to the Formation of New Common School Districts.

Have had the same under consideration and recommend that the same be indefinitely postponed.

JOSEPH A. KITCHEN,
Chairman.

Mr. Kitchen moved that the report be adopted, which motion prevailed and the report was adopted, and further consideration of Senate Bill No. 123 was indefinitely postponed.

The committee on Enrollment and engrossment made the following report:

Mr. Speaker: Your committee on Enrollment and Engrossment have examined the following bills:

House Bill No. 63: A Bill for an Act to Amend and Re-enact Section 7644 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 1 of the Session Laws for the Year 1919, (Regular Session), Relating to Change of Judges in Civil and Criminal Actions in the District Court, for Prejudice or Bias of Judge Thereof; Providing for the Calling in of Another Judge of Another Judicial District, and the Payment of His Expenses, and the Discharge of Jurors Therein.

Also:

House Bill No. 128: A Bill for an Act to Amend and Re-enact Section 2110 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 221 of the Session

the Year 1913, as Amended by Chapter 221 of the Session Laws of 1919, Relating to the Listing of Property of Corporations, Joint-Stock Companies or Associations for Taxation.

Also:

House Bill No. 162: A Bill for an Act to Amend and Re-enact Section 13b and Section 43 of Chapter 225, Laws of North Dakota, 1919, Relating to the Taxation of Transfers of Property by Will, Gift or by Interstate Law.

Also:

House Bill No. 21: A Bill for an Act to Amend and Re-enact Section 5 of Chapter 162 of the Laws of North Dakota for 1919, Relating to Information Furnished by Employers to the Workmen's Compensation Bureau of North Dakota and Penalty for Failure to Furnish Information Required.

Also:

House Bill No. 18: A Bill for an Act to Amend and Re-enact Section 2 of Chapter 162 of the Laws of North Dakota for the Year 1919, Defining Certain Words and Phrases in said Chapter.

Also: -

House Bill No. 6: A Bill for an Act to Amend and Re-enact Section 7949 of North Dakota, 1913, Relating to Continuances of Cases.

Also:

House Bill No. 170: A Bill for an Act to Amend and Re-enact Section 7633 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to When Special Verdicts Directed to Special Findings, How Prepared and Judgment Entered Thereon.

Also:

House Bill No. 155: A Bill for an Act to Amend and Re-enact Section 4624 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Conveyances and Mortgages of Railroad Corporations, so as to Provide the Manner of Execution and Manner and Place of Record of Every Conveyance or Lease, Deed of Trust, Mortgage or Assignment, or Satisfaction Thereof, Made by Any Railroad, Telegraph or Telephone Corporation.

Also:

House Bill No. 127: A Bill for an Act to Amend and Re-enact Section 2702 of the Compiled Laws of the State of North Dakota for 1913 as Amended by Chapter 263, Session Laws of North Dakota for the Year 1915, and Amending and Re-enacting Section 2706 of the Compiled Laws of the State of North Dakota for 1913, Relating to the Reimbursement of Owners of Tubercular Cattle.

Also:

House Bill No. 126: A Bill for an Act Relating to the Application of the Tuberculin Test and Eradication of Bovine Tuberculosis in Townships in Counties in North Dakota under Direction of the State Live Stock Sanitary Board by Petition of a Majority of Freeholders in Such Township.

Also:

House Bill No. 116: A Bill for an Act providing for the Furnishing by the Register of Deeds of Each County to Elevators Making Application and Paying the Fee Provided Therefor, of an Abstract of all Mortgages and Liens Upon Grain Grown During Each Year, and Filed in the Office of the Register of Deeds.

Also:

House Bill No. 109: A Bill for an Act Legalizing Certain Acts of City, Village and School District Officials.

Also:

House Bill No. 75: A Bill for an Act to Appropriate Money for the Purpose of Constructing a Beef Cattle Barn at the Langdon Sub-Station.

Also:

House Bill No. 72: A Bill for an Act to Amend and Re-enact Section 4924 of the Compiled Laws of North Dakota for the Year 1913, Relating to Taxation of Insurance Companies.

Also:

House Bill No. 60: A Bill for an Act Appropriating Three Thousand and Five Hundred (\$3,500.00) Dollars for the Purpose of Erecting a Suitable Dairy Barn at the Experimental Station, Situated at Hettinger, Adams County, North Dakota.

Also:

House Bill No. 22: A Bill for an Act to Amend and Re-enact Section 3 of Chapter 162 of the Laws of North Dakota for the Year 1919, Relating to the Payment of Compensation to Injured Employees, or their dependents, and the Payment of Burial Expenses in the Event of Death Resulting from Injuries.

Also:

House Bill No. 20: A Bill for an Act to Amend and Re-enact Section 8 of Chapter 162 of the Laws of North Dakota for the Year 1919, Relating to the Enforcement of Payment of Premiums to the Workmen's Compensation Fund.

Also:

House Bill No. 119: A Bill for an Act Declaring Sow Thistle to be a Noxious Weed, Providing for Its Destruction and Providing for the Payment of Its Destruction.

Also:

House Bill No. 57: A Bill for an Act to Amend and Re-enact Section 1455 of the Compiled Laws of the State of North Dakota for the Year 1913, and Section 1456 of the Compiled Laws of the State of North Dakota for the Year 1913, as Amended by Chapter 207 of the Session Laws of the State of North Dakota for the Year 1917, Relating to County Agricultural and Training Schools.

Also:

House Bill No. 206: A Bill for an Act Authorizing Boards of County Commissioners to Issue Refunding Bonds to Fund or Refund for the Purpose of Seed Grain or Seed and Feed Grain Bonds or Warrants Thereof Issued Pursuant to Law for the Purchase of Seed Grain and Feed or Either.

Also:

House Bill No. 125: A Bill for an Act to Amend and Re-enact Section 2681 of the Compiled Laws of the State of North Dakota for 1913, Compensation for Members of State Live Stock Sanitary Board.

Also:

House Bill No. 124: A Bill for an Act to Amend and Re-enact Chapter 205 of the Session Laws of the State of North Dakota for the Year 1919 Prohibiting the Sale of Any New Draft Sleds Within the State of Which the Runners Measure Less Than Four Feet Six Inches from Center to Center and Making the Sale of Same a Misdemeanor and Providing for the Revocation of the License of Any Foreign Corporation to do Business in the State Which Fails to Comply With the Terms of This Act.

Also:

House Bill No. 168: A Bill for an Act to Amend and Re-enact Section 287 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 241 of the Session Laws of 1915, as Amended by Chapter 204 of the Session Laws of 1917, and as Amended by Chapter 198 of the Session Laws of 1919, Relating to the Investment of University and School Land Funds.

Also:

House Bill No. 59: A Bill for an Act to Amend and Re-enact Section 3905 of the Compiled Laws of North Dakota for the Year 1913, Relating to the Building and Repairing of Sidewalks by Villages, the Giving of Notices Thereof, the Duties of Real Property Owners, and the Powers of the Board of Trustees in Regard Thereto.

Also:

House Bill No. 160: A Bill for an Act to Amend and Re-enact Section 52 of Chapter 161 of the Session Laws of North Dakota for the Year 1915, as Amended by Section 52 of Chapter 122 of the Session Laws for the Year 1917, Relating to Bag Limit of Game Birds.

And find the same correctly enrolled.

A. J. PRESZLER.
Chairman

Mr. Preszler moved that the report be adopted, which motion prevailed and the report was adopted.

GENERAL ORDERS.

Mr. Starke moved that the house resolve itself into a committee of the whole for the consideration of general orders; which motion prevailed, and the house resolved itself into a committee of the whole.

The Speaker called Mr. Starke to the chair.

When the committee arose it submitted the following report

Mr. Speaker: The committee of the whole have had under consideration:

Senate Bill No. 197: A Bill for an Act Making an Appropriation for the Care and Maintenance of Persons Affected With Leprosy.

And recommend that the same be amended as follows:

In the printed bill.

In the title strike out the period after the word leprosy and add the following: "and for the education and care of any minor children who have been exposed to leprosy."

In lines 2 and 3 of the bill strike out the words Two Thousand and Five Hundred Dollars and the numerals (\$2500.00), and insert in lieu thereof the words Four Thousand Five Hundred Dollars and the numerals (\$4500.00).

In line 5 after the word "and" insert the following: "providing for the care and education of."

And when so amended recommend the same do pass.

Also:

Senate Bill No. 115: A Bill for an Act to Amend and Re-enact Sections 3, 6, and 12 of Chapter 157 of the Session Laws of 1919 Regular Session, Relating to the Authorizing and Regulating the Exchange of Reciprocal or Insurance Contracts Among Individuals, Partnerships and Corporations.

Have had the same under consideration and recommend that the same be amended as follows:

In line 5 of the title insert the word "Inter" before the word "insurance."

And when so amended recommend the same do pass.

Also:

Senate Bill No. 158: A Bill for an Act to Provide for Conciliation of Controversies and to Repeal Sections 9187, 9188, 9189, 9190, 9191 and 9192 of the Compiled Laws of North Dakota, 1913.

Have had the same under consideration and recommend that the same be amended as follows:

That the first word "specied" in line 3 of Section VI, page 3 of the engrossed bill be corrected to read "specified."

That the word "complained" in line 6 of Section VI, page 3 of the Engrossed Bill be corrected to read "complaining."

That the word "of" in line 8 of Section VI, page 3 of the Engrossed Bill be stricken out and insert in lieu thereof the word "or."

That the word "hearing" in line 6 of Section XI, page 5 of the Engrossed Bill be stricken out and insert in lieu thereof the word "bearing."

And when so amended recommend that the same do pass.

C. H. STARKE,
Chairman.

Mr. Johnson of Cass moved that the report be adopted which motion prevailed and the report was adopted.

REPORTS OF STANDING COMMITTEES

Mr. Speaker: Your committee on Appropriations to whom was referred:

Senate Bill No. 53: A Bill for an Act to Amend and Re-enact Chapter 160 of the Session Laws of North Dakota for the Year 1919 as Amended by Chapter No. 38 of the Special Session Laws of the 16th Legislative Assembly of the State of North Dakota for the Year 1919 Relating to State Hail Insurance.

Have had the same under consideration and recommend that the same be amended as follows:

In line 18 of the Engrossed bill strike out the word "fifty" and insert in lieu thereof the words "twenty-five."

And when so amended recommend the same do pass.

WM. WATT,
Chairman.

Mr. Speaker: Your committee on Appropriations to whom was referred:

Senate Bill No. 67: A Bill for an Act to Appropriate Seventy-five Hundred Dollars to the Missouri Slope Agricultural and Fair Association at Mandan for the Fairs to be Held in the Years 1921 and 1922.

Have had the same under consideration and recommend that the same do pass.

WM. WATT,
Chairman.

Mr. Watt moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Appropriations to whom was referred:

Senate Bill No. 65: A Bill for an Act Requiring the Evaluation of the Board of Railroad Commissioners, of all Common Carrier Railroad Property Within the State of North Dakota; Requiring the Fixing of the Fair Value Thereof for Rate Making Purposes; and Providing for an Appropriation to Carry Out the Provisions Thereof.

Have had the same under consideration and recommend that the same be indefinitely postponed.

WM. WATT,
Chairman.

Mr. Watt moved that the report be adopted, which motion prevailed and the report was adopted, and further consideration of Senate Bill No. 65 was indefinitely postponed.

The committee on Appropriations made the following report:

Mr. Speaker: Your committee on Appropriations to whom was referred:

Senate Bill No. 25: A Bill for an Act to Appropriate Money for the Expenses of the Executive, Legislative and Judicial Departments of the State Government, and for Public Schools, Specifying the Amount and Time for Which Such Appropriations Shall be Available, and Repealing Sections 1416, 1418 and 1419 of the Compiled Laws of 1913, as Amended by Chapter 34 of the Session Laws of 1915, and All Other Acts and Parts of Acts in so far as the Same Relate to Appropriations Conflicting Herewith or the Appropriations for the Same Matters or Purposes Provided for Herein.

Have had the same under consideration and recommend that the same be amended as follows:

IN THE PRINTED ENGROSSED BILL.

On Page 1, Section 1, Line 6, after the word "appropriated" insert the following, "unless otherwise designated herein." On page 2, Sub-division No. 1, Line 3, strike out the numerals 2,800 and 5,600 and insert in lieu thereof the numerals 2,500 and 5,000. After the 9th line in said Sub-division No. 1 insert "contingent 625 and 1250." Under the last named numerals insert a line and the following numerals, 10325, 20650. On page 2 strike out "Sub-division No. 3 Supreme Court" and all of line 1, 2, 10, 11 and 12 in said sub-division.

On page 3, at the top of the page insert: SUB-DIVISION NO. 3.

SUPREME COURT.

1	Salary 5 judges at \$5,500 per year....	\$27,500	\$55,000
2	Salary Clerk of Court at \$2,500 per yr..	2,500	5,000

SUB-DIVISION NO. 3, strike out line 4 and line 6 and the printed matter between lines 6 and 7. Strike out the word "at" in line 5 and insert the following numerals, 5,280 and 10,560. Strike out the numerals 4,800 and 9,600 in line 6. In line 17 strike out the numerals \$37,330 and \$74,660 and insert in lieu thereof \$37,810 and \$75,620.

SUB-DIVISION No. 5, line 1, strike out the numerals 2,500 and 5,000 and insert in lieu thereof the numerals 2,000 and 4,000. Strike out in line 11 the numerals 4,375 and 8,750 and insert in lieu thereof the numerals 3,875 and 7,750.

SUB-DIVISION No. 6, line 4, strike out the numerals 1,500 and 3,000 and insert in lieu thereof the numerals 1,800 and 3,600. In line 6 strike out the numerals 2,400 and 4,800 and insert in lieu thereof the numerals 2,640 and 5,280. Strike out lines 19a, 20, 21 and 22. In line 24 strike out the numerals 20,125 and 40,250 and insert in lieu thereof the numerals 20,665 and 41,330. Under line 13 insert "Publicity Pamphlets and Postage 10,000." In line 15 strike out the numerals 14,800 and insert in lieu thereof 24,800.

SUB-DIVISION NO. 7, line 5, strike out the numerals 1,800 and 3,600 and insert in lieu thereof the numerals 1,500 and 3,000. Strike out all of lines 8, 9 and 10. In line 24 strike out the numerals 17,850 and 35,700 and insert in lieu thereof the numerals 15,150 and 30,300.

SUB-DIVISION No. 8, line 4, strike out the numerals 1,800 and 3,600 and insert in lieu thereof the numerals 2,000 and 4,000. In line 5 strike out the numerals 1,800 and 3,600 and insert in lieu thereof the numerals 1,600 and 3,200. In line 8, strike out the numerals 1,200 and 2,400 and insert in lieu thereof the numerals 1,320 and 2,640. In line 9, strike out the numerals 1,200 and 2,400 and insert in lieu thereof the numerals 1,500 and 3,000. In line 22, strike out the numerals 22,700 and 41,000 and insert in lieu thereof the numerals 23,120 and 42,240.

SUB-DIVISION NO. 11, line 3, strike out the numerals 13,000 and insert in lieu thereof the numerals 10,400 and 20,800. In line 4, strike out the numerals 6,500 and 13,000 and insert in lieu thereof the numerals 5,000 and 10,000. Strike out all of lines 12, 14 and 15. In line 13 strike out the numerals 5,000 in the first column and insert in lieu thereof the numerals 10,000. In line 17 strike out the numerals 51,550 and 91,100 and insert in lieu thereof the numerals 33,250 and 56,500.

SUB-DIVISION No. 12, line 22, strike out the numerals 2,500 and 5,000 and insert in lieu thereof the numerals 2,800 and 5,600. In line 26 insert in the first column of the figures 3,960. In same line strike out the numerals 5,000 and insert in lieu thereof 7,920. In line 39 strike out the numerals 20,525 and 46,050 and insert in lieu thereof the numerals 24,785 and 49,570.

SUB-DIVISION NO. 13, line 5, strike out the numerals 1,500 and 3,000 and insert in lieu thereof the numerals 1,800 and 3,600. In line 6, strike out the word "two." In line 12, strike out the numerals 1,250 and 2,500 and insert in lieu thereof the numerals 800 and 1,600. Strike out all of line 14. In line 20, strike out the numerals 15,600 and 31,800 and insert in lieu thereof the numerals 15,050 and 30,700.

SUB-DIVISION NO. 14, line 1, strike out the numerals 2,800 and 5,600 and insert in lieu thereof the numerals 2,500 and 5,000. In line 15 strike out the numerals 12,850 and 25,700 and insert in lieu thereof the numerals 12,550 and 25,100.

SUB-DIVISION No. 15, line 10, strike out the numerals 6,000 and 12,000 and insert in lieu thereof the numerals 6,600 and 13,200. In line 19 strike out the numerals 10,000 and 20,000 and insert in lieu thereof the numerals 6,000 and 12,000. In line 26 strike out the numerals 46,475 and 92,950 and insert in lieu thereof the numerals 43,075 and 86,150.

SUB-DIVISION NO. 16, line 7, strike out the numerals 2,400 and 4,800 and insert in lieu thereof the numerals 2,640 and 5,280. In line 22 strike out the numerals 18,257.50 and 36,515 and insert in lieu thereof the numerals 18,497.50 and 36,995.

SUB-DIVISION NO. 17, line 5, strike out the numerals 19,800 and 39,600 and insert in lieu thereof the numerals 18,000 and 36,000. In line 6 strike out the numerals 13,200 and 26,400 and insert in lieu thereof the numerals 12,000 and 24,000. In line 24 strike out the numerals 7,695 and 148,390.

SUB-DIVISION NO. 18, line 3, strike out the numerals 2,500 and 5,000 and insert in lieu thereof the numerals 2,800 and 5,600. In line 8 strike out the numerals 1,500 and 3,000 and insert in lieu thereof the numerals 1,800 and 3,600. In line 12 strike out the numerals 2,400 and 4,800 and insert in lieu thereof the numerals 2,640 and 5,280. In line 13 strike out the numerals 1,200 and 2,400 and insert in lieu thereof the numerals 1,320 and 2,640. In line 19 strike out the numerals 400 and 800 and insert in line 21,400 and 800. In line 17 strike out the numerals 750 and 1,500 and insert in lieu thereof 500 and 1,000. In line 24 strike out the numerals 33,000 and 66,000 and insert in lieu thereof the numerals 33,710 and 67,420.

SUB-DIVISION No. 19 strike out all of line 3 and line 4. After line 5 insert the following lines: Executive Secretary 3,000 6,000; Chief Clerk 1,800 3,600; Stenographer 1,500 3,000; Auditor and Accountant 2,800 5,600; Assistant Auditor and bookkeeper 1,800 3,600; bookkeeper 1,500 3,000; Purchasing Agent 2,400 4,800; Supply Clerk and Stenographer 1,200 2,400; Supply Clerk and Stenographer 1,020 2,040. In line 17 strike out the numerals 41,160 and 93,120 and insert in lieu thereof the numerals 35,680 and 72,160.

SUB-DIVISION No. 23, strike out lines 4, 7 and 8.

SUB-DIVISION No. 24, strike out all of line 3. In line 4 after the word "clerk" insert the words "and stenographer," and strike out the numerals in said line 4, 960 and 1,920 and insert in lieu thereof the numerals 1,400 and 2,800. Strike out all of lines 5, 6, 7, 8, 9, 10 and 11. In line 19 strike out the numerals 5,170 and 10,340 and insert in lieu thereof the numerals 4,650 and 9,300.

SUB-DIVISION NO. 26. After the words and figures Sub-division No. 26 insert the following: "to be appropriated from the State Oil Inspection Fund." In line 4 strike out the numerals 29,950 and insert in lieu thereof the numerals 25,950. Strike out lines 5, 6 and 7.

SUB-DIVISION NO. 27, line 12, strike out the numerals 321,000 and 642,000 and insert in lieu thereof the numerals 254,000 and 508,000. In line 47 strike out the numerals

451,790 and 932,950 and insert in lieu thereof the numerals 384,790 and 798,950. In line 60 strike out the word "as" and in line 61 the words "per schedule B." Strike out lines 62, 63 and 64. In line 72 insert in the proper column the figures 10,000 and 20,000. Strike out all of lines 85, 86, 87, 88 and 89. In line 91 strike out the numerals 276,600 and insert in lieu thereof the numerals 126,600.

SUB-DIVISION NO. 29. After the words and figures Sub-division No. 29 insert the following: "To be appropriated from the Hotel Inspection Fund."

SUB-DIVISION NO. 32, line 2, strike out the numerals 24,000 and 48,000 and insert in lieu thereof the numerals 22,000 and 44,000. In line 14 strike out the words "New buildings," and insert in lieu thereof "demonstration cottage 8,000 8,000." Strike out lines 15, 16 and the numerals 5,000 and 10,000 in line 21. In the proper column in line 22 insert the numerals 5,000 and 10,000. In line 25 strike out the numerals 206,750 and 388,500 and insert in lieu thereof the numerals 187,750 and 367,500.

SUB-DIVISION NO. 34, line 3, strike out the numerals 36,000 and 72,000 and insert in lieu thereof the numerals 34,000 and 68,000. Strike out line 15. In line 25 strike out the numerals 7,500 and 15,000 and insert in lieu thereof the numerals 5,000 and 10,000. In line 31 strike out the numerals 177,350 and 333,950 and insert in lieu thereof the numerals 170,350 and 319,950.

SUB-DIVISION NO. 35, in line 5, strike out the numerals 35,000 and 70,000 and insert in lieu thereof the numerals 30,000 and 60,000. In line 13 strike out the numerals 15,000 and 30,000 and insert in lieu thereof the numerals 10,000 and 20,000. In line 15 strike out the numerals 50,000 and 100,000 and insert in lieu thereof the numerals 40,000 and 80,000.

SUB-DIVISION NO. 38, in line 1 strike out the numerals 50,000 and insert in lieu thereof the numerals 55,896. In line 3 strike out the numerals 52,000 and insert in lieu thereof the numerals 61,102. In line 4 strike out the numerals 102,000 and insert in lieu thereof the numerals 116,998. In line 8 strike out the numerals 25,000 and insert in lieu thereof the numerals 17,501. In line 9 strike out the numerals 25,000 and 50,000 and insert in lieu thereof the numerals 17,501 and 35,002.

SUB-DIVISION NO. 43, strike out the lines 1, 2, 3 and 4. In line 5 strike out the words "net amount requested for." In same line strike out the numerals 142,520.20 and 285,040.00 and insert in lieu thereof the numerals 125,000.00 and 250,000.00. In line 5a strike out the numerals 15,000.00 and 30,000.00 and insert in lieu thereof the numerals 13,000.00 and 13,000.00. In line 10 strike out the numerals 181,463.08 and 362,926.16 and insert in lieu thereof the numerals 161,943.08 and 310,886.16.

SUB-DIVISION NO. 96. In line 4 strike out the numerals

SUB-DIVISION NO. 44. Strike out line 6a. In line 43 strike out the numerals 327,250 and insert in lieu thereof the numerals 227,250.

SUB-DIVISION No. 45. Line 2 strike out the numerals 46,000 and 92,000 and insert in lieu thereof the numerals 23,000 and 46,000. In line 24 insert in the proper column the numerals 1,000 and 2,000. Strike out line 25. In line 35 strike out the figure 7 and insert in lieu thereof the word "and." In line 40 strike out the numerals 98,260 and 196,526 and insert in lieu thereof the numerals 75,260 and 150,520. In line 38 in the second column strike out the figure 6 and insert a cipher in lieu thereof. Strike out lines 41, 42 and 43.

SUB-DIVISION NO. 47. Strike out line 1 and 2 and the portion of the word in line 3 "tached." In line 3 place the words "General Maintenance." Strike out line 4. In line 5 strike out the words "fuel and light" and insert in lieu thereof "new boiler 5,000 5,000." In line 10 strike out the numerals 25,836 and 51,672 and insert in lieu thereof the numerals 30,836 and 56,672.

SUB-DIVISION NO. 51. Line 1 strike out the numerals 2,400 and 4,800 and place in lieu thereof the numerals 2,000 and 4,000. In line 6 strike out the numerals 12,500 and 25,000 and insert in lieu thereof the numerals 12,100 and 24,200.

SUB-DIVISION NO. 55. In line 1 strike out the numerals 36,840 and 73,680 and insert in lieu thereof the numerals 35,880 and 71,760. In line 2 strike out the numerals 14,750 and 34,500 and insert in lieu thereof the numerals 9,750 and 19,500. In line 5 strike out the numerals 51,590 and 118,180 and insert in lieu thereof the numerals 45,630 and 101,260.

SUB-DIVISION NO. 57. After line 8 insert the following "Fire Escape 3,000 3,000." Strike out in line 10 the numerals 126,995 and 253,990 and insert in lieu thereof the numerals 129,995 and 256,990.

SUB-DIVISION NO. 58 strike out lines 2 and 3.

SUB-DIVISION No. 59 in line 9 in the second column strike out the numerals 125,000 and insert in lieu thereof 62,500. In line 10 second column, strike out the numerals 100,000 and insert in lieu thereof 50,000. In line 11 second column strike out the numerals 30,000 and insert in lieu thereof 15,000. In line 14 in the first column strike out the numerals 300. In line 16 in the first column strike out the numerals 6,900. In line 17 in the first column strike out the numerals 3,000. In line 18 first column strike out the numerals 500. In line 21 strike out the numerals 165,700 and 333,400 and insert in lieu thereof the numerals 155,000 and 205,900.

SUB-DIVISION No. 60, line 13, strike out the numerals 29,000 and 29,000 and insert in lieu thereof the numerals 25,000 and 25,000. In line 27 strike out the numerals 126,050 and 298,450 and insert in lieu thereof the numerals 122,050 and 294,450.

SUB-DIVISION NO. 61, line 1, strike out the numerals 50,750 and 101,500 and insert in lieu thereof the numerals 45,750 and 91,500. Line 2 strike out the words "explanatory sheet attached." In the same line strike out the numerals 51,000 and 102,000 and insert in lieu thereof the numerals 46,000 and 92,000. In line 6 strike out the numerals

7,000 and 14,000 and insert in lieu thereof the numerals 6,000 and 12,000. Strike out line 8a. In line 14 strike out the numerals 2,000 and 4,000 and insert in lieu thereof the numerals 1,250 and 2,500. In line 21 strike out the numerals 229,100 and 388,600 and insert in lieu thereof the numerals 215,350 and 362,100.

SUB-DIVISION NO. 62, line 2a strike out the numerals 18,000 and 36,000 and insert in lieu thereof the numerals 21,000 and 42,000. In line 33 strike out the numerals 58,175 and 113,750 and insert in lieu thereof the numerals 61,175 and 119,750. At the end of the sub-division insert the following: "The appropriation of \$110,000.00 made by chapter 14 of the Special Session Laws of the 16th Legislative Assembly to provide for the building of a little boy's building, gymnasium, boiler room and equipment and water supply and sewage is hereby continued until July 1st, 1923."

SUB-DIVISION No. 63 after the words and figures Sub-division No. 63, insert "To be appropriated from the Game and Fish Fund."

SUB-DIVISION NO. 64. After the words and figures Sub-division No. 64 insert the following, "To be appropriated from the State Highway Fund." Line 1, strike out the numerals 3,000 and 6,000 and insert in lieu thereof the numerals 2,000 and 4,000. Strike out lines 2, 3, 4, 5, and 6. In line 7 strike out the word "seven." Strike out line 13, line 16 and line 19. In line 23 strike out the numerals 56,345 and 112,120 and insert in lieu thereof the numerals 50,775 and 101,550.

SUB-DIVISION NO. 65. After the words and figures Sub-division No. 65 insert the following, "To be appropriated from the State Highway Fund."

Strike out all of SUB-DIVISION NO. 71.

Strike out all of SUB-DIVISION NO. 84.

Strike out all of SUB-DIVISION NO. 86.

SUB-DIVISION NO. 93. After line 14 insert the following: "Any unexpended portion of the appropriation under this sub-division at the end of the biennial period shall be credited to the several vocational schools receiving federal aid."

Strike out all of SUB-DIVISION NO. 95.

SUB-DIVISION NO. 96. In line 4 strike out the numerals 1,200 and 2,400 and insert in lieu thereof the numerals 1,320 and 2,640. In line 16 strike out the numerals 4,575 and 91,125 and insert in lieu thereof the numerals 4,695 and 9,415.

SUB-DIVISION NO. 99. In line 1 strike out the numerals 50,000 and 100,000 and insert in lieu thereof the numerals 10,000 and 10,000.

Strike out all of SUB-DIVISION NO. 109.

And when so amended recommend the same do pass.

WM. WATT,
Chairman.

Mr. Speaker: A Minority of your committee on Appropriation to whom was referred:

Senate Bill No. 25: A Bill for an Act to Appropriate Money for the Expenses of the Executive, Legislative and Judicial Departments of the State Government, and for Public Schools, Specifying the Amount and Time for Which Such Appropriations Shall be Available, and Repealing Sections 1416, 1418 and 1419 of the Compiled Laws of 1913, as Amended by Chapter 34 of the Session Laws of 1915, and All Other Acts and Parts of Acts in so far as the Same Relate to Appropriations Conflicting Herewith or the Appropriations for the Same Matters or Purposes Provided for Herein.

Have had the same under consideration and recommend that the same be amended as follows:

In line 6, Section 1, page 1, after the word "appropriated," insert "except as otherwise designated herein."

On page 21, subdivision 26, after the heading "subdivision No. 26" insert "amounts under this subdivision appropriated from State Oil Inspection Fund," and in line four change the figures "\$29,950.00" to "\$25,950.00." On line 7, change the figures "\$29,950.00" to "\$25,950.00."

On page 25, subdivision 29, after the heading "Subdivision No. 29," insert "amounts under this subdivision appropriated from the Hotel Inspection Fund."

Under subdivision No. 32, line 21, strike out the figures "5000.00" and "10,000.00" and in line 22, after the word "buildings" insert the figures "5000.00" and "10,000.00."

Under subdivision No. 38, line two, after the "\$" strike out the figures "50,000.00" and insert in lieu thereof "55,896.00."

In line three, in the left hand column of figures, strike out the figures "52,000.00" and insert in lieu thereof "61,102.00."

In line 8 of same subdivision, in the left hand column of figures strike out the figures "25,000.00" and insert in lieu thereof the figures "17,511.00."

In line 9, of left hand column of figures, strike out "25,000.00" and insert in lieu thereof "17,501.00" and in same line, right hand column of figures, strike out figures "50,000.00" and insert in lieu thereof "35,002.00."

In subdivision No. 45, line 24, insert the figures "1000.00" and "2000.00." In line 25, strike out the figures "1000.00" and "2000.00."

In subdivision 59, line 9, strike out the figures "125,000.00" and insert in lieu thereof "62,500.00."

In line 10 of same subdivision, strike out the figures "100,000.00" and insert "50,000.00." In line 11, strike out figures "30,000.00" and insert "15,000.00."

In line 21, strike out the figures "165,700.00" and insert "102,950.00." In the same line, strike out figures "333,400.00" and insert in lieu thereof "205,900.00."

Under subdivision 63, after the heading "No. 63" insert "Items under this subdivision to be appropriated from the Game and Fish Fund."

Under subdivision 64, after "No. 64" insert "Items under this subdivision to be appropriated from State Highway Fund."

Under subdivision No. 65, after "No. 65" insert "Items under this subdivision to be appropriated from the State Highway Fund."

Under subdivision 93, after "No. 93" insert "Any unexpended portion of this subdivision shall at the end of the biennium be apportioned to the several schools qualifying for Federal Vocational Aid." Between lines "9" and "10," insert line "9½." Also "Additional aid to Vocational Schools \$1650.00 and \$3300.00." In line "14," strike out "10,350" and insert "12,000" and "24,000.00."

Under subdivision 96. line 16, right hand column, strike out "91,125" and insert "9,125.00."

Under subdivision No. 6, line 6, strike out the figures "2400 and 4800" and insert in lieu thereof "2640 and 5280." Change totals from "20,125 and 40,250" to "20,365 and 40,730."

Under subdivision No. 8, line 9, strike out the figures "1200 and 2400" and insert in lieu thereof "1320 and 2640." Change totals from "22,700 and 41,400" to "22,820 and 41,640."

Under subdivision No. 13, line 6, strike out the figures "2400 and 4800" and insert in lieu thereof "2640 and 5280." Change totals from "15,600 and 31,800" to "15,840 and 32,280."

Under subdivision No. 14, line 5, strike out the figures "1200 and 2400" and insert in lieu thereof "1320 and 2640." Change totals from "12,850 and 25,700" to "12,970 and 25,940."

Under subdivision No. 15, line 10, strike out the figures "6000 and 12,000" and insert in lieu thereof "6600 and "13,200." Change totals from "46,475 and 92,950" to "47,075 and 94,150."

Under subdivision No. 18, line 12, strike out the figures "2400 and 4800" and insert in lieu thereof "1320 and 2640." Two stenographers at \$1,320 instead of \$1,200. Change totals from "33,000 and 66,000" to "33,240 and 66,480."

Under subdivision No. 20, line 5, strike out the figures "1200 and 2400" and insert in lieu thereof "1320 and 2640." Change totals from "9,550 and 19,100" to "9,670 and 19,340."

Under subdivision No. 90, line 3, strike out the figures "3600 and 7200" and insert in lieu thereof "3960 and 7920." Change totals from "7,500 and 15,000" to "7,860 and 15,720."

Under subdivision No. 91, line 2, strike out the figures "1200 and 2400" and insert in lieu thereof "1320 and 2640." Change totals from "5,000 and 10,000" to "5,120 and 10,240."

Under subdivision No. 96. line 4, strike out the figures "1200 and 2400" and insert in lieu thereof "1320 and 2640." Change totals from "4,575 and 91,125" to "4,695 and 91,365."

SUBDIVISION NO. 65

DEPARTMENT OF STATE HIGHWAY COMMISSION

Line 1. After the word Commission, strike out \$50,000 and \$100,000 and insert in lieu thereof, \$100,000 and \$200,000.

SUBDIVISION NO. 43

VALLEY CITY STATE NORMAL SCHOOL

Line 9. For new building \$100,000.

That would change the total on line 10, to \$281,463.08 and \$462,926.16.

On page 27, under subdivision No. 32, on line 15, strike out all of line after "15" and insert in lieu thereof "Home Economics Demonstration Cottage" and the figures "12,500 and 12,500." In line 25, same section, strike out figures "206,750 and 388,500" and insert in lieu thereof "219,250 and 401,000."

And when so amended recommend that Senate Bill No. 25 do pass.

Signed by a Minority of the committee on Appropriations.

JOHN R. MADDOCK,
A. L. MAXWELL,
GEO. LAKIE.

Mr. Johnson of Cass moved that the House do now adjourn, which motion prevailed and the House adjourned.

C. L. DAWSON,
Chief Clerk.

FIFTY-EIGHTH DAY

House of Representatives,
Bismarck, North Dakota,
March 2, 1921.

The House convened at 2 o'clock P. M., pursuant to adjournment, the Speaker presiding.

Prayer by Chaplain, Rev. Alfson.

Roll call: All members present.

REVISION AND CORRECTION OF THE JOURNAL

The committee on revision and correction of the journal made the following report:

Mr. Speaker: Your committee on revision and correction of the journal have carefully examined the Journal of the 57th day and find the same correct.

And recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted.

REPORTS OF STANDING COMMITTEES

Mr. Speaker: Your committee on Agriculture to whom was referred:

Senate Bill No. 66: A Bill for an Act to Promote, Foster and Encourage the Proper Marketing of Agricultural Products and By-Products, and for the Creation of a Co-operative Marketing Association and Providing for License Fees.

Have had the same under consideration and recommend that the same be amended as follows:

In Section 6, sub-division a, line 3, before the word "activity" insert the word "any."

Section 21, line 4, of the printed bill, after the word "unless" strike out balance of line 4 and all of line 5 and insert the following: "It is in fact a co-operative association or corporation." Same Section, line 9, after the word "not" strike out everything up to the word "must" and in lieu thereof insert the following: "In fact a co-operative association or corporation."

And when so amended recommend the same do pass.

VICTOR L. ANDERSON,
Chairman.

MOTIONS AND RESOLUTIONS

Mr. Twitchell offered the following resolution and moved its adoption:

"RESOLVED, That the members of this body do record their deep sense of the loss that has come to the people of this State in the recent death of Robert M. Pollock.

"One of the pioneers has ended the good fight and entered into the peace that passeth all understanding.

"He was a good man. 'Whatsoever things are true, whatsoever things are honest, whatsoever things are just, whatsoever things are pure, whatsoever things are lovely, whatsoever things are of good report,' were a part of his daily life.

"A member of the Constitutional Convention; a Representative from the 9th District of Cass County at the 7th Session of the Legislative Assembly in 1901, and Speaker of the House at that session, State's Attorney of Cass County, and a servant of his fellow men in many capacities, he exalted every position entrusted to him.

"His record is written into the Constitution and Laws of this State.

"His monument is the strong fabric of moral law woven into our jurisprudence.

"He always fought fearlessly for the right as against wrong.

"He was a Christian man, a kind father, a good neighbor, and a good citizen.

"We mourn his death and cherish his memory."

Mr. Kitchen moved that the resolution be adopted, and that the same be engrossed and a copy of the resolution be sent to the family of the deceased.

Which motion prevailed by a standing vote.

CONSIDERATION OF MESSAGES FROM THE SENATE

Mr. Johnson of Cass moved that the House do now concur in Senate amendments to House Bill No. 185, which motion prevailed.

Mr. Halcrow moved that the rules be suspended and that House Bill No. 185 be considered properly engrossed and same be placed on third reading and final passage, which motion prevailed.

THIRD READING OF HOUSE BILLS

House Bill No. 185: A Bill for an Act to Amend and Re-enact Section One, Chapter 124, of Session Laws of 1917, as Amended by Chapter 136, Session Laws of 1919, Relating to Witness Fees in Garnishment Proceedings.

Was read the third time.

The question being on the final passage of the bill, as amended by the Senate, the roll was called and there were ayes 112, nays 0, absent and not voting 1.

Ayes : Allen, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhardt, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmeln, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Anderson of Burleigh.
So the bill passed as amended by the Senate and the title was agreed to.

CONSIDERATION OF MESSAGES FROM THE SENATE

Mr. Watt moved that the House do now concur in Senate amendments to House Bill No. 147.

Mr. Grangaard moved as a substitute motion that the House do not concur in Senate amendment to House Bill No. 147 which motion prevailed, and the Speaker appointed as a conference committee, Messrs. Grangaard, Burkhart and Root.

Mr. Jardine moved that the House do now concur in Senate amendments to House Bill No. 31, which motion prevailed.

Mr. Jardine moved that the rules be suspended and that House Bill No. 31 be considered properly engrossed and the same be placed on its third reading and final passage, which motion prevailed.

THIRD READING OF HOUSE BILLS

House Bill No. 31: A Bill for an Act Creating a Children's Code Commission; fixing the Membership Thereof; Defining its Powers and Duties; and Making an Appropriation Therefor.

Was read the third time:

The question being on the final passage of the bill, as amended by the Senate, the roll was called and there were ayes 113, nays 0, absent and not voting 0.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelsen, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

So the bill passed as amended by the Senate and the title was agreed to.

CONSIDERATION OF MESSAGES FROM THE SENATE

Mr. Patterson moved that the House do now concur in Senate amendments to House Bill No. 101, which motion prevailed.

Mr. Peters moved as a substitute motion that the House do not concur in Senate amendments to House Bill No. 101, which motion was lost.

The question now being on the motion to concur in Senate amendments to House Bill No. 101, the motion prevailed and the House so concurred.

Mr. Patterson moved that the rules be suspended and that House Bill No. 101 be considered properly engrossed and the same be placed on third reading and final passage, which motion prevailed.

THIRD READING OF HOUSE BILLS

House Bill No. 101: A Bill for an Act Entitled, An Act Establishing a System of State Free Employment Service, Providing for the Maintenance Thereof, Defining the Duties of Such Department, Its Officers and Employees, and Appropriating Money for the Carrying Out of the Provisions of This Act.

Was read the third time:

The question being on the final passage of the bill, as amended by the Senate, the roll was called and there were ayes 93, nays 10, absent and not voting 10.

Ayes : Allen, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd·Brady, Bratsberg, Bryans, Burkhardt, Burns, Cart. Doyle, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks. Hall, Harding. Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McLarty, McManus. Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Nathan, Oberg, Olson of Ramsey, Ophaug, Opland-Patterson, Plath, Preszler, Quade, Reichert, Renault, Sherman, Sims, Slominski, Strain, Vogel, Watt, Weld of Kidder, Weld of Wells. Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Johnson of Traill, McGauvran, Olsgard, Olson of Barnes, Oisen of Billings, Peters, Root, Shimmin, Sproul, Ulland.

Absent and not voting: Anderson of Burleigh, Carlson, Cole, Durkee, Kjos, Ness, Nagel, Olafson, Sagen, Semling, Shipley, Starke.

So the bill passed as amended by the Senate and the title was agreed to.

MESSAGES FROM THE SENATE

SENATE CHAMBER

Bismarck, N. D., March 1, 1921.

Mr. Speaker: I have the honor to return herewith the following bills:

House Bill No. 148: A Bill for an Act Making it a Felony for Any Person to Enter Any Room Wherein, in Whole or in

Part, a General Banking Business is Carried on, or Wherein in Whole or in Part, a Business of Receiving Securities, Evidence of Debts or Any Other Valuable Papers on Deposit or for Safe Keeping, in Which There is at the Time a Human Being, With Intent to Commit a Felony Therein by Means of Threats, Force or Violence, and Prescribing the Punishment Therefor.

House Bill No. 79: A Bill for an Act to Amend and Re-enact Sections 48 and 49 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Public Printing and Binding.

House Bill No. 169: A Bill for an Act to Amend and Re-enact Section 4671 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to the Size and Construction of Caboose Cars.

House Bill No. 140: A Bill for an Act to Amend and Re-enact Chapter 271 of the Session Laws of North Dakota for the Year 1915, Relating to Qualifications of Signers on Petition of County Commissioners.

House Bill No. 149.: A Bill for an Act Providing for the Supervision of Liquidation of Insolvent Banks by the Depositors' Guaranty Fund Commission, the Appointment of a Supervisor of Receivers and Compensation and Expenses Thereof to be Paid out of the Depositors' Guaranty Fund.

Which the Senate has passed unchanged.

Very respectfully,
W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to inform you that the Senate has receded from its amendments to House Bill No. 23.

Very respectfully,
W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to return:

House Bill No. 28: A Bill for an Act to Amend and Re-enact Section 1136 of the General School Laws entitled Deputies. How Appointed. Salary.

Which the Senate has amended as follows:

After the enacting clause insert the following words and figures: "Section 1136 of the Compiled Laws of North Dakota for the year 1913 as amended and re-enacted by Chapter 208 of the Session Laws of 1917, as amended and re-enacted by Chapter 104 of the Session Laws of 1919, is hereby amended and re-enacted to read as follows:"

Very respectfully,
W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to return:

House Bill No. 19: A Bill for an Act to Amend and Re-enact Section 4 of Chapter 162 of the Session Laws of the State of North Dakota for the Year 1919, as Amended by Chapter 73 of the Laws Passed at the Special Session of the Sixteenth Legislative Assembly in December, 1919, Relating to the Creation of the Workmen's Compensation Bureau of North Dakota, the Appointment and Removal of the Commissioners Thereof, the Salary of such Commissioners and the Powers and Duties of such Bureau.

Which the Senate has amended as follows:

In the engrossed bill, Paragraph "B," of Section 4, last line, strike out the words "Three Thousand" and the figures "(3000.00)" and insert in lieu thereof the words and figures "Two Thousand Five Hundred" and "(\$2500.00)."

Very respectfully,
W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to return:

House Bill No. 77: A Bill for an Act Fixing the Compensation of Election Officers.

Which the Senate has amended as follows:

In Section 1, after the word "exceed," strike out the words "two hundred" and figures "200" in parenthesis, and insert in lieu thereof the words "one hundred" and figures "100" in parenthesis.

Very respectfully,
W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to return:

House Bill No. 151: A Bill for an Act to Amend and Re-enact Section 1 of Chapter 126 of the Laws of North Dakota for the Year 1917 as Amended and Re-enacted by Chapter 110 of the Laws of North Dakota for 1919, Relative to the Guarantee of Bank Deposits.

Which the Senate has amended as follows:

In paragraph 1, in printed bill, line 6, after the word "state," strike out "from a," and in line 7, strike the following: "list of nine men to be selected by the banks directly effected." In line 8, strike out "by the provision of this act."

Very respectfully,
W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to return:

House Bill No. 108: A Bill for an Act to Amend and Re-enact Section 28 of Chapter 161 of the Laws of North Dakota for the Year 1915 as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Relating to Trespassing on Lands Where Hunting is Prohibited.

.....

Which the Senate has amended as follows:

In Section 28, line 7 of the engrossed bill, insert "Any person or persons entering upon the premises of another without permission as above provided for who shall have in his or her possession any gun or firearms, shall prima facie be presumed to have entered said premises for the purpose of hunting game within the meaning of this act."

In Section 28, line 10 of the engrossed bill, strike out the "period" after the word "posted" and insert a semi-colon, and add the following: "provided further, no person shall enter upon such posted land unless there be a visible trail of blood clearly indicating the course of such wounded animal onto such posted land and in no event shall it be lawful for more than two persons to pursue such wounded animal, and if such wounded animal is killed on posted land the carcass shall be divided equally with the owner, tenant or other occupant of such posted land."

Very respectfully,
W. J. PRATER,
Secretary.

CONSIDERATION OF MESSAGES FROM THE SENATE

Mr. Kelly moved that the House concur in Senate Concurrent Resolution memorializing Congress relative to a censorship for moving pictures.

Mr. Starke moved to amend the said resolution by inserting the word "educational" after the word "moral," which motion was lost.

The question being on the motion of Mr. Kelly, the motion prevailed, and the House concurred in said resolution.

SIGNING OF BILLS

The Chief Clerk announced that the Speaker was about to sign:

Senate Bill No. 7:

A Bill for an Act to Repeal Section 14 of Chapter 225, Laws of North Dakota, 1919, Relating to the Taxation of Transfers of Property by Will, Gift or by Intestate Law.

Senate Bill No. 60: A Bill for an Act to Regulate Assignments for Benefit of Creditors, and Provide for the Carrying Out of the Same Under Court Supervision.

Senate Bill No. 148: A Bill for an Act to Amend Chapter 131 of the Session Laws of 1919, Enacted by The Sixteenth Session of the Legislative Assembly, Pertaining to the Giving of Notices of Intention to Foreclose Real Estate Mortgages.

Senate Bill No. 154: A Bill for an Act Prescribing the Fees to be Paid to Newspapers for the Publication and Printing of all Legal Notices and Repealing all Acts or Parts of Acts in Conflict Herewith.

Senate Bill No. 155: A Bill for an Act Defining Duration of the War.

Senate Bill No. 192: A Bill for an Act to Amend and Re-enact Section 4929 of the Compiled Laws of North Dakota for the Year 1913, Relating to the fees to be paid by Insurance Companies doing Business in this State.

House Bill No. 6: A Bill for an Act to Amend and Re-enact Section 7919 of North Dakota, 1913, Relating to Continuances of Cases.

House Bill No. 18: A Bill for an Act to Amend and Re-enact Section 2 of Chapter 162 of the Laws of North Dakota for the Year 1919, Defining Certain Words and Phrases Contained in Said Chapter.

House Bill No. 20: A Bill for an Act to Amend and Re-enact Section 8 of Chapter 162 of the Laws of North Dakota for the Year 1919, Relating to the Enforcement of Payment of Premiums to the Workmen's Compensation Fund.

House Bill No. 21: A Bill for an Act to Amend and Re-enact Section 5 of Chapter 162 of the Laws of North Dakota for 1919, Relating to Information Furnished by Employers to the Workmen's Compensation Bureau of North Dakota and Penalty for Failure to Furnish Information Required.

House Bill No. 22: A Bill for an Act to Amend and Re-enact Section 3 of Chapter 162 of the Laws of North Dakota for the Year 1919, Relating to the Payment of Compensation to Injured Employees, or their dependents, and the Payment of Burial Expenses in the Event of Death Resulting from Injuries.

House Bill No. 57: A Bill for an Act to Amend and Re-enact Section 1455 of the Compiled Laws of the State of North Dakota for the Year 1913, and Section 1456 of the Compiled Laws of the State of North Dakota for the Year 1913, as Amended by Chapter 207 of the Session Laws of the State of North Dakota for the Year 1917, Relating to County Agricultural and Training Schools.

House Bill No. 59: A Bill for an Act to Amend and Re-enact Section 3905 of the Compiled Laws of North Dakota for the Year 1913, Relating to the Building and Repairing of Side Walks by Villages, the Giving of Notices Thereof, the Duties of Real Property Owners, and the Powers of the Board of Trustees in Regard Thereto.

House Bill No. 60: A Bill for an Act Appropriating Five Thousand (\$5,000.00) Dollars for the Purpose of Erecting a Suitable Dairy Barn at the Experimental Station, Situated at Hettinger, Adams County, North Dakota.

House Bill No. 72: A Bill for an Act to Amend and Re-enact Section 4924 of the Compiled Laws of North Dakota for the Year 1913, Relating to Taxation of Insurance Companies.

House Bill No. 106: A Bill for an Act to Amend and Re-enact Section 46 of Chapter 161 of the Laws of North Dakota for the Year 1915, as Amended by Chapter 63, of the Laws of North Dakota for the Year 1917, as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Prohibiting the Trapping, Catching, Killing, or Destroying of Beaver and Otter, for a Limited Period.

House Bill No. 109: A Bill for an Act Legalizing Certain Acts of City, Village and School District Officials.

House Bill No. 116: A Bill for an Act Providing for the Furnishing by the Register of Deeds of Each County to Elevators Making Application and Paying the Fee Provided Therefor, of an Abstract of All Mortgages and Liens Upon Grain Grown During Each Year, and Filed in the Office of the Register of Deeds.

House Bill No. 119: A Bill for an Act Declaring Sow Thistle to be a Noxious Weed, Providing for Its Destruction and Providing for the Payment of Its Destruction.

House Bill No. 124: A Bill for an Act to Amend and Re-enact Chapter 205 of the Session Laws of the State of North Dakota for the Year 1919 Prohibiting the Sale of Any New Draft Sleds Within the State of Which the Runners Measure Less Than Four Feet Six Inches from Center to Center and Making the Sale of Same a Misdemeanor and Providing for the Revocation of the License of Any Foreign Corporation to do Business in the State Which Fails to Comply With the Terms of this Act.

House Bill No. 125: A Bill for an Act to Amend and Re-enact Section 2681 of the Compiled Laws of the State of North Dakota for 1913, Compensation for Members of State Live Stock Sanitary Board.

House Bill No. 126: A Bill for an Act Relating to the Application of the Tuberculin Test and Eradication of Bovine Tuberculosis in Townships in Counties in North Dakota under Direction of the State Live Stock Sanitary Board by Petition of a Majority of Freeholders in Such Township.

House Bill No. 127: A Bill for an Act to Amend and Re-enact Section 2702 of the Compiled Laws of the State of North Dakota for 1913 as Amended by Chapter 263, Session Laws of North Dakota for the Year 1915, and Amending and Re-enacting Section 2706 of the Compiled Laws of the State of North Dakota for 1913, Relating to the Reimbursement of Owners of Tubercular Cattle.

House Bill No. 128: A Bill for an Act to Amend and Re-enact Section 2110 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 221 of the Session Laws of 1919, Relating to the Listing of Property of Corporations, Joint-Stock Companies or Associations for Taxation.

House Bill No. 155: A Bill for an Act to Amend and Re-enact Section 4624 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Conveyances and Mortgages of Railroad Corporations, so as to Provide the Manner of Execution and Manner and Place of Record of Every Conveyance of Lease, Deed of Trust, Mortgage or Assignment, or Satisfaction Thereof, Made by any Railroad, Telegraph or Telephone Corporation.

House Bill No. 160: A Bill for an Act to Amend and Re-enact Section 52 of Chapter 161 of the Session Laws of North Dakota for the Year 1915, as Amended by Section 52 of Chapter 122 of the Session Laws for the Year 1917, Relating to Bag Limit of Game Birds.

House Bill No. 162: A Bill for an Act to Amend and Re-enact Section 13b and Section 43 of Chapter 225. Laws of North Dakota, 1919, Relating to the Taxation of Transfers of Property by Will, Gift, or by Intestate Law.

House Bill No. 168: A Bill for an Act to Amend and Re-enact Section 287 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 241 of the Session Laws of 1915, as Amended by Chapter 204 of the Session Laws of 1917, and as Amended by Chapter 198 of the Session Laws of 1919, Relating to the Investment of University and School Land Funds.

House Bill No. 170: A Bill for an Act to Amend and Re-enact Section 7633 of the Compiled Laws of the State of North Dakota for the Year 1913. Relating to When Special Verdicts Directed to Special Findings, How Prepared and Judgment Entered Thereon.

House Bill No. 206: A Bill for an Act Authorizing Boards of County Commissioners to Issue Refunding Bonds to Fund or Refund for the Purpose of Seed Grain or Seed and Feed Grain Bonds or Warrants Theretofore Issued Pursuant to Law for the Purchase of Seed Grain and Feed or Either.

House Bill No. 63: A Bill for an Act to Amend and Re-enact Section 7644 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 1 of the Session Laws for the Year 1919, (Regular Session), Relating to Change of Judges in Civil and Criminal Actions in the District Court, for Prejudice or Bias of Judge Thereof; Providing for the Calling in of Another Judge of Another Judicial District, and the Payment of his Expenses, and the Discharge of Jurors therein.

House Bill No. 75: A Bill for an Act to appropriate Money for the Purpose of Constructing a Beef Cattle Barn at the Langdon Sub-Station.

And the Speaker signed the same in the presence of the House.

PETITIONS AND COMMUNICATIONS

Mr. John Freeman presented the following communication regarding the proposed reduction of State Highway Commission budget from \$109,650 to \$50,000.

Upon the execution of a project agreement between the state and the federal government, the U. S. Secretary of Treasury sets aside, from the state's allotment of federal aid, the amount of federal aid to be paid to the state on the given project. When so set aside, the federal aid is reserved to the state and, as far as the Dept. of Agriculture is concerned, is considered to have been "expended."

A project agreement is based on plans, specifications and estimate prepared and submitted by the state and approved by the federal government.

Each annual allotment to a state must be covered by project agreements within one year or by the next July 1. The

allotments to North Dakota for the four-year period ending June 30, 1920, amounting to \$2,686,267.90 will, no doubt, be covered by project agreements before June 30, 1921, so that none of this federal aid will be lost to the state.

The fifth-year allotment of \$1,536,227.80 federal aid for the fiscal year ending June 30, 1921 must be covered by project agreements on or before June 30, 1922, or the uncovered balance will go back to the federal treasury and be redistributed among the other states.

At present, there are the equivalent of 250 miles of federal aid projects under contract and unfinished.

Should the department be restricted to \$50,000 per annum the entire reduced force of the organization will be required to supervise this unfinished work and it is probable that, on July 1 next year, the state will lose about \$1,250,000 federal aid.

The budget requested by the department amounted to \$109,650 per annum. The Senate Appropriations Committee recommended \$100,000 per year. By action of the Senate, a cut was made to \$50,000 per annum.

The State Highway Commission is operated by funds from the automobile license fees, which in the next two years will amount to about \$70,000 per year. The question is whether the State Highway Department will have \$50,000, \$100,000 or \$150,000 or more of this per year at its disposal.

Each \$50,000 to the State Highway Commission would mean to the two highest and the two lowest counties:—

County.	Per Ct.	Decrease in State Aid.	Decrease in Sp. Rd. Maintenance Fund*
Cass	9.21	\$2,302.50	\$2,302.50
Grand Forks	5.70	1,425.00	1,425.00
Sioux	0.23	57.50	57.50
Billings	0.15	32.50	32.50
Av. County		472.00	472.00

(*By law, both these funds are expended under the direction of the State Highway Commission.)

Providing the State Highway Commission with \$50,000 per annum for the next biennium instead of \$109,650 requested by the Commission will cause the state to lose about \$1,250,000 federal aid on July 1, 1921. Or the loss to each county on the average will be \$23,600. That is to say, \$50,000 less to the State Highway Commission, while apparently giving the average county \$944 more in state aid and special road maintenance, will result in a loss to the average county of \$23,600 federal aid money. Or for every additional \$1 that may be secured by the average county by giving the State Highway Commission \$50,000 less, there will be lost to that county about \$24 federal aid.

The department has done the following work:

In 1918, about \$250,000.

In 1919, about \$500,000.

In 1920, about \$1,000,000.

In 1921, about \$2,000,000 of work should be done and

In 1922, about \$4,000,000 of work should be done to take up all the federal aid allotted to the state, to catch up with the federal aid program and to be ready for further federal aid for 1921, 1922, 1923, etc.

The allotments of federal aid to date to North Dakota under the existing federal laws amount to about \$4,222,000 for the 5-year period ending June 30, 1921. The counties of the state (43 in number) have made special levies or set aside county funds to more than equal this amount—or about \$100,000 per county to meet federal aid. Applications for which no federal aid is now available have had to be filed until Congress provides further federal aid appropriations.

The Federal Aid Road Act requires the assent of the State to the provisions of said act. That assent has been given twice for North Dakota, once in 1917 by the 15th Session and again in 1919 by the 16th Session. Hence it appears that the word of the state has been given to the federal government to go ahead with federal aid.

The federal government requires adequate supervision (by the state) of work under construction. It also requires adequate maintenance for all time of completed projects. The penalty in failing in either case is that all payments of federal aid to the state will be stopped.

Consequently, it has been announced that the State Highway Commission can not, with a \$50,000 per annum budget, award any more federal aid work. This means that no new work will be placed under contract this year as originally scheduled in the following counties:

County.	Project Numbers.	Length (miles)
1. Adams	115	3
2. Barnes	36C-135-12B	27
3. Benson	98	15
4. Bottineau	87-111	15
5. Burke	76-127	30
6. Divide	79	12
7. Eddy	103	4
8. Emmons	91-119	14
9. Foster	92-101	10
10. Golden Valley	49	20
11. Grand Forks	41-107-110-117-51-52	43
12. Griggs	108-109	33
13. Hettinger	37B	9
14. Kidder	54	3
15. LaMoure	93-113	16
16. Logan	123	14
17. McIntosh	97	12
18. McLean	57	10
19. Mountrail	74-118	19
20. Nelson	121	11
21. Pembina	114	11
22. Pierce	106	7
23. Ramsey	95-96	19
24. Ransom	28B-122	19
25. Richland	71	16
26. Sargent	66-89	18
27. Stark	53	5
28. Steele	29	8
29. Stutsman	56B-56C	29
30. Towner	120-130	20
31. Trail	61-67	20
32. Walsh	116	15
33. Ward	83-84	25
34. Wells	88-90	21
35. Williams	80	20

Total—35 counties; 55 projects; 583 miles.

These 35 counties have expected and are requesting the above work, funds have been provided by them and they will be disappointed if the work is not put under way. The counties have asked for and more than covered all the federal aid available to the state which shows their approval of the proposition.

In conclusion, it may be said that the federal aid which the state receives consists of monies of which the state has paid in its proportionate share. If lost to the state, it will mean that some of the state's contribution to the federal aid fund will go to help build roads in other states.

The questions are:

"Will it be more profitable to the state and more acceptable to the people to increase the counties' state aid and special road maintenance funds by \$50,000 and lose to the state over \$1,000,000 federal aid," or

"Should the department be provided with an ample appro-

priation and bring into the state the said \$1,000,000 federal aid or more."

Prepared by J. E. KAULFUSS, 3-2-21.
Asst. Chief Engineer.

GENERAL ORDERS

Mr. Miller moved that the house resolve itself into a committee of the whole for the consideration of general orders; which motion prevailed and the house resolved itself into a committee of the whole.

The Speaker called Mr. Miller to the chair.

When the committee arose it submitted the following report.

Mr. Speaker: The committee of the whole have had under consideration:

Senate Bill No. 202: A Bill for an Act to Amend and Re-enact Section 2 of Chapter 63 of the Session Laws of 1915

Prescribing and Limiting the Punishment of the Crime of Murder in the First Degree and Limiting the Time, Manner and Conditions Whereby such Person May be Pardoned.

And recommend that the same be amended as follows:

SECTION 2. That the word "ninety" in the seventh line of Section two (2) of the enrolled bill be stricken out and in lieu thereof the word "fifty" inserted.

And recommend the same do pass as amended.

Also:

Senate Bill No. 195: A Bill for an Act Relating to the Taking of New Promissory Notes in Renewal of Notes Already Held by Banks, Other Corporations or Individuals, Effecting Their Legality.

Have had the same under consideration and recommend that the same be amended as follows:

SECTION 1. That the word "renewal" in the last line of section one (1) of the engrossed bill be stricken out and in lieu thereof the word "renewed" inserted.

That the word "renewal" in the last line of section one (1) of the engrossed bill be stricken out and in lieu thereof inserted the following, "renewed."

And recommend the same do pass as amended.

Also:

Senate Bill No. 71: A Bill for an Act to Amend and Re-enact Section 2185 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 67 of the Special Session Laws of North Dakota for the Year 1919, Relating to Real Estate Taxes Due and Delinquent and the Penalty and Interest Thereon.

Have had the same under consideration and recommend that the same be amended as follows:

In line 7, Section 2185, page 1 of the Engrossed Bill place a period after the word "following" and strike out the balance of that line and all of the following line 8 up to the words "a penalty" and insert in lieu thereof the following:

"If any part of the tax which becomes delinquent on March 1st remains unpaid after that date there shall attach to the entire tax levied and assessed."

And recommend the same do pass as amended.

Also:

Senate Bill No. 48: A Bill for an Act Requiring County Commissioners to Have Classified All Acre Property in the State, Providing Method of Contracting for Such Work of Classification, Authorizing a Tax Levy Therefor, Fixing Classification Schedules, Providing for Notice to Public Prior to Adoption of Such Classification and Fixing the Duties of the Board of County Commissioners, Boards of Review and Equalization and Local Assessors With Respect to Such Classification Schedules.

Have had the same under consideration and recommend that the same be amended as follows:

In line 2, Section 1, of the Engrossed Bill after the word "commissioners" insert the following: "Upon receipt of a petition bearing the signatures of not less than fifty percent (50%) of the resident freeholders of such acreage property."

In the same line, strike out the words "each and every" and insert in lieu thereof the word "such."

In line 5 of Section 1 of the Engrossed Bill strike out the words "their respective" and insert in lieu thereof the word "said."

In the same line change the word "counties" to the word "county."

And recommend the same do pass as amended.

Also:

Senate Bill No. 147: A Bill for an Act to Amend and Re-enact Chapter 183 of the Session Laws of 1917, an Act Requiring the Owners of Personal Property to Notify the County Treasurer of the Sale of Such Property at Public Auction, Providing for the Collection of Their Personal Property Taxes and Prescribing Dates of Auctioneers in Relation Thereto.

Have had the same under consideration and recommend that the same be amended as follows:

In line 10, Section 1, page 1, of the engrossed bill insert a comma after the word "sale" and strike out the balance of the section and insert in lieu thereof the following: "which must contain the name and postoffice address of the clerk of such auction sale."

Strike out the last word "or" in line 1, Section 2, page 2 of the engrossed bill, also the first word "notices" in line 2, Section 2, page 2 of the engrossed bill.

After the word "the" in line 6, Section 2, page 2 of the engrossed bill, strike out the balance of the section and insert in lieu thereof the following: "clerk of said public auction sale by registered letter showing the amount due on the property to be sold at said auction sale."

Strike out the first word "the" in line 1, Section 3, page 2 of the engrossed bill and insert in lieu thereof the word "Every."

In line 7 of Section 3, page 2 of the engrossed bill after the word "shall" insert the following: "within ten days from date of said sale."

And recommend the same do pass as amended.

Also:

Senate Bill No. 117: A Bill for an Act Empowering the Board of County Commissioners of Each County to Designate Depositories for County Funds and Providing the Procedure and the Regulations Under Which Such Funds May be Deposited.

And recommend that the same be amended as follows:

Strike out all of the bill after the words "A Bill For" and insert in lieu thereof the following:

An Act Designating the Depositories of all Public Funds and Fixing the Minimum Rate of Interest; Requiring Competitive Bids for Such Deposits; Providing for Publicity with Reference to Such Funds and Depositories; Prescribing Penalties for Violation of this Act; Defining Terms Used Herein, and Repealing Sections 370 to 374, Inclusive, Sections 1472 to 1488, Inclusive, and Sections 3315 to 3329, Inclusive, of the Compiled Laws of 1913.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE STATE OF NORTH DAKOTA:

Section 1. DEFINITION OF TERMS. (a) The term "public corporation" as used in this act, shall be construed to include counties, townships, school districts, villages and cities, and all public bodies corporate, except the State of North Dakota and all state, penal, charitable, correctional, educational and industrial institutions, enterprises and business projects.

(b) The term "school district" shall include all common school districts, special school districts, independent school districts, consolidated school districts, and cities and other bodies politic or corporate, organized as school districts under a special law, or operating under a special law.

(c) The term "board," as used in this act, unless otherwise indicated, shall be construed to include the governing board of school districts as hereinbefore defined; the city council or commission in cities, the board of county commissioners, the board of trustees of villages, the board of township supervisors.

(d) The term "clerk," as used in this act, unless otherwise indicated, shall include the clerks of school boards in common school districts, in consolidated school districts, in special school districts, the secretary of the board of education in independent school districts, the clerk or secretary of the school board in special school districts, the city auditor in case of school districts in cities organized under a special act or law, the county auditor in his capacity as clerk of the board of county commissioners, the clerk or secretary of the board of trustees in villages and the clerk of the board of township supervisors.

(e) The term "public funds," as used in this act, unless the context otherwise indicates, shall be construed to include all funds derived from taxation, fees, penalties, sale of bonds, or from any other source which belong to and are the property of public corporations as defined in section one of this act. It shall include all sinking funds of such public corporations, and all funds from whatever source derived and for whatever purpose to be expended, of which such public corporations have legal custody. It shall include the funds of which any such board, bureau, commission or individual, created or authorized by law to have control of such funds as the legal custodian for any purpose whatsoever, whether such funds were derived from general or special taxation or the assessment of persons, corporations or individuals for a specified purpose, or from the sale of bonds.

Section 2. In counties where township organization is incomplete, the Board of County Commissioners shall perform all duties, with reference to the designation of depositories and the deposit of public funds, in townships in such counties which, if the townships were duly organized, would under the provisions of this act devolve upon the board of township supervisors.

Section 3. All funds of such public corporations, as defined herein, shall be deposited in state or national banks located within the State of North Dakota, and which have been duly designated as depositories of public funds as provided in this act. The treasurer of such public corporations and all persons by law charged with the custody of public funds, which, according to the provisions of this act, shall be deposited in depositories duly designated as provided herein, shall promptly upon receipt of such funds deposit the same in a duly designated depository in compliance with this act. Checks or drafts on funds deposited as herein provided shall be drawn by the legal custodian thereof in his official capacity only; and no checks or drafts on such deposits shall be paid or honored by such depository unless so drawn. Any person violating the provisions of this section shall be guilty of a misdemeanor, and shall, in addition thereto, be liable to the public corporation, the state, and any state institution, in a civil action for all damages caused or suffered thereby.

Section 4. Any state bank duly incorporated in this state under and pursuant to the laws governing the incorporation of banking corporations, and any national bank situated and doing business within the State of North Dakota, may be designated a depository of public funds by the proper board as herein defined. The board may select two or

more banks in the same county as depositors, but if more than one bank be designated the board shall deal with the banks selected and designated impartially, both as to the deposit of funds and the withdrawal of funds, and the requirement as to bonds. The board shall take into consideration, in selecting and designating the depository or depositories, the condition of each bank and the capital, surplus and general credit thereof.

Section 5. In counties where only one bank is located or functioning, the board may designate such bank as a depository, or it may designate another state or national bank, or banks within the state, as depository, or depositories, in the manner and upon the conditions provided in this act. In counties where there is no bank in existence or functioning the board may designate any state or national bank or banks outside of such county and within the state as a depository, or depositories, in the manner and upon the conditions provided in this act for the selection of depositories of public funds.

Section 6. In no case shall the amount of county funds deposited by the county commissioners in any one bank exceed the combined capital and surplus of such bank. In counties where the deposits to be made by the county commissioners of county funds, exceed the combined capital and surplus of all the banks in the county, the board of county commissioners may nevertheless deposit such county funds in banks within the county, upon the condition that such banks furnish a sufficient bond as required in this act.

Section 7. Before any deposit shall be made in any depository, by or in behalf of any public corporation, such depository shall furnish a bond payable to the public corporation making such deposit in an amount that shall at least equal the largest deposit that may at any time be in such depository; said bond shall be approved as to form, amount and sufficiency by the board. If the board fails or refuses to approve any such bond the same may be presented to the Judge of the District Court, upon three days notice to the clerk of the board of public corporation to which bond was submitted and in case of cities involving deposits of municipal funds, the city auditors, respectively, and the judge shall forthwith proceed to hear and determine the sufficiency of such bond and may approve or disapprove the same as the facts warrant. If he approves such bond the said bank shall be declared a depository of the funds of such public corporation. The sureties on all bonds required by public corporations according to the provisions of this law shall justify as required by law in arrest and bail proceedings; provided, however, that in lieu of such personal bond, the board of public corporation involved, may require such bank designated as a depository to file a surety bond for a sum equal to the amount of funds such bank may receive according to the provisions of this act. The bond, when approved, shall be deposited with the county auditor. This bond shall be a continuing bond and shall continue binding until the proper board of the public corporation shall require a new or different bond; but in no case involving the deposit of funds of public corporations shall such bond be continued without a renewal thereof, for a longer period than four years.

Section 8. The board shall at its regular meeting in July of each odd numbered year after the taking effect of this act, assemble and examine all outstanding bonds and require new bonds whenever necessary in order to comply with the provisions of this law. If there be no regular meeting of the board in July required by any law heretofore in force, the board shall assemble for said purpose not later than the third Tuesday in July. At its first regular meeting in July after this act takes effect the board shall designate depositories of public funds as herein provided. The clerk of such board shall on the first day of July when this act takes effect, and thereafter, at least ten days before such meeting, notify every bank in the county, both state and national, that at the next regular meeting, or if no regular meeting be required by law, then at a meeting to be called for that purpose, the board will designate a depository or depositories of public funds. Such notice shall be given by registered mail. The notice shall further recite the probable amount of public funds to be deposited, indicating separately sinking funds to be deposited on time, and call funds to be subject to check or draft; such notice shall advise the bank that proposals will be received for such deposits, and that the interest rate on such deposits shall be not less than two percent (2%) on call deposits and not less than four percent (4%) on time deposits. It shall further recite that the board expects the depositors to pay interest on public funds at substantially the same rate it pays interest on the funds deposited by private persons. Proposals for deposits shall be sealed and delivered to the clerk prior to the time fixed for such meeting, and shall state in writing what rate of interest will be paid on average daily balances during the month and what interest will be paid on time deposits.

Section 9. The proposals for public deposits referred to in the preceding section hereof shall be by the clerk laid before the board at the meeting aforesaid, and shall be thereupon opened by such clerk in the presence of the board and the board shall thereupon proceed to designate a depository, or depositories, of public funds under its control.

Section 10. Every National Banking Corporation, designated as a state depository under the provisions of this act for the deposit of funds, shall be required to permit the examination and inspection by the state examiner of any report or reports made to the comptroller of currency, relative to the financial condition of such association. The state examiner may also call for special reports from any such depository whenever in his judgment the same is necessary in order to obtain full and complete knowledge of the condition of the public funds therein deposited. If any National Banking corporation fails to comply with a demand of the state examiner for such inspection, as provided herein, the state examiner shall certify that fact to the board having charge as herein defined, forthwith, and the person charged by law with the custody of such public funds, shall immediately withdraw from the said depository all funds of the state deposited therein.

Section 11. The rate of interest on all public funds deposited as herein provided shall be not less than two percent (2%) on daily balances subject to check or draft, cred-

ited monthly, and not less than four percent (4%) on time deposits. It is the intention of this act that depositories of public funds in this state shall pay substantially the same rate of interest thereon as such banks pay to individual depositors upon individual deposits.

Section 12. Each depository shall furnish to the public corporation to whose credit the deposit is held, on the first day of each month, an itemized statement of account in such depository subject to check. Such statement shall be verified whenever required, by the treasurer of any public corporation as to funds of such corporation. All sums of interest accruing on funds so deposited shall be credited to said deposit on the first day of each month for the preceding month.

Section 13. All such public funds shall be deposited in the name of the public corporation to which the same belongs, and the treasurer shall, between the first and tenth day of the months of January, May and September, in each year, publish once in some newspaper in the county the names of such depositories, the amount of money on deposit therein subject to check and on time deposit and the rate of interest thereon, and the amount of the bond furnished by each depository.

Section 14. This act shall not apply to public corporations and school districts unless the amount in the treasury of such corporation equals or exceeds the sum of five hundred dollars. The board of public corporations having on hand less than five hundred dollars, and therefore not within the provisions of this act, shall deposit all the funds of such public corporations and school districts nevertheless in some bank selected by the board thereof under such conditions and restrictions as shall seem adequate to such board to protect the public interest.

Section 15. To the extent that public funds are deposited as herein provided, the legal custodian thereof, and the sureties on his bond, shall be exempt from all liability thereon by reason of loss of any such funds from failure, or other act of any such depository.

Section 16. Any person violating any of the provisions hereof shall be guilty of a misdemeanor, and shall be fined not less than twenty-five dollars (\$25.00) nor more than one thousand dollars (\$1,000.00) or imprisoned in the county jail ~~not less than ten days~~ nor more than ~~six months~~ or both for each offense.

Section 17. Any board, commission, bureau or individual having the legal custody of any public funds that do not expressly or by name come within the provisions of the preceding sections of this act, shall at least thirty days before its first meeting in each odd numbered year advertise in a newspaper for proposals for the deposit of such funds. A bond shall be required of the depository designated, and shall be approved by such board, commission, bureau or individual and filed with the county auditor. The provisions of Sections 3, 4, 5, 6, 10, 11, 12, 13, 14 and 15 of this act, with reference

to the deposit of public funds in a duly designated depository, the drawing of checks or drafts thereon and the payment thereof, the penalties for violating such provisions as prescribed in Section three hereof, the bank or banks that may be designated, and the considerations entering into such designation, the provision of Section five, with reference to counties in which but one bank or in which no bank is located and functioning, the amount to be deposited in each bank designated, the contents of the notice that proposals will be received, includes the probable amount to be deposited on time and subject to draft, and the minimum rates of interest on each class of deposits, the inspection of reports of national banking corporations by the bank examiner in which state funds or the funds of state institutions are deposited in case that the funds to be deposited under the provisions of this section be the funds of the state or of a state institution as defined herein, shall govern insofar as applicable to the designation of depositories and the deposit of public funds therein by such board, commission, bureau or individual.

Section 18. REPEAL. Sections 370 to 374, inclusive, Sections 1472 to 1488, inclusive, and Sections 3315 to 3329, inclusive, of the Compiled Laws of 1913 are hereby repealed; all acts and parts of acts inconsistent with this act are hereby repealed.

Section 19. EMERGENCY. Whereas, an emergency exists this act shall be in force and effect from and after its passage and approval."

And recommend the same do pass as amended.

Senate Bill No. 173: A Bill for an Act Providing for Salaries of County Auditors, Registers of Deeds, County Judges, State's Attorneys, Clerks of District Courts, Sheriffs, and County Superintendents of Schools, and Repealing Chapter 112 of the Laws of 1915 and All Acts and Parts of Acts in Conflict Herewith, and Chapter 105 of the Session Laws of 1919.

Have had the same under consideration and recommend that the same be amended as follows:

In line 5 of the title after the word "schools" insert the words "and County Treasurers." In the first line, page 2 of the engrossed bill, strike out the figures "\$25.00" and insert in lieu thereof the figures "\$40.00." In the sixteenth line, Section 2 of the engrossed bill, strike out the figures "\$25.00" and insert in lieu thereof the figures "\$40.00." In the eighteenth line, Section 2, after the word "compensation" add the words "and salary." Strike out the last sentence of Section 2.

And recommend the same do pass as amended.

Also:

Concurrent Resolution Relative to Co-Operation of Flood Control Engineer With Province of Manitoba Regarding Survey of Red River.

And recommend the same do pass.

Also:

Senate Bill No. 18: A Bill for an Act to Amend and Re-enact Chapter Six, Session Laws 1919, as Amended by Special Session Laws 1919 Relating to the Licensing, Regulating and Supervising the Licensing and Inspection of Pool and Billiard Rooms, Ball and Pin Alleys, Dance Halls, Theaters, Moving Picture Shows, Taxicab and Auto Livery, Places where Soft Drinks are Manufactured or Sold or where Cigars and Tobacco are Sold, or Public Hall, Owned Privately and Used for Public Purposes; Providing Fees Therefor, Inspectors, Office Help and Supplies Thereof; Defining Powers and Duties and Repealing all Acts and Parts of Acts Inconsistent Therewith.

Have had the same under consideration and recommend that the same be amended as follows:

In line 6 of the title of the engrossed bill after the words "drinks are" strike out the words "manufactured or sold" and insert in lieu thereof the word "retailed." In Section 1 line 3, after the word "are" strike out the words "manufactured or" and in line four of the same section strike out the first word "sold" and insert in lieu thereof the word "retailed." In Section 2, line 11, after the word "be" strike out the word "herein" and insert the word "therein" in lieu thereof. In Section 3, line 13, after the word "are" and in the first part of line 14 of same Section strike out the words "manufactured or sold" and insert in lieu thereof the word "retailed." In Section 4, line 2, strike out the word "five" and insert in lieu thereof the word "three." In Section 5, line 16, after the word "business" strike out the period and insert in lieu thereof a comma and strike out the capital "T" in the following word "The" and insert in lieu thereof a small "t". In Section 6, line 12, after the word "thereof" insert a period, strike out the following word "and" and capitalize the letter "P" in provided. In section 6, line 13, after the word "that" strike out all of line 13 and all of lines 14 and 15, and in lieu thereof insert the following: "on or before the 5th day of July of each year after and including the year 1921, the state treasurer shall apportion and pay to the treasurers of the several cities, villages and townships within which such license fees are collected, all monies which remain on hand in said attorney general's inspector license fund on July 1st of such year derived from licenses for the previous license year, such payments to be pro-rated to such cities, villages and townships in the same proportion in which they were received, over the cost of pro-rating such funds. Such funds shall be used by such municipalities to defray expenses incurred in local regulation and supervision and in carrying out the duties now or hereinafter enjoined upon them in such regard, including the keeping of the peace in the places which may be licensed under the provisions thereof." In section 7, line 10, after the word "are" strike out the words "manufactured or sold" and insert in lieu thereof the word "retailed."

And when so amended recommend the same do pass.

J. C. MILLER,
Chairman.

Mr. Maddock of Mountrail moved that the report be adopted, which motion prevailed and the report was adopted.

WEDNESDAY, MARCH 2, 1921

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The courtesies of the floor were extended to Raymond Patterson, Fred Knight. Ed Dummer, W. A. Donnelly, Fargo.

Mr. Miller moved that the House do now recess until 10 o'clock A. M., March 3, 1921, which motion prevailed and the House so recessed.

C. L. DAWSON,
Chief Clerk.

FIFTY-EIGHTH DAY AFTER RECESS AND
FIFTY-NINTH DAY.

House of Representatives,
Bismarck, North Dakota,
March 3, 1921.

The House convened at 10 o'clock a. m. pursuant to recess taken, the Speaker presiding.

THIRD READING OF SENATE BILLS.

Senate Bill No. 200: A Bill for an Act Authorizing the Renewal of the Period of Corporate Existence of Certain Corporations Whose Period of Duration has Expired Without the Renewal Thereof, and Legalizing Acts and Contracts of Such Corporation Made or Done and Performed Subsequent to the Expiration of the Original Period of Existence of Such Corporations.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 99, nays 0, absent and not voting 14.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Botz, Brady, Bratsberg, Burkhardt, Burns, Cart, Doyle, Durkee, Ellingson, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Bollinger, Boyd, Bryans, Carlson, Cole, Eckert, Elmer, Johnson of Pembina, Lackey, McDowell, McGauvran, McLarty, Maddock of Mountrail, Nagel.

Senate Bill No. 31: A Bill for an Act to Amend and Re-enact Section 780 of the Compiled Laws of North Dakota, for the Year 1913, as Amended by Chapter 30, of the Special Session Laws of North Dakota, for the year 1919, Relating to Compensation of Court Stenographers, and Providing for the Payment of Expenses.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 70, nays 21, absent and not voting 22.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Botz, Boyd, Bratsberg, Burns, Carlson, Durkee, Ellingson, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Harding, Hartl, Jardine, Johnson of Cass, Johnson of Pembina; Johnson of Sargent, Johnson of Ward, Kellogg, Kelly, Kitchen, Kjos, Kopp, Larson of Pierce, Larson of Ransom, Levin, McGauvran, Mikkelson, Morton, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olson of Ramsey, Paterson, Peters, Plath, Preszler, Quade, Root, Sherman, Shimin, Shipléy, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Arduser, Brady, Bryans, Cart, Doyle, Hanson of Grand Forks, Hall, Lakie, Larkin, McManus, Martin of Bottineau, Martin of Slope, Maxwell, Oberg, Olson of Barnes, Ophaug, Reichert, Renauld, Sims, Weld of Wells.

Absent and not voting: Bollinger, Burkhardt, Cole, Eckert, Elmer, Erickson of Divide, Erickson of Walsh, Hempel, Heaton, Johnson of Steele, Johnson of Traill, Kamrath, Lackey, McDowell, McLarty, Maddock of Benson, Maddock of Mountrail, Magnuson, Miller, Olsen of Billings, Opland, Sagen, Semling.

So the bill passed and the title was agreed to. The emergency clause was lost.

Senate Bill No. 116: A Bill for an Act to Amend and Re-enact Chapter 179 of the Session Laws of 1915; an Act to Amend Chapter 177 of the Laws of 1911 (Same Being Sections 11402 to 11428, Inclusive, Compiled Laws 1913), Entitled "Juvenile Court," by Adding Thereto Certain Provisions Giving the Court Power When Necessary to Appoint District Juvenile Commissioners, Guardians ad litem, and to Make Rules and Regulations Prescribing Their Duties and Fixing Their Compensation; also to Enact Such Other Provisions Which Are Best Calculated to Carry Out the Purpose of Said Chapter 177.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 100, nays 0, absent and not voting 13.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhardt, Burns, Carlson,

Cart, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Flom, Freeman, Fredrickson, Frandson, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olson of Ramsey, Ophaug, Patterson, Peters, Plath, Preszler, Quade, Renauld, Root, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Bollinger, Cole, Erickson of Walsh, Grangaard, Hall, Kamrath, Lackey, Maddock of Benson, Maddock of Mountrail, Olsen of Billings, Opland, Reichert, Sagen.

So the bill passed with the emergency clause and the title was agreed to.

Senate Bill No. 133: A Bill for an Act to Empower Cities and Villages to Levy and Collect a Tax for the Purpose of Furnishing Musical Concerts to the Public.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 50, nays 46, absent and not voting 17.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Boyd, Bratsberg, Burns, Carlson, Cart, Cole, Doyle, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Fredrickson, Grangaard, Halcrow, Hartl, Jardine, Johnson of Cass, Johnson of Sargent, Kjos, Kopp, Larson of Pierce, McDowell, McGauvran, McLarty, McManus, Mikkelson, Mouck, Ness, Olsgard, Quade, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Starke, Ulland, Vogel, Wood.

Nays: Botz, Brady, Bryans, Burkhart, Eckert, Elmer, Frandson, Hagelbarger, Hanson of Grand Forks, Hall, Harding, Hempel, Heaton, Johnson of Steele, Johnson of Traill, Kellogg, Kelly, Kitchen, Larkin, Larson of Ransom, Lazier, Levin, Magnuson, Martin of Bottineau, Martin of Slope, Morton, Nagel, Nathan, Oberg, Olson of Ramsey, Opland, Patterson, Peters, Plath, Preszler, Reichert, Renauld, Sims, Slominski, Sproul, Watt, Weld of Kidder, Weld of Wells, Whitmer, Yeater, Mr. Speaker.

Absent and not voting: Bollinger, Erickson of Divide, Hanson of Benson, Johnson of Pembina, Johnson of Ward, Kamrath, Lackey, Lakie, Maddock of Benson, Maddock of Mountrail, Maxwell, Miller, Olafson, Olson of Barnes, Olsen of Billings, Ophaug, Strain.

So the bill was lost.

Senate Bill No. 58: A Bill for an Act Making it Unlawful for Any Railroad Corporation Doing Business in North Da-

kota, to Operate Any Locomotive Engine Propelled by Steam or Electric Power, Without Equipping Such Engine With a Vestibuled Cab; and Prescribing a Penalty for the Violation of this Act.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 103, nays 0, absent and not voting 10.

Ayes: Allen, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Botz, Boyd, Brady, Bryans, Burkhardt, Burns, Carlson, Cart, Doyle, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Anderson of Burleigh, Bollinger, Bratsberg, Cole, Durkee, Hanson of Grand Forks, Hall, Kamrath, Kellogg, Maddock of Benson, Olsen of Billings, Vogel.

So the bill passed and the title was agreed to.

REPORTS OF STANDING COMMITTEES.

HOUSE COMMITTEE ON ENROLLMENT AND ENGROSSMENT.

The committee on Enrollment and Engrossment made the following report:

Your committee on Enrollment and Engrossment respectfully report that:

House Bill No. 6:

A Bill for an Act to Amend and Re-enact Section 7949 of North Dakota, 1913, Relating to Continuances of Cases.

House Bill No. 18: A Bill for an Act to Amend and Re-enact Section 2 of Chapter 162 of the Laws of North Dakota for the Year 1919, Defining Certain Words and Phrases in said Chapter.

House Bill No. 20: A Bill for an Act to Amend and Re-enact Section 8 of Chapter 162 of the Laws of North Dakota for the Year 1919, Relating to the Enforcement of Payment of Premiums to the Workmen's Compensation Fund.

Also:

House Bill No. 21: A Bill for An Act to Amend and Re-enact Section 5 of Chapter 162 of the Laws of North Dakota for 1919, Relating to Information Furnished by Employers to the Workmen's Compensation Bureau of North Dakota and Penalty for Failure to Furnish Information Required.

House Bill No. 22: A Bill for an Act to Amend and Re-enact Section 3 of Chapter 162 of the Laws of North Dakota for the Year 1919, Relating to the Payment of Compensation to Injured Employees, or Their Dependents, and the Payment of Burial Expenses in the Event of Death Resulting from Injuries.

House Bill No. 57: A Bill for an Act to Amend and Re-enact Section 1455 of the Compiled Laws of the State of North Dakota for the Year 1913, and Section 1456 of the Compiled Laws of the State of North Dakota for the Year 1913, as Amended by Chapter 207 of the Session Laws of the State of North Dakota for the Year 1917, Relating to County Agricultural and Training Schools.

House Bill No. 59: A Bill for an Act to Amend and Re-enact Section 3905 of the Compiled Laws of North Dakota for the Year 1913, Relating to the Building and Repairing of Sidewalks by Villages, the Giving of Notice Thereof, the Duties of Real Property Owners, and the Powers of the

House Bill No. 60: A Bill for an Act Appropriating Five Thousand (\$5,000.00) Dollars for the Purpose of Erecting a Suitable Dairy Barn at the Experimental Station, Situated at Hettinger, Adams County, North Dakota.

House Bill No. 72: A Bill for an Act to Amend and Re-enact Section 4924 of the Compiled Laws of North Dakota for the Year 1913, Relating to Taxation of Insurance Companies.

Also:

House Bill No. 106: A Bill for an Act to Amend and Re-enact Section 46 of Chapter 161 of the Laws of North Dakota for the Year 1915, as Amended by Chapter 63, of the Laws of North Dakota for the Year 1917, as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Prohibiting the Trapping, Catching, Killing, or Destroying of Beaver and Otter, for a Limited Period.

House Bill No. 109: A Bill for an Act Legalizing Certain Acts of City, Village and School District Officials.

House Bill No. 116: A Bill for an Act Providing for the Furnishing by the Register of Deeds of Each County to Elevators Making Application and Paying the Fee Provided Therefor, of an Abstract of All Mortgages and Liens Upon Grain Grown During Each Year, and Filed in the Office of the Register of Deeds.

Also:

House Bill No. 119: A Bill for an Act Declaring Sow Thistles to be a Noxious Weed, Providing for Its Destruction and Providing for the Payment of the Expense of Its Destruction.

House Bill No. 124: A Bill for an Act to Amend and Re-enact Chapter 205 of the Session Laws of the State of North Dakota for the Year 1919 Prohibiting the Sale of Any New Draft Sleds Within the State of Which the Runners Measure Less Than Four Feet Six Inches from Center to Center and Making the Sale of Same a Misdemeanor and Providing for the Revocation of the License of Any Foreign Corporation to do Business in the State Which Fails to Comply With the Terms of this Act.

House Bill No. 125: A Bill for an Act to Amend and Re-enact Section 2681 of the Compiled Laws of the State of North Dakota for 1913, Compensation for Members of State Live Sock Sanitary Board.

Also:

House Bill No. 126: A Bill for an Act Relating to the Application of the Tuberculin Test and Eradication of Bovine Tuberculosis in Townships in Counties in North Dakota under Direction of the State Live Stock Sanitary Board by Petition of a Majority of Freeholders in Such Township.

House Bill No. 127: A Bill for an Act to Amend and Re-enact Section 2702 of the Compiled Laws of the State of North Dakota for 1913 as Amended by Chapter 263, Session Laws of North Dakota for the Year 1915, and Amending and Re-enacting Section 2706 of the Compiled Laws of the State of North Dakota for 1913, Relating to the Reimbursement of Owners of Tubercular Cattle.

House Bill No. 128: A Bill for an Act to Amend and Re-enact Section 2110 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 221 of the Session Laws of 1919, Relating to the Listing of Property of Corporations, Joint-Stock Companies or Associations for Taxation.

Also:

House Bill No. 155: A Bill for an Act to Amend and Re-enact Section 4624 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Conveyances and Mortgages of Railroad Corporations, so as to Provide the Manner of Execution and Manner and Place of Record of Every Conveyance or Lease, Deed of Trust, Mortgage or Assignment, or Satisfaction Thereof, Made by Any Railroad, Telegraph or Telephone Corporation.

House Bill No. 160: A Bill for an Act to Amend and Re-enact Section 122 of the Session Laws for the Year 1917, Relating to Bag Limit of Game Birds.

House Bill No. 162: A Bill for an Act to Amend and Re-enact Section 13b and Section 43 of Chapter 225, Laws of North Dakota, 1919, Relating to the Taxation of Transfers of Property by Will, Gift or by Intestate Law.

Also:

House Bill No. 168: A Bill for an Act to Amend and Re-enact Section 287 of the Compiled Laws of North Dakota for

the Year 1913, as Amended by Chapter 241 of the Session Laws of 1915, and as Amended by Chapter 204 of the Session Laws of 1917, and as Amended by Chapter 198 of the Session Laws of 1919, Relating to the Investment of University and School Land Funds.

House Bill No. 170: A Bill for an Act to Amend and Re-enact Section 7633 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to When Special Verdicts Directed to Special Findings, How Prepared and Judgment Entered Thereon.

House Bill No. 206: A Bill for an Act Authorizing Boards of County Commissioners to Issue Refunding Bonds to Fund or Refund for the Purpose of Seed Grain or Seed and Feed Grain Bonds or Warrants Theretofore Issued Pursuant to Law for the Purchase of Seed Grain and Feed or Either.

Also:

House Bill No. 63: A Bill for an Act to Amend and Re-enact Section 7644 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 1 of the Session Laws for the Year 1919, (Regular Session), Relating to Change of Judges in Civil and Criminal Actions in the District Court, for Prejudice or Bias of Judge Thereof; Providing for the Calling in of Another Judge of Another Judicial District, and the Payment of His Expenses, and the Discharge of Jurors Therein.

House Bill No. 75: A Bill for an Act to Appropriate Money for the Purpose of Constructing a Beef Cattle Barn at the Langdon SubStation.

Were delivered to the governor for his approval at the hour of 10:45 o'clock a. m.

A. J. PRESZLER,
Chairman.

THIRD READING OF SENATE BILLS.

Senate Bill No. 110: A Bill for an Act to Amend and Re-enact Section 811 of Chapter 69 of the Laws of the State of North Dakota for the Year of 1919, Providing for a Bond for Attorneys.

Was read the third time.

Mr. Kelly moved that Senate Bill No. 110 be referred to the Judiciary committee for further consideration, which motion prevailed and the bill was so referred.

Senate Bill No. 182: A Concurrent Resolution to Amend and Re-enact Section 173 of Article 10 of the Constitution of the State of North Dakota Providing for the Election of County Officials.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 85, nays 21, absent and not voting 7.

Ayes: Allen, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bollinger, Botz, Boyd, Brady, Burns, Carlson, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Jardine, Johnson of Cass, Johnson of Sargent, Johnson of Steele, Johnson of Ward, Kellogg, Kelly, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Ransom, McLarty, McManus, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Oberg, Olafson, Olsgard, Olson of Barnes, Olson of Ramsey, Opland, Patterson, Preszler, Quade, Reichert, Renauld, Root, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Bjorgo, Bratsberg, Bryans, Cart, Erickson of Divide, Hempel, Heaton, Johnson of Pembina, Johnson of Traill, Kitchen, Larson of Pierce, Levin, McDowell, McGouvran, Ness, Nagel, Nathan, Olsen of Billings, Ophaug, Peters, Ulland.

Absent and not voting: Anderson of Burleigh, Burkhart, Cole, Kamrath, Lazier, Maddock of Benson, Maddock of Mountrail, Plath, Sagen.

So the bill passed and the title was agreed to.

Senate Bill No. 111 A Bill for an Act Entitled: An Act Prescribing What Number of Stockholders Shall Constitute a Quorum in Stockholders' Meetings of Domestic Corporations and Also Providing that the Written Consent of the Holders of a Majority in Value of the Subscribed Capital Stock Shall be Affectual for Certain Purposes, Also Making Provision for

Notice for Stockholders' Meetings, and Repealing Conflicting Laws.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 91, nays 7, absent and not voting 15.

Ayes: Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjorgo, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cole, Doyle, Durkee, Eckert, Ellingson, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Johnson of Cass, Johnson of Pembina, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kelly, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Cart, Johnson of Sargent, Kellogg, Kitchen, McDowell, McGauvran, Olson of Barnes.

Absent and not voting: Allen, Anderson of Burleigh, Bjerke, Bollinger, Elmer, Erickson of Divide, Erickson of Walsh, Heaton, Jardine, Lazier, Olafson, Peters, Semling, Vogel, Watt.

So the bill passed and the title was agreed to.

Senate Bill No. 156: A Bill for an Act Restricting Rights of Litigants to Bring Actions in Courts to Set Aside Taxes or Assessments or to Recover Taxes Before Submitting Their Claims to the Board of County Commissioners for Adjustment and Dismissing Actions Heretofore Brought.

Was read the third time.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 99, nays 0, absent and not voting 14.

Ayes: Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Plath, Prezler, Quade, Reichert, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Allen, Anderson of Burleigh, Boyd, Cole, Kamrath, Kellogg, McGauvran, Maddock of Mountrail, Peters, Renauld, Strain, Ulland, Vogel, Watt.

So the bill passed with the emergency clause and the title was agreed to.

Senate Bill No. 41: A Bill for an Act to Amend and Re-enact Section 4059 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 71, Session Laws of 1915, and Chapter 178, Session Laws of 1917, Relating to Powers of Park Commission, be Amended and Re-enacted to Read as Follows:

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 91, nays 5, absent and not voting 17.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger,

Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Halcrow, Hanson of Grand Forks, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, McDowell, McGauvran, McLarty, McManus, Martin of Slope, Mikkelson, Miller, Morton, Mouck, Ness, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Peters, Plath, Preszler, Quade, Reichert, Root, Sherman, Shimmin, Sims, Slominski, Sproul, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Botz, Hagelbarger, Hanson of Benson, Levin, Maxwell, Nagel.

Absent and not voting: Boyd, Cart, Hall, Kamrath, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Patterson, Renauld, Sagen, Semling, Shipley, Starke, Strain, Ulland, Watt.

So the bill passed and the title was agreed to.

Senate Bill No. 39: A Bill for an Act to appropriate the sum or \$175,000.00 for the Purpose of Aiding in the Construction of a Bridge Across the Missouri River from Burleigh County to Morton County in the State of North Dakota Under the Provisions of Chapter 73 of the Laws Passed at the Sixteenth Session of the Legislative Assembly of North Dakota Approved March 5, 1919, in Addition to the sum Appropriated by Chapter 4 of the Special Session of the Sixteenth Legislative Assembly, Approved December 12, 1919, and that such Appropriation be made from the State Highway Fund.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 100, nays 8, absent and not voting 5.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cole, Durkee, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larson of Pierce, Larson of Ransom, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Mouck, Ness, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Botz, Cart, Doyle, Eckert, Hempel, Larkin, Lazier, Reichert, Renauld.

Absent and not voting: Ellingson, Kamrath, Maddock of Mountrail, Morton, Nagel.

So the bill passed and the title was agreed to.

MESSAGES FROM THE SENATE.

SENATE CHAMBER.

Bismarck, N. D., March 3, 1921.

Mr. Speaker: I have the honor to return:

House Bill No. 203: A Bill for an Act to Amend and Re-enact Section 69 of the Compiled Laws of North Dakota for 1913, Relating to the Printing of the Popular Edition of the Session Laws; Fixing the Specifications for the Unauthenticated Edition of the Session Laws of the State of North Dakota, and Re-enacting All Acts and Parts of Acts in Conflict Therewith.

Which the Senate has amended as follows:

House Bill No. 203.

Change the title to read as follows:

An Act to Amend and Re-enact Sections 46, 51 and 69 of the Compiled Laws of North Dakota for 1913. Classifying Public Printing and Relating to the Printing of the Popular Edition of the Session Laws; Fixing the Specifications for the Unauthenticated Edition of the Session Laws of the State of North Dakota, and Repealing All Acts and Parts of Acts in Conflict Therewith.

Section 1. AMENDMENT.) Section 46 of the Compiled Laws of North Dakota for the year 1913, is hereby amended and re-enacted to read as follows:

Section 46. CLASSES OF PRINTING. The printing of the state is hereby divided into five classes, to be let in separate contracts as follows:

1. The printing of bills, resolutions and other documents for the use of and incident to the legislative assembly shall constitute the first class.
2. The printing and binding of the journals of the Senate and House of Representatives shall constitute the second class.
3. The printing and binding of executive and public documents and reports shall constitute the third class.
4. The printing and binding of the volume of laws, with the joint resolutions, which shall be included in said volume, shall constitute the fourth class.
5. The printing of all blanks, circulars and other miscellaneous job work necessary for the use of the executive departments, other than such as are printed in pamphlet form and not entering into the volumes of executive documents,

and all printing not included in the foregoing classes shall constitute the fifth class.

(R. C. 1905, S. 38; 1890, ch. 119, S. 2; R. C. 1899, S. 39.)

Section 2. AMENDMENT. Section 51 of the Compiled Laws of the year 1913 is hereby amended and re-enacted to read as follows:

OPENING OF BIDS. AWARDS. The commissioners, or any two of them, shall within two days after the expiration of the term for receiving proposals as aforesaid, and not later than the first Tuesday after the first Monday in August proceed to open in public all such proposals received by them and to award the contract for each class of printing to the lowest bidder therefor, subject to the reservations of the preceding section; provided, however. If two or more persons bid the same and the lowest price for any class, or classes of printing, the commissioners shall award the contract to such one or more of them as in their opinion will best subserve the interests of the state. (R. C. 1905, S 43; 1890, ch. 119, S 6; R. C. 1899, ch. 44.)

In line 1, section 1, printed bill, after the word "section" strike out figure 1, and insert in lieu thereof figure "3."

In section 2, line 1, printed bill, after the word "section" strike out figure "2" and insert in lieu thereof the figure "4."

In section 3, line 1, printed bill, after the word "section" strike out the figure "3" and insert in lieu thereof the figure "5."

Very respectfully,
W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to return herewith the following bill:

House Bill No. 16: A Bill for an Act Relative to Scaffoldings and Providing Safety Appliances in Construction Work.

Which the Senate has passed unchanged.

Very respectfully,
W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to return:

House Bill No. 105: A Bill for an Act to Amend and Re-enact Chapter 118 of the Session Laws of 1919, which Amends and Re-enacts Section 890 of the Compiled Laws of North Dakota, for the Year 1913, Pertaining to the Selection of County and State Committeemen.

Which the Senate has amended as follows:

Amendment to House Bill 105. 890-a, Penalty. After all contests are settled, affecting the election of any committeeman as provided in this act, any person who wilfully and falsely impersonates any committeeman elected as provided

in this act, shall be deemed guilty of a misdemeanor and shall be subject to a fine of not less than \$50 or more than \$500.

Amendment to title: And to provide a penalty for violation of this act.

Very respectfully,
W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to return:

House Bill No. 49: A Bill for an Act to Amend and Re-enact Section 814 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Jurors.

Which the Senate has amended as follows:

On page 2 of the engrossed bill in the 5th line after the word the insert the word clerk of.

Very respectfully,
W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to return:

House Bill No. 14: A Bill Entitled, an Act Relating to Interfering with Rights of Employees.

Which the Senate has amended as follows:

In Sec. 1, paragraph b, line 1 after the word "corporation" insert "employing labor."

In line 6 after the word "corporation" insert "employing labor," and after the word "or" insert "other," and after the word "employers" insert "of labor."

In paragraph c, line 1 after the word "corporation" strike out the comma and insert "employing labor."

Very respectfully,
W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to inform you that the Senate has concurred in the House amendment to:

Senate Bill No. 32: A Bill for an Act to Amend and Re-enact Sections 11114 and 11115, Compiled Laws of the State of North Dakota for 1913, Relating to the Admitting to Bail of Persons Charged with the Offense of Homicide.

Senate Bill No. 54: A Bill for an Act to Appropriate Money to Take Care of the Deficit in the Maintenance Account of the Hail Insurance Department for the Year Beginning January 1st, 1920, and Ending December 31st, 1920.

Senate Bill No. 55: A Bill for an Act to Amend and Re-enact Sections 9014 and 9015, Compiled Laws of North Da-

kota for teh Year 1913, Relating to the Depositing of Official Dockets and Papers of Justices of the Peace.

Senate Bill No. 24: A Bill for an Act to Amend and Re-enact Section 4400 of the Compiled Laws of North Dakota, 1913, Relating to Affirmative Proof Required in Divorce Actions.

Senate Bill No. 162: A Bill for an Act to Provide a Minimum Amount of Training, a Minimum Salary for a Teaching Experience of Less Than One School Year, and a Schedule of Salary Minimums for a Teaching Experience of From One to Six Years Inclusive, for the Teachers in the Public Schools of North Dakota.

Very respectfully,
W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to return herewith the following bills:

House Bill No. 132: A Bill for an Act Relating to Motion Picture Films, Reels, and Views, Providing a System of Examination, Approval and Regulation Thereof, and of the Banners, Posters and Other Advertising Matter Used in Connection Therewith; Creating a Bureau of Inspectors of Motion Pictures and Providing Penalties for the Violation of this act.

House Bill No. 197: A Bill for an Act to Provide for State and County Ballots for the Primary and General Elections and for Nomination and Election of all Elective State Officers, Members of the Legislative Assembly, Judge of the Supreme Court and District Court, Superintendent of Public Instruction and all Elective County Officers and to Repeal Sections 904, 905, 906, 907, 908, 909, 917, 918 and 919 of the Compiled Laws of the State of North Dakota for the Year 1913 and Chapter 117 of the Session Laws of 1919, as Well as all Other Acts or Parts of Acts that are in Conflict With the Provisions Hereof.

House Bill No. 176: A Bill for an Act to Amend and Re-enact Section 2078, Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 223, Session Laws of 1919, Relating to the Exemption of Property From Taxation.

House Bill No. 92: A Bill for an Act Providing for a Committee to Investigate the Proposed Roosevelt Park.

House Bill No. 183: A Bill for an Act to Amend and Re-enact Chapter 1342 of the Compiled Laws of North Dakota for 1913, as Amended by Chapter 141 of the Session Laws of North Dakota for the Year 1915 and Chapter 206 of the Session Laws of North Dakota for the Year 1917, Relating to Compulsory Attendance, School Age and the Transportation of Pupils.

House Bill No. 190: A Bill for an Act Empowering the State Inspector of Grades, Weights and Measures to Fix Maximum Rates for the Storage, Insurance, and Handling of Grain in Public Grain Warehouses; Requiring Warehouse-

men to Insure all Grain Stored in Public Grain Warehouses; and Repealing Section 3116 of the Compiled Laws of 1913.

House Bill No. 191: A Bill for an Act Empowering the State Inspector of Grades, Weights and Measures to Waive Certain Requirements of the Laws, Rules, and Regulations of the State of North Dakota Relating to Public Grain Warehouses in the Case of Grain Warehouses Which Have Given Bond and are Licensed Under the United States Warehouse Act.

Which the Senate has indefinitely postponed.

Very respectfully,

W. J. PRATER,
Secretary.

Mr. Shipley moved that the House do now recess until 1 o'clock p. m. March 3, 1921, which motion prevailed and the House so recessed.

AFTER RECESS.

THIRD READING OF SENATE BILLS.

Senate Bill No. 84: A Bill for an Act to Appropriate the Sum of Eight Hundred Twenty-one and 75-100 Dollars (\$821-75) for Printing the 1917-1918 Biennial Report of the Attorney General.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 97, nays 0, absent and not voting 16.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Bilquist, Ejerke, Bollinger, Botz, Boyd, Brady, Bratsberg, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McLarty, McManus, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Ophaug, Opland, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Babcock, Bauer, Bjorgo, Bryans, Ellingson, Elmer, Erickson of Divide, Kellogg, McDowell, McGauvran, Maddock of Benson, Maddock of Mountrail, Olsen of Billings, Olson of Ramsey, Patterson, Sherman.

So the bill passed with the emergency clause and the title was agreed to.

Senate Bill No. 153: A Bill for an Act to Amend and Re-enact Section §122 of the Compiled Laws of North Dakota for 1913, as Amended by Chapter 180 of the Laws of 1915 and as Amended by Chapter 151 of the Laws of 1917, Relating to Foreclosure of Land Contracts.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 62, nays 47, absent and not voting 4.

Ayes: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Botz, Brady, Bratsberg, Bryans, Burkhart, Cart, Cole, Doyle, Eckert, Erickson of Divide, Fredrickson, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Johnson of Pembina, Johnson of Steele, Johnson of Traill, Kamrath, Kellogg, Lackey, Lakie, Larkin, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olafson, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Nays: Allen, Anderson of Burleigh, Bauer, Bollinger, Boyd, Burns, Carlson, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Hagelbarger, Heaton, Jardine, Johnson of Cass, Johnson of Sargent, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Larson of Pierce, Mikkelson, Mouck, Ness, Nagel, Nathan, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood.

Absent and not voting: Elmer, Frandson, Maddock of Mountrail, Strain.

So the bill passed and the title was agreed to.

Mr. Hanson, of Grand Forks, explained his vote as follows:

I would like to explain my vote and have it recorded in the Journal. I vote "aye" on this bill because ever since I came into the legislature in 1917, I have been accused by the Nonpartisan league of working for big business. It started right away in 1917, when some men from the western part of the state came down and introduced a bill to cut down the interest rate and there was a good deal of talk about cutting down the interest to six percent. I talked against it as I thought it would work a hardship on the farmers of the western part of the state. I said it might be hard to pay big interest, but it would be harder not to be able to borrow money at home. The bill was introduced by a member from Williams county. After it was introduced, I was asked to go and try to have the bill killed in the Senate and I stated I would not do so. If I did, he could then go home and tell the people of Williams county that I tried to have the bill killed. I do not know if this bill will help the farmers but if it will, on land contracts, I am very glad to vote to support it.

Senate Bill No. 11: A Bill for an Act Amending and Re-enacting Section 10251 of the Compiled Laws of North Dakota for the Year 1913, Relating to Unlawful Obligations in Writing.

Was read the third time.

Mr. Grangaard moved that Senate Bill No. 11 be re-referred to the Judiciary committee for further consideration, which motion was lost.

Mr. Olson of Billings moved that further consideration of Senate Bill No. 11, be indefinitely postponed, which motion was lost.

Senate Bill No. 11: A Bill for an Act Amending and Re-enacting Section 10251 of the Compiled Laws of North Dakota for the Year 1913, Relating to Unlawful Obligations in Writing.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 96, nays 14, absent and not voting 3.

Ayes: Anderson of Griggs, Arduser, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bryans, Burns, Carlson, Cart, Doyle, Durkee, Eckert, Elmer, Erickson of Divide, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Ness, Nagel, Nathan, Oberg, Olafson, Olson of Barnes, Olson of Ramsey, Ophaug, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Babcock, Bauer, Bratsberg, Burkhart, Cole, Ellingson, Erickson of Walsh, Kitchen, Levin, Mouck, Olsgard, Olsen of Billings, Opland, Strain.

Absent and not voting: Allen, Anderson of Burleigh, Johnson of Steele.

So the bill passed with the emergency clause and the title was agreed to.

MESSAGES FROM THE SENATE

Senate Chamber,
Bismarck, North Dakota,
March 3, 1921.

Mr. Speaker: I have the honor to return:

House Bill No. 90: A Bill for an Act Requiring Railroad Companies to Provide Separate Compartments for Carriage of Sick People and Providing a Penalty for Violation Thereof.

Which the Senate has amended as follows:

In Section 1, line four of the printed bill, after the word "compartment" insert the words "made by curtains or otherwise."

In line six of same Section after the word "enclosed" insert the words "by curtains or otherwise."

In line six same section, after the word "located" strike out "and" and all of lines 7, 8, 9, and 10; and down to the word "Provided" in line 11, and insert in lieu thereof the following:

"Such Railroad Companies shall provide and carry on trains, one good heavy mattress, at least 8 inches thick, of proper width to fit inside of seats. That arrangements be made to remove the back of one seat thereby making room for one mattress. That these seats arranged to receive such mattress be enclosed with curtains for carriage of sick."

In line 12, same section, after the word "roads" strike out the balance of line and line 13 down to the words "upon which."

Very respectfully,

W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to return:

House Bill No. 192: A Bill for an Act to Amend and Repeal Chapter 97 of the Session Laws of 1917, as Amended by Chapter 99 of the Session Laws of 1919, and by Chapter 29 of the Special Session Laws of 1919, Relating to Cooperative Associations and to Repeal Chapter 13 of the Civil Code of the Compiled Laws of 1913, Chapter 92 of the Session Laws of 1915, and Chapters 95 and 96 of the Session Laws of 1917.

Which the Senate has amended as follows:

In Section 2, line three, after the word "Agricultural" insert the words "Grain Elevators."

In Section 3, strike out lines seven and eight. In line nine, strike out the words "of such certificate." Also in line 3, same section, change the letter "t" to capital "T" in the word "The" before the word "Secretary." Also in line 3, section 3, after the word "secretary" insert the words "of State." In sub-section 5 of Section 12, line 7, after the word "units" strike out the word "as" and insert in lieu thereof the word "at."

Section 16, line 19, beginning with the word "they" strike out all the rest of the sentence.

Very respectfully,

W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to return:

House Bill No. 100: For an Act Defining Criminal Syndicalism, Prohibiting the Advocacy Thereof and the Advocacy of Crime, Sabotage, Violence, or Other Unlawful Methods of Terrorism as a Means of Accomplishing Industrial Ends, and Assemblage for the Purpose of Such Advocacy; and Providing Penalties for the Violations of the Provisions Thereof.

Which the Senate has amended as follows:

Strike out all after the word "A Bill" and insert the following:

"For an Act Defining Criminal Syndicalism, Prohibiting the Advocacy thereof and the Advocacy of Crime, Sabotage, Violence, or Other Unlawful Methods of Terrorism as a Means of Accomplishing Industrial Ends, and Assemblage for the Purpose of such Advocacy; and Providing Penalties for the Violation of the Provisions thereof.

Be it Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. CRIMINAL SYNDICALISM DEFINED) Criminal syndicalism is hereby defined as the doctrine which advocates crime, sabotage, violence, or other unlawful methods of terrorism as a means of accomplishing industrial ends, and includes and comprehends all unlawful combinations in restraint of trade and all combinations of bankers, merchants, or others, which raises the price of any commodity or merchandise above what the price of such commodity or merchandise would be under the ordinary course of supply and demand, or the charging of a higher rate of interest than is customary in like communities where no combination exists; the printing or publishing, wilfully or knowingly, of any false rumor or report which tends to destroy the confidence of the people in the government of the State of North Dakota or of the United States, or which tends to destroy the people's confidence in any industry in which the State of North Dakota or in which the government of the United States is engaged; the entering into combinations or agreements by telephone or telegraph companies, railway companies, bankers, or any other group of men for the purpose of forcing down wages or for the purpose of black-listing or combining against any man or woman or any group of men or women who work for wages; the charging or receiving by any corporation, company, or person of a rental for any flat, dwelling house, or other property, in any city or organized town or village, that would produce a rate of income greater than twelve per centum per annum on the original cost to the present owner of said flat, dwelling house, or other property, after paying the tax and all reasonable and necessary charges for insurance and repairs thereof. The advocacy of such doctrine, whether by word of mouth or writing, or the doing of any such acts, is hereby declared a felony punishable as in this Act otherwise provided.

DECLARED A FELONY). Any person who by word of mouth or writing advocates or teaches the duty, necessity or propriety of crime, sabotage, violence or other unlawful methods of terrorism as a means of accomplishing industrial ends,

THURSDAY. MARCH 3, 1921

or prints, publishes, edits, issues or knowingly circulates, sells, distributes, or publicly displays any book, paper, document or written matter in any form, containing or advocating, advising or teaching the doctrine that individual ends should be brought about by crime and with the intent of advocating, advising, or teaching sabotage, violence, or other unlawful methods of terrorism, or who does any of the acts set forth in Section 1 hereof, is guilty of a felony and punishable by imprisonment in the penitentiary for not more than five years, or by a fine of not more than one thousand (\$1,000.00) dollars, or by both such imprisonment and fine.

Section 3. ASSEMBLING FOR PURPOSE DECLARED A FELONY.) Whenever two or more persons assemble for the purpose of advocating, practicing, or teaching doctrines of criminal syndicalism as defined in this Act, such assemblage is unlawful and every person voluntarily and knowingly participating therein or aiding or instigating the same is guilty of a felony and punishable by imprisonment in the penitentiary for not more than two years or by a fine of not more than five hundred (\$500.00) dollars, or by both such imprisonment and fine; provided, however, that nothing in the above three (3) sections shall be construed to abridge the legitimate rights of organized labor.

Section IV. REPEAL.) All Acts and parts of Acts in conflict with this Act are hereby repealed.

Very respectfully,

W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to return:

House Bill No. 199: A Bill for an Act to Amend and Re-enact Sections 1589, 1594, and 1595 of the Compiled Laws of 1913, Relative to Normal Schools.

Which the Senate has amended as follows:

In line 1, after the words "Section 1" insert the sub-title "Amendment."

After the words and figure "Section 2" insert the sub-title "Amendment."

After the word and figure "Section 3" insert the sub-title "Amendment."

In Section 2, line 5, strike out the word "Trustees" and insert the word "Administration."

Very respectfully,

W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to return:

House Bill No. 113: A Bill for an Act to Amend and Re-enact Section 2495 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Levy of Taxes for Interest for Drainage Purposes and Creating Sinking Fund.

Which the Senate has amended as follows:

In line seven after the word "drain" insert the following: "Provided that this section shall not apply to lands upon which payment has been made into the county treasury for the full amount of the assessment as provided in Section 2494 of the Compiled Laws of 1913."

Very respectfully,

W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to return herewith the following bills:

House Bill No. 67: A Bill for an Act to Amend and Re-enact Sections 2462, 2463, 2466, 2487, 2489, 2490 Compiled Laws 1913, Relating to Drains.

House Bill No. 201: A Bill for an Act Entitled, "An Act Whereby Teachers Teaching in the Public Schools of North Dakota be United States Citizens.

House Bill No. 41: A Bill for an Act Providing for the Preservation and Control of the Artesian Waters of the State.

Which the Senate has passed unchanged.

Very respectfully,

W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to inform you that the Senate refuses to concur in House amendment to Senate Bill 116 and the President has appointed as a conference committee Senators Church, Bond and Miklethun.

Also on House Bill No. 147 Senators Bowman, Rusch, and Wenstrom.

Very respectfully,

W. J. PRATER,
Secretary.

Mr. Halcrow moved that the House do now adjourn, which motion prevailed and the House adjourned.

C. L. DAWSON,
Chief Clerk.

FIFTY-NINTH DAY.

House of Representatives,
Bismarck, North Dakota,
March 3, 1921.

The House convened at 2 o'clock P. M. pursuant to adjournment, the Speaker presiding.

Prayer by Chaplain Rev. Alfson.

Roll call: All members present:

REVISION AND CORRECTION OF THE JOURNAL.

The committee on revision and correction of the Journal made the following report:

Mr. Speaker: Your committee on revision and correction of the Journal have carefully examined the Journal of the 58th day and recommend that the same be corrected as follows:

On page 1 in line 8, strike out the numeral "10" and insert in lieu thereof the numeral "1."

In lines 25 and 26, strike out the words "Five Thousand" and insert in lieu thereof the words "Three Thousand Five Hundred," and in line 26 strike out the numerals "\$5,000.00" and insert in lieu thereof \$3,500.00." On page 17 line 6, strike out the word "report" and insert in lieu thereof the word "resolution." On page 1, show that Walter W. McMahon was duly sworn in as House Stenographer. On page 16, strike out lines 5, 6, 7, 8, 9, 10, 11, 12, 13 inclusive.

On page 14 of the Journal of the 57th day correct the title to Senate Bill No. 147.

And when so corrected recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted.

REPORTS OF STANDING COMMITTEES

Mr. Speaker: Your committee on Judiciary to whom was referred:

Senate Bill No. 110: A Bill for an Act to Amend and Re-enact Section 811 of Chapter 69 of the Laws of the State of North Dakota for the Year of 1919, Providing for a Bond for Attorneys.

Have had the same under consideration and recommend that the same be amended as follows:

Title: An Act to amend and re-enact Sections 811 and 812 of the Compiled Laws of North Dakota, 1913, as amended by Sections 9 and 10 of Chapter 69 of the Session Laws of the State of North Dakota for the Year 1919.

Section 1. Amendment. That Sections 811 and 812 of the Compiled Laws of North Dakota, 1913, as amended by Sections 9 and 10 of Chapter 69 of the Session Laws of North Dakota for the Year 1919, is hereby amended and re-enacted to read as follows:

And when so amended recommend the same do pass.

C. H. STARKE,
Chairman.

Mr. Speaker: Your committee on Appropriations to whom was referred:

Senate Bill No. 51: A Bill for an Act to appropriate \$200,000.00 out of any Moneys in the Interest and Income of the Capitol Building Fund to Complete the Liberty Memorial Building, to Build a Tunnel to Connect it with the Power House, Laying Water Mains and Sewers, for the Improvement of the Grounds and Establishment of the Park.

Have had the same under consideration and return same without recommendations.

WM. WATT,
Chairman.

Mr. Speaker: Your committee on Appropriations to whom was referred:

Senate Bill No. 131: A Bill for an Act Entitled, an Act for the Purpose of Continuing the Work of Immigration as Provided for in Chapter 146 of the Session Laws of 1919, During the Biennial Period Beginning July 1, 1921, and Ending June 30, 1923.

Have had the same under consideration and recommend that the same be indefinitely postponed.

WM. WATT,
Chairman.

Mr. Maddock of Mountrail moved that the report of the committee on Senate Bill No. 131 be not accepted and that the same go to General Orders, which motion prevailed.

Mr. Speaker: Your committee on Appropriations to whom was referred:

Senate Bill No. 145: A Bill for an Act to Create, define and Establish the Bar Association of the State of North Dakota, and Providing for the publication of Its Proceedings, and Filing Copies Thereof With the State Bar Board and the State Libraries and as Otherwise Provided, and Making an Appropriation for the Expenses Connected Therewith.

Have had the same under consideration and recommend that the same do pass.

WM. WATT,
Chairman.

Mr. Watt moved that the report be adopted, which motion prevailed and the report was adopted.

CONSIDERATION OF MESSAGES FROM THE SENATE.

Mr. Sagen moved that the House do now concur in Senate amendments to House Bill No. 28, which motion prevailed.

Mr. Patterson moved that the rules be suspended and that House Bill No. 28 be considered properly engrossed and the same be passed on its third reading and final passage, which motion prevailed.

THIRD READING OF HOUSE BILLS

House Bill No. 28: A Bill for an Act to Amend and Re-enact Section 1136 of the General School Laws entitled Deputies. How Appointed. Salary.

Was read the third time.

The question being on the final passage of the bill, as amended by the Senate, the roll was called and there were ayes 112, nays 0, absent and not voting 1.

Ayes: Allen, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Anderson of Burleigh.

So the bill passed as amended by the Senate and the title was agreed to.

CONSIDERATION OF MESSAGES FROM THE SENATE

Mr. Watt moved that the House do now concur in Senate amendments to House Bill No. 19, which motion prevailed.

Mr. Peters moved that the rules be suspended and that House Bill No. 19 be considered properly engrossed and the same be passed on its third reading and final passage, which motion prevailed.

THIRD READING OF HOUSE BILLS

House Bill No. 19: A Bill for an Act to Amend and Re-enact Section 4 of Chapter 162 of the Session Laws of the State of North Dakota for the Year 1919, as Amended by Chapter 73 of the Laws Passed at the Special Session of the Sixteenth Legislative Assembly in December, 1919, Relating to the Creation of the Workmen's Compensation Bureau of North Dakota, the Appointment and Removal of the Commissioners Thereof, the Salary of Such Commissioners and the Powers and Duties of such Bureau.

Was read the third time.

The question being on the final passage of the bill, as amended by the Senate, the roll was called and there were ayes 108, nays 2, absent and not voting 3.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey,

Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Grangaard, Lakie.

Absent and not voting: Bauer, Maddock of Benson, Vogel.

So the bill passed as amended by the Senate and the title was agreed to.

CONSIDERATION OF MESSAGES FROM THE SENATE

Mr. Renauld moved that the House do now concur in Senate amendments to House Bill No. 77.

Mr. Mikkelson moved as a substitute motion that the House do not concur in Senate amendments to House Bill No. 77, which motion was lost.

The question now being on the motion of Mr. Renauld, the motion prevailed, and the House concurred in Senate amendments in House Bill No. 77.

Mr. Peters moved that the rules be suspended and that House Bill No. 77 be considered properly engrossed and the same be passed on its third reading and final passage, which motion prevailed.

THIRD READING OF HOUSE BILLS

House Bill No. 77: A Bill for an Act Fixing the Compensation of Election Officers.

Was read the third time.

The question being on the final passage of the bill, as amended by the Senate, the roll was called and there were ayes 112, nays 0, absent and not voting 1.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Peters.

So the bill passed as amended by the Senate and the title was agreed to.

CONSIDERATION OF MESSAGES FROM THE SENATE

The Speaker appointed as a conference committee on House Bill No. 116, Messrs. McGauvran, Burns, and Durkee.

Mr. Grangaard moved that the House do not concur in Senate amendments to House Bill No. 151, which motion prevailed.

The Speaker appointed as a conference committee on House Bill No. 151, Messrs. Grangaard, Johnson of Ward and Vogel.

Mr. Whitmer moved that the House do not concur in Senate amendments to House Bill No. 108, which motion prevailed.

The Speaker appointed as a conference committee on House Bill No. 108, Messrs. Bauer, Whitmer and Cole.

MESSAGES FROM THE SENATE

SENATE CHAMBER

Mr. Speaker: I have the honor to return herewith the following bills:

House Bill No. 137: A Bill for an Act Amending and Re-enacting Section 5742, Compiled Laws of North Dakota for 1913, Relating to the Application of the Provisions of Article 20, Compiled Laws of 1913, to Water Main and Water Works Systems, and to the Purchase Thereof.

Which the Senate has passed unchanged.

Very respectfully,

W. J. PRATER,
Secretary.

Also:

Mr. Speaker: have the honor to return:

House Bill No. 139: A Bill for an Act to Amend and Re-enact Section 3296 of the Compiled Laws of North Dakota for the Year 1913, Relating to County Commissioners' Powers and Duties With Respect to Contracts Let on Competitive Bids

Which the Senate has amended as follows:

In line 7, after the word "in" strike out "some" and insert in lieu thereof the word "official."

In line 44 of the printed bill, strike out the word "some" and insert in lieu thereof the word "official."

Very respectfully,

W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to return:

House Bill No. 136: A Bill for an Act to Amend and Re-enact Section 8205, Compiled Laws of North Dakota for 1913, Defining the Private Property Which May be Taken by Eminent Domain.

Which the Senate has amended as follows:

In Section 1, paragraph 5, after the word "works" insert "electric light and power plant."

In same section after the word "system" insert "electric light and power system."

Strike out "part thereof" in paragraph 5.

Add paragraph 7 as follows: "Provided, that in the event that such property is acquired by condemnation proceedings the city or municipality instituting such proceedings shall be bound by the decision of the court and jury in such proceedings, and shall pay into court, within six months after the rendering of the verdict therein, the full amount found by the jury to be the amount of the damages for such taking."

Very respectfully,

W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to return:

House Bill No. 134: A Bill for an Act to Amend and Re-enact Sub-division 70 of Section 3818, Compiled Laws of North Dakota for 1913. Relating to the Purchase and Acquisition by a City of Any System or Part of System of Water Works.

Which the Senate has amended as follows:

Amend the title after the word "relating" insert the words "to public utilities and." After the words "works" strike out the comma and insert a period, and add the following: "And Authorizing the State of North Dakota to Engage in the Enterprise of Furnishing Electricity for Power and Lighting Purposes to the Inhabitants and Public of the City of Bismarck and of the County of Burleigh to All State Buildings Owned or Leased by the State of North Dakota in said City and County and to the State Street Car line, and Making Provision for the Issuance of Bonds."

After the enacting clause strike out all of the bill and insert the following:

Section 70. And city may purchase, acquire by eminent domain, erect, lease, rent, manage, and maintain any system of water works, well, reservoirs, pipes, machinery, buildings, and all other property comprising a water works system, hydrants, and supply of water, telegraphing, fire signals or fire apparatus that may be of use in the prevention and extinguishment of fires, and to pass all ordinances, penal or otherwise, that shall be necessary for the full protection, maintenance, management and control of the property so leased, purchased or erected, and to fix and regulate the rates, use and sale of water; and in the same manner any city may acquire, establish, and maintain a plant for the purpose of furnishing electricity and power for lighting purposes to its inhabitants and may regulate and fix the rates to its patrons.

Section 70 A. And the State of North Dakota is hereby authorized to engage in the enterprise of furnishing electricity for power and lighting purposes to the inhabitants and public of the City of Bismarck and of the County of Burleigh and to supply electricity to all buildings owned or leased by the State of North Dakota in said city and county and to the state street car line; and in the same manner the Industrial Commission of the State of North Dakota shall have power and is authorized to consolidate the two separate electric plants, one at the State Capitol and the other at the State Penitentiary, and locate same on the State Penitentiary grounds near the City of Bismarck, and to manage and

operate the same, and to make and enforce rates, orders, rules, regulations and by-laws for the operation thereof, and for the transaction of said business, and in carrying on said business, said commission shall utilize prison labor as far as possible.

In fixing the rates for current furnished for power and lighting purposes to be charged to private consumers the Industrial Commission shall have in view the lowest rate consistent with the furnishing of adequate service.

It shall be the duty of the Industrial Commission, and said commission is hereby empowered and authorized to obtain, in the name of the State of North Dakota by permission or otherwise, licenses and franchises from the County of Burleigh and City of Bismarck, in the State of North Dakota, for the use of roads, public highways, streets and alleys for the purpose of installing all necessary wire, poles, conduits, cables and other services and equipment necessary to the operation of said utility.

Section 70 B. For the purpose of carrying out the provisions of this Act, the Industrial Commission is hereby authorized to issue bonds of the State of North Dakota in a sum not exceeding \$250,000, to be known as Bonds of North Dakota, Electric Utility Series, which bonds are to bear interest at a rate not exceeding six percent per annum, and said bonds shall be issued, insofar as possible, pursuant to the conditions and provisions of Chapter 153, Session Laws of North Dakota, 1919.

Section 70 C. If any part of this act shall be declared unconstitutional by the supreme court of the State of North Dakota, the other parts hereof, being valid, insofar as it is not unconstitutional it shall be and remain in full force and effect notwithstanding the unconstitutionality of some part thereof.

After subdivision 70 C of the engrossed bill, add the following:

Sec. 70 D. ("Provided, that in the event that such property is acquired by condemnation proceedings the city or municipality instituting such proceedings shall be bound by the decision of the court and jury in such proceedings, and shall pay into court, within six months after the rendering of the verdict therein, the full amount found by the jury to be the amount of the damages for such taking.")

Section 72 D. EMERGENCY. This Act is hereby declared to be an emergency measure, and shall be in full force and effect from and after the date of its passage and approval.

Very respectfully,
W. J. PRATER,
Secretary.

GENERAL ORDERS.

Mr. Bauer moved that the House resolve itself into a committee of the whole for the consideration of general orders, which motion prevailed, and the House resolved itself into a committee of the whole.

The Speaker called Mr. Bauer to the chair.

When the committee arose it submitted the following report:

Mr. Speaker: The committee of the whole have had under consideration:

Senate Bill No. 53: A Bill for an Act to Amend and Re-enact Chapter 160 of the Session Laws of North Dakota for the Year 1919 as Amended by Chapter No. 38 of the Special Session Laws of the 16th Legislative Assembly of the State of North Dakota for the Year 1919 Relating to State Hail Insurance.

Have had the same under consideration and recommend that the same be amended as follows:

In line 18 of the Engrossed Bill strike out the word "fifty" and insert in lieu thereof the words "twenty-five."

And recommend that the same do pass as amended.

WM. BAUER,
Chairman.

Mr. Watt moved that the report be adopted, which motion prevailed and the report was adopted.

REPORTS OF STANDING COMMITTEES.

Mr. Speaker: A minority of your committee on Tax and

House Bill No. 140: A Bill for an Act to Amend and Re-enact Chapter 271 of the Session Laws of North Dakota for the Year 1915, Relating to Qualifications of Signers on Petition of County Commissioners.

Have had the same under consideration and recommend that the same be amended as follows:

Article 2, section 4, sub-division 3, strike out after the word "the," the following: "treat as equivalent of cash to the amount of" and insert in lieu thereof, "considered on the basis of."

Article 4, Section 11, sub-division D strike out the period after North Dakota and insert "federal farm loan securities."

Article 6, Section 24, sub-division 10. In the first line after the word "or" insert "stock or mutual."

Article 6, Section 24, make new sub-division 13 as follows: "Corporations which pay a tax imposed by Section 4924 of the Compiled Laws of North Dakota for 1913 as amended."

Article 14, Section 50, after the word "act" in the fifth line, insert "50%."

Article 14, Section 50, after the word "funds" at the end of the paragraph add the following: "the other 50% of the remainder shall be prorated to the various counties of the state on the basis of the assessed valuation of all taxable property."

And when so amended recommend the same do pass.

J. A. JARDINE,
Chairman.

Mr. Speaker: A majority of your committee on Taxes and Tax Laws to whom was referred:

House Bill No. 140: A Bill for an Act to Amend and Re-enact Chapter 271 of the Session Laws of North Dakota for the Year 1915, Relating to Qualifications of Signers on Petition of County Commissioners.

Have had the same under consideration and recommend

that the same be amended as follows:

Strike out everything after the words "A BILL" and insert in lieu thereof the following:

For an Act to Amend and Re-enact Sections 2 and 28 of Chapter 224 of the Session Laws of North Dakota for the Year 1919, as Amended by Chapter 60 of the Special Session Laws of North Dakota for the year 1919, Relating to the Levy, Assessment, Collection and Distribution of said Income Taxes; and Repealing Subdivision 7-(c) of Section 6 of Said Chapter 224 of the Session Laws of North Dakota for the Year 1919, as Amended by Chapter 60 of the Special Laws of North Dakota for the Year 1919.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE STATE OF NORTH DAKOTA:

Sec. 1. Amendment.) That Section 2 of Chapter 224 of the Session Laws of North Dakota for the year 1919, as amended by Chapter 60 of the Special Session Laws of North Dakota for the Year 1919, be and the same is hereby amended and re-enacted to read as follows:

Sec. 2. For the purpose of providing revenue to defray the general expenses of the state government and the political subdivisions thereof, there shall be levied, assessed, collected, and paid annually upon the entire net income of every individual, a resident or non-resident of the State of North Dakota, except as hereinafter provided, from all sources within the state, including interest on bonds, notes or other interest bearing obligations of any corporation, joint stock company or association organized or doing business or owning property within the state, a tax in accordance with the following schedule:

(a) On unearned income:

On the first \$1000 or fraction thereof a tax of $\frac{1}{2}$ of 1 per cent;

On the 2nd \$1000 or fraction thereof a tax of 1 percent;

On the 3rd \$1000 or fraction thereof a tax of $1\frac{1}{2}$ percent;

On the 4th \$1000 or fraction thereof a tax of 2 per cent;

On the 5th \$1000 or fraction thereof a tax of $2\frac{1}{2}$ per cent;

On the 6th \$1000 or fraction thereof a tax of 3 per cent;

On the 7th \$1000 or fraction thereof a tax of $3\frac{1}{2}$ per cent;

On the 8th \$1,000 or fraction thereof a tax of 4 per cent;

On the 9th \$1000 or fraction thereof a tax of $4\frac{1}{2}$ per cent;

On the 10th \$1000 or fraction thereof a tax of 5 per cent.

On all net income in excess of \$10,000 and not in excess of \$20,000 a tax of 6 per cent;

On all net income in excess of \$20,000 and not in excess of \$30,000 a tax of 8 per cent, and on all net income in excess of \$30,000 a tax of 10 per cent;

(b) On Earned Income:

On the 1st \$1000 or fraction thereof a tax of $\frac{1}{4}$ of 1 per cent;

On the 2nd \$1000 or fraction thereof a tax of $\frac{1}{2}$ of 1 per cent;

On the 3rd \$1000 or fraction thereof a tax of $\frac{3}{4}$ of 1 per cent.

On the 4th \$1000 or fraction thereof a tax of 1 per cent;

On the 5th \$1000 or fraction thereof a tax of $1\frac{1}{4}$ per cent;

On the 6th \$1000 or fraction thereof a tax of $1\frac{1}{2}$ per

cent;

On the 7th \$1000 or fraction thereof a tax of 1¾ per cent;

On the 8th \$1000 or fraction thereof a tax of 2 per cent;

On the 9th \$1000 or fraction thereof a tax of 2¼ per cent;

On the 10th \$1000 or fraction thereof a tax of 2½ per cent;

On the 11th \$1000 or fraction thereof a tax of 2¾ per cent;

On the 12th \$1000 or fraction thereof a tax of 3 per cent;

On the 13th \$1000 or fraction thereof a tax of 3¼ per cent;

On the 14th \$1000 or fraction thereof a tax of 3½ per cent;

On the 15th \$1000 or fraction thereof a tax of 3¾ per cent;

On the 16th \$1000 or fraction thereof a tax of 4 per cent;

On the 17th \$1000 or fraction thereof a tax of 4¼ per cent;

On the 18th \$1000 or fraction thereof a tax of 4½ per cent;

On the 19th \$1000 or fraction thereof a tax of 4¾ per cent;

On the 20th \$1000 or fraction thereof a tax of 5 per cent;

On all net income in excess of \$20,000 and not in excess of \$30,000, a tax of 6 per cent;

On all net income in excess of \$30,000 and not in excess of \$40,000, a tax of 8 per cent;

On all net income in excess of \$40,000 a tax of 10 per cent;

The foregoing taxes shall apply to the entire net income, except as herein elsewhere provided, received by every taxable person for the calendar year, and for each and every year thereafter.

Sec. 2. Amendment. That Section 28 of Chapter 224 of the Session Laws of North Dakota for the year 1919, as amended by Chapter 60 of the Special Session Laws of North Dakota for the year 1919, be and the same is hereby amended and re-enacted to read as follows:

Sec. 28. All moneys collected under the provisions of this Act shall be paid into the State Treasury, and, after paying therefrom the necessary and proper expenses of collection of said income taxes, the remainder thereof shall be divided and distributed as follows: One-half thereof shall be paid into the General Fund of the State, to be used in defraying the general expenses of the State Government; and one-half thereof shall be paid into the General Funds of the various political subdivisions of the State, the same to be distributed to such political subdivisions on the basis of the proportion which the amount paid as income taxes by persons in said political subdivisions bears to the whole amount collected by the State, and to be used by said political subdivisions, when so distributed, for the purpose of defraying the general expenses of said political subdivisions.

Sec. 3. Repeal. Subdivision 7-(c) of Section 6 of Chapter 224 of the Session Laws of North Dakota for the year 1919, as amended by Chapter 60 of the Special Session Laws of North Dakota for the year 1919, and all Acts or parts of Acts in conflict herewith are hereby repealed.

And when so amended recommend the same do pass.

J. A. JARDINE,

Chairman.

The courtesies of the floor were extended to E. L. Semling, Daniel Preszler, J. W. Plunkett.

Mr. Watt moved that the House do now recess until 7:30 p. m. March 3, 1921, which motion prevailed and the House so recessed.

C. L. DAWSON,
Chief Clerk.

FIFTY-NINTH DAY, EVENING SESSION,
AFTER RECESS.

House of Representatives,
Bismarck, N. D.,
March 3, 1920.

MESSAGES FROM THE SENATE.
SENATE CHAMBER.

Bismarck, N. D., March 3, 1921.

Mr. Speaker: I have the honor to inform you that the Senate refuses to concur in the House Amendment to Senate Bill 182, the President appointed the following as a conference committee Senators Wog, Gardiner, Fraser.

Very respectfully,
W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to return herewith the following bills:

House Bill No. 112: A Bill for an Act to Amend and Re-enact Section 2955, 2956, of the Compiled Laws of the State of North Dakota for the Year 1913.

House Bill No. 104: A Bill for an Act to Amend and Re-enact Chapter 59, Laws of North Dakota, 1917, and Chapter 220, Laws of North Dakota, 1919, Relating to the Classification of Property for Assessment.

House Bill No. 61: A Bill for an Act to Amend and Re-enact Section 5 of Chapter 224 of the Session Laws of North Dakota for the Year 1919, Relating to Income Taxes.

House Bill No. 50: A Bill for an Act to Amend and Re-enact Section 1146 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 213 of the Session Laws of 1917, Relating to Changing of School District Boundaries.

Which the Senate has indefinitely postponed.

Very respectfully,
W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to inform you that the Senate has concurred in the House amendment to:

Senate Bill No. 156: A Bill for an Act Restricting Rights of Litigants to Bring Actions in Courts to Set Aside Taxes or Assessments or to Recover Taxes Before Submitting Their Claims to the Board of County Commissioners for Adjustment and Dismissing Actions Heretofore Brought.

Senate Bill No. 111: A Bill for an Act entitled: "An Act Prescribing What Number of Stockholders Shall Constitute a Quorum in Stockholders' Meetings of Domestic Corporations, and also Providing that the Written Consent of the Holders of a Majority in Value of the Subscribed Capital Stock Shall be Effectual for Certain Purposes, also Making Provision for Notice for Stockholders' Meetings, and Repealing Conflicting Laws."

Senate Bill No. 41: A Bill for an Act to Amend and Re-enact Section 4059 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 71, Session Laws of 1915, and Chapter 178, Session Laws of 1917, Relating to Powers of Park Commission, be Amended and Re-Enacted to Read as Follows:

Senate Bill No. 31: A Bill for an Act to Amend and Re-enact Section 780 of the Compiled Laws of North Dakota, for the Year 1913, as Amended by Chapter 30, of the Special Session Laws of North Dakota, for the Year 1919, Relating to Compensation of Court Stenographers, and Providing for the Payment of Expenses.

Very respectfully,

W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to inform you that the Senate refused to recede from Senate amendments to House Bill 108 and the President has appointed as conference committee Senators Liederbach, Ingerson and Oksendahl.

Also Senate refuses to recede from Senate amendments to House Bill 151 and has appointed as a conference committee Senators Levang, Ployhar and Ingerson.

Very respectfully,

W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to inform you that the Senate refuses to recede from Senate amendments to House Bill 147 and the President has appointed as conference committee Senators Levang, Rusch and Wenstrom.

Very respectfully,

W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to transmit the following concurrent resolution:

Introduced by Senator Bowman relative to the protection of the state and its industries.

Which the Senate adopted and your favorable consideration is respectfully requested.

Very respectfully,
W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to inform you that the Senate requests the return of House Bill No. 7, also House Bill No. 61.

Very respectfully,
W. J. PRATER,
Secretary.

On motion the House reverted to the Seventh Order of Business.

MOTIONS AND RESOLUTIONS.

The Speaker called Mr. Shipley to the chair.

Mr. Twitchell moved as follows:

That the amended Senate Bill 25 to be read by the clerk until you come to a section, or appropriation rather, wherein an amendment is offered either in the majority or the minority report. The amendment offered either in the majority or minority report to be then stated by Mr. Watt if it is a majority amendment or Mr. Maddock if a minority amendment.

On that same appropriation, if there is a change offered from Senate Bill 25 originally prepared, also to be read.

At that time the amendment offered to that particular appropriation to be adopted, either majority or minority, which ever the House sees fit to adopt.

Then to proceed in that manner until we clean it up.

Roll call demanded.

Call of the House demanded.

The roll being called all members were present.

Mr. Twitchell moved that further proceedings under call of the House be dispensed with, which motion prevailed and further proceedings under call of the House was dispensed with.

The question now being on the motion of Mr. Twitchell roll was called and there were ayes 57, nays 56, absent and not voting 0.

Ayes: Allen, Anderson, of Burleigh, Bauer, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erick-

son, of Walsh, Flom, Freeman, Halcrow, Hanson, of Grand Forks, Harding, Heaton, Jardine, Johnson, of Cass, Johnson, of Pembina, Johnson, of Sargent, Johnson, of Traill, Johnson, of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson, of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen, of Billings, Olson, of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson, of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson, of Divide, Fredrickson, Frandson, Grangaard, Hagelbarger, Hanson, of Benson, Hall, Harding, Hartl, Hempel, Johnson, of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson, of Ransom, Lazier, Levin, McLarty, McManus, Maddock, of Benson, Maddock, of Mountrail, Magnuson, Martin, of Bottineau, Martin, of Slope, Maxwell, Miller, Morton, Oberg, Olson, of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld, of Kidder, Weld, of Wells, Whitmer, Yeater.

So the motion prevailed.

GENERAL ORDERS.

Mr. Twitchell moved that the House resolve itself into a committee of the whole for the consideration of general orders, which motion prevailed, and the House resolved itself into a committee of the whole.

The Speaker called Mr. Shipley to the chair.

When the committee arose it submitted the following report:

Mr. Speaker: The committee of the whole have had under consideration:

Senate Bill No. 25: A Bill for an Act to Appropriate Money for the Expenses of the Executive, Legislative and Judicial Departments of the State Government, and for Public Schools, Specifying the Amount and Time for Which Such Appropriations Shall be Available, and Repealing Sections 1416, 1418 and 1419 of the Compiled Laws of 1913, as Amended by Chapter 34 of the Session Laws of 1915, and All Other Acts and Parts of Acts in so far as the Same Relate to Appropriations Conflicting Herewith or the Appropriations for the Same Matters or Purposes Provided for Herein.

And recommend the same be amended as follows:

IN THE PRINTED ENGROSSED BILL.

On Page 1, Section 1, Line 6, after the word "appropriated" insert the following, "unless otherwise designated herein." On page 2, Sub-division No. 1, Line 3, strike out the numerals 2,800 and 5,600 and insert in lieu thereof the numerals 2,500 and 5,000. After the 9th line in said Sub-division No. 1 insert "contingent 625 and 1250." Under the last named numerals insert a line and the following numerals,

10325, 20650. On page 2 strike out "Sub-division No. 3 Supreme Court" and all of line 1, 2, 10, 11 and 12 in said sub-division.

On page 3, at the top of the page insert: SUB-DIVISION NO. 3.

SUPREME COURT.

1	Salary 5 judges at \$5,500 per year...	\$27,500	\$55,000
2	Salary Clerk of Court at \$2,500 per yr..	2,500	5,000

SUB-DIVISION NO. 3, strike out line 4 and line 6 and the printed matter between lines 6 and 7. Strike out the word "at" in line 5 and insert the following numerals, 5,280 and 10,560. Strike out the numerals 4,800 and 9,600 in line 6. In line 17 strike out the numerals \$37,330 and \$74,660 and insert in lieu thereof \$37,810 and \$75,620.

SUB-DIVISION No. 5, line 1, strike out the numerals 2,500 and 5,000 and insert in lieu thereof the numerals 2,000 and 4,000. Strike out in line 11 the numerals 4,375 and 8,750 and insert in lieu thereof the numerals 3,875 and 7,750.

SUB-DIVISION No. 6, line 4, strike out the numerals 1,500 and 3,000 and insert in lieu thereof the numerals 1,800 and 3,600. In line 6 strike out the numerals 2,400 and 4,800 and insert in lieu thereof the numerals 2,640 and 5,280. Strike out lines 19a, 20, 21 and 22. In line 24 strike out the numerals 20,125 and 40,250 and insert in lieu thereof the numerals 20,665 and 41,330. Under line 13 insert "Publicity Pamphlets and Postage 10,000." In line 15 strike out the numerals 14,800 and insert in lieu thereof 24,800.

SUB-DIVISION NO. 7, line 5, strike out the numerals 1,800 and 3,600 and insert in lieu thereof the numerals 1,500 and 3,000. Strike out all of lines 8, 9 and 10. In line 24 strike out the numerals 17,850 and 35,700 and insert in lieu thereof the numerals 15,150 and 30,300.

SUB-DIVISION No. 8, line 4, strike out the numerals 1,800 and 3,600 and insert in lieu thereof the numerals 2,000 and 4,000. In line 5 strike out the numerals 1,800 and 3,600 and insert in lieu thereof the numerals 1,600 and 3,200. In line 8, strike out the numerals 1,200 and 2,400 and insert in lieu thereof the numerals 1,320 and 2,640. In line 9, strike out the numerals 1,200 and 2,400 and insert in lieu thereof the numerals 1,500 and 3,000. In line 22, strike out the numerals 22,700 and 41,000 and insert in lieu thereof the numerals 23,120 and 42,240.

SUB-DIVISION NO. 11, line 3, strike out the numerals 13,000 and insert in lieu thereof the numerals 10,400 and 20,800. In line 4, strike out the numerals 6,500 and 13,000 and insert in lieu thereof the numerals 5,000 and 10,000. Strike out all of lines 12, 14 and 15. In line 13 strike out the numerals 5,000 in the first column and insert in lieu thereof the numerals 10,000. In line 17 strike out the numerals 51,550 and 91,100 and insert in lieu thereof the numerals 33,250 and 56,500.

SUB-DIVISION No. 12, line 22, strike out the numerals

2,500 and 5,000 and insert in lieu thereof the numerals 2,800 and 5,600. In line 26 insert in the first column of the figures 3,960. In same line strike out the numerals 5,000 and insert in lieu thereof 7,920. In line 39 strike out the numerals 20,525 and 46,050 and insert in lieu thereof the numerals 24,785 and 49,570.

SUB-DIVISION NO. 13, line 5, strike out the numerals 1,500 and 3,000 and insert in lieu thereof the numerals 1,800 and 3,600. In line 6, strike out the word "two." In line 12, strike out the numerals 1,250 and 2,500 and insert in lieu thereof the numerals 800 and 1,600. Strike out all of line 14. In line 20, strike out the numerals 15,600 and 31,800 and insert in lieu thereof the numerals 15,050 and 30,700.

SUB-DIVISION NO. 14, line 1, strike out the numerals 2,800 and 5,600 and insert in lieu thereof the numerals 2,500 and 5,000. In line 15 strike out the numerals 12,850 and 25,700 and insert in lieu thereof the numerals 12,550 and 25,100.

SUB-DIVISION No. 15, line 10, strike out the numerals 6,000 and 12,000 and insert in lieu thereof the numerals 6,600 and 13,200. In line 19 strike out the numerals 10,000 and 20,000 and insert in lieu thereof the numerals 6,000 and 12,000. In line 26 strike out the numerals 46,475 and 92,950 and insert in lieu thereof the numerals 43,075 and 86,150.

SUB-DIVISION NO. 16, line 7, strike out the numerals 2,400 and 4,800 and insert in lieu thereof the numerals 2,640 and 5,280. In line 22 strike out the numerals 18,257.50 and 36,515 and insert in lieu thereof the numerals 18,497.50 and 36,995.

SUB-DIVISION NO. 17, line 5, strike out the numerals 19,800 and 39,600 and insert in lieu thereof the numerals 18,000 and 36,000. In line 6 strike out the numerals 13,200 and 26,400 and insert in lieu thereof the numerals 12,000 and 24,000. In line 24 strike out the numerals 7,695 and 148,390.

SUB-DIVISION NO. 18, line 3, strike out the numerals 2,500 and 5,000 and insert in lieu thereof the numerals 2,800 and 5,600. In line 8 strike out the numerals 1,500 and 3,000 and insert in lieu thereof the numerals 1,800 and 3,600. In line 12 strike out the numerals 2,400 and 4,800 and insert in lieu thereof the numerals 2,640 and 5,280. In line 13 strike out the numerals 1,200 and 2,400 and insert in lieu thereof the numerals 1,320 and 2,640. In line 19 strike out the numerals 400 and 800 and insert in line 21,400 and 800. In line 17 strike out the numerals 750 and 1,500 and insert in lieu thereof 500 and 1,000. In line 24 strike out the numerals 33,000 and 66,000 and insert in lieu thereof the numerals 33,710 and 67,420.

SUB-DIVISION No. 19 strike out all of line 3 and line 4. After line 5 insert the following lines: Executive Secretary 3,000 6,000; Chief Clerk 1,800 3,600; Stenographer 1,500 3,000; Auditor and Accountant 2,800 5,600; Assistant Auditor and bookkeeper 1,800 3,600; bookkeeper 1,500 3,000; Purchasing Agent 2,400 4,800; Supply Clerk and Stenographer 1,200 2,400; Supply Clerk and Stenographer 1,020

2,040. In line 17 strike out the numerals 41,160 and 93,120 and insert in lieu thereof the numerals 35,680 and 72,150.

SUB-DIVISION No. 23, strike out lines 4, 7 and 8.

SUB-DIVISION No. 24, strike out all of line 3. In line 4 after the word "clerk" insert the words "and stenographer," and strike out the numerals in said line 4, 960 and 1,920 and insert in lieu thereof the numerals 1,400 and 2,800. Strike out all of lines 5, 6, 7, 8, 9, 10 and 11. In line 19 strike out the numerals 5,170 and 10,340 and insert in lieu thereof the numerals 4,650 and 9,300.

SUB-DIVISION NO. 26. After the words and figures Sub-division No. 26 insert the following: "to be appropriated from the State Oil Inspection Fund." In line 4 strike out the numerals 29,950 and insert in lieu thereof the numerals 25,950. Strike out lines 5, 6 and 7.

SUB-DIVISION NO. 27, line 12, strike out the numerals 321,000 and 642,000 and insert in lieu thereof the numerals 254,000 and 508,000. In line 47 strike out the numerals 451,790 and 932,950 and insert in lieu thereof the numerals 384,790 and 798,950. In line 60 strike out the word "as" and in line 61 the words "per schedule B." Strike out lines 62, 63 and 64. In line 72 insert in the proper column the figures 10,000 and 20,000. Strike out all of lines 85, 86, 87, 88 and 89. In line 91 strike out the numerals 276,600 and insert in lieu thereof the numerals 126,600.

SUB-DIVISION NO. 29. After the words and figures Sub-division No. 29 insert the following: "To be appropriated from the Hotel Inspection Fund."

SUB-DIVISION NO. 32, line 2, strike out the numerals 24,000 and 48,000 and insert in lieu thereof the numerals 22,000 and 44,000. In line 14 strike out the words "New buildings," and insert in lieu thereof "demonstration cottage 8,000 8,000." Strike out lines 15, 16 and the numerals 5,000 and 10,000 in line 21. In the proper column in line 22 insert the numerals 5,000 and 10,000. In line 25 strike out the numerals 206,750 and 388,500 and insert in lieu thereof the numerals 187,750 and 367,500.

SUB-DIVISION NO. 34, line 3, strike out the numerals 36,000 and 72,000 and insert in lieu thereof the numerals 34,000 and 68,000. Strike out line 15. In line 25 strike out the numerals 7,500 and 15,000 and insert in lieu thereof the numerals 5,000 and 10,000. In line 31 strike out the numerals 177,350 and 333,950 and insert in lieu thereof the numerals 170,350 and 319,950.

SUB-DIVISION NO. 35, in line 5, strike out the numerals 35,000 and 70,000 and insert in lieu thereof the numerals 30,000 and 60,000. In line 13 strike out the numerals 15,000 and 30,000 and insert in lieu thereof the numerals 10,000 and 20,000. In line 15 strike out the numerals 50,000 and 100,000 and insert in lieu thereof the numerals 40,000 and 80,000.

SUB-DIVISION NO. 38, in line 1 strike out the numerals 50,000 and insert in lieu thereof the numerals 55,896. In

line 3 strike out the numerals 52,000 and insert in lieu thereof the numerals 61,102. In line 4 strike out the numerals 102,000 and insert in lieu thereof the numerals 116,998. In line 8 strike out the numerals 25,000 and insert in lieu thereof the numerals 17,501. In line 9 strike out the numerals 25,000 and 50,000 and insert in lieu thereof the numerals 17,501 and 35,002.

SUB-DIVISION NO. 43, strike out the lines 1, 2, 3 and 4. In line 5 strike out the words "net amount requested for." In same line strike out the numerals 142,520.20 and 285,040.00 and insert in lieu thereof the numerals 125,000.00 and 250,000.00. In line 5a strike out the numerals 15,000.00 and 30,000.00 and insert in lieu thereof the numerals 13,000.00 and 13,000.00. In line 10 strike out the numerals 181,463.08 and 362,926.16 and insert in lieu thereof the numerals 161,943.08 and 310,886.16.

SUB-DIVISION NO. 96. In line 4 strike out the numerals

SUB-DIVISION NO. 44. Strike out line 6a. In line 43 strike out the numerals 327,250 and insert in lieu thereof the numerals 227,250.

SUB-DIVISION No. 45. Line 2 strike out the numerals 46,000 and 92,000 and insert in lieu thereof the numerals 23,000 and 46,000. In line 24 insert in the proper column the numerals 1,000 and 2,000. Strike out line 25. In line 35 strike out the figure 7 and insert in lieu thereof the word "and." In line 40 strike out the numerals 98,260 and 196,526 and insert in lieu thereof the numerals 75,260 and 150,520. In line 38 in the second column strike out the figure 6 and insert a cipher in lieu thereof. Strike out lines 41, 42 and 43.

SUB-DIVISION NO. 47. Strike out line 1 and 2 and the portion of the word in line 3 "tached." In line 3 place the words "General Maintenance." Strike out line 4. In line 5 strike out the words "fuel and light" and insert in lieu thereof "new boiler 5,000 5,000." In line 10 strike out the numerals 25,836 and 51,672 and insert in lieu thereof the numerals 30,836 and 56,672.

SUB-DIVISION NO. 51. Line 1 strike out the numerals 2,400 and 4,800 and place in lieu thereof the numerals 2,000 and 4,000. In line 6 strike out the numerals 12,500 and 25,000 and insert in lieu thereof the numerals 12,100 and 24,200.

SUB-DIVISION NO. 55. In line 1 strike out the numerals 36,840 and 73,680 and insert in lieu thereof the numerals 35,880 and 71,760. In line 2 strike out the numerals 14,750 and 34,500 and insert in lieu thereof the numerals 9,750 and 19,500. In line 5 strike out the numerals 51,590 and 118,180 and insert in lieu thereof the numerals 45,630 and 101,260.

SUB-DIVISION NO. 57. After line 8 insert the following "Fire Escape 3,000 3,000." Strike out in line 10 the numerals 126,995 and 253,990 and insert in lieu thereof the numerals 129,995 and 256,990.

SUB-DIVISION NO. 58 strike out lines 2 and 3.

SUB-DIVISION No. 59 in line 9 in the second column

strike out the numerals 125,000 and insert in lieu thereof 62,500. In line 10 second column, strike out the numerals 100,000 and insert in lieu thereof 50,000. In line 11 second column strike out the numerals 30,000 and insert in lieu thereof 15,000. In line 14 in the first column strike out the numerals 300. In line 16 in the first column strike out the numerals 6,900. In line 17 in the first column strike out the numerals 3,000. In line 18 first column strike out the numerals 500. In line 21 strike out the numerals 165,700 and 333,400 and insert in lieu thereof the numerals 155,000 and 205,900.

SUB-DIVISION No. 60, line 13, strike out the numerals 29,000 and 29,000 and insert in lieu thereof the numerals 25,000 and 25,000. In line 27 strike out the numerals 126,050 and 298,450 and insert in lieu thereof the numerals 122,050 and 294,450.

SUB-DIVISION NO. 61, line 1, strike out the numerals 50,750 and 101,500 and insert in lieu thereof the numerals 45,750 and 91,500. Line 2 strike out the words "explanatory sheet attached." In the same line strike out the numerals 51,000 and 102,000 and insert in lieu thereof the numerals 46,000 and 92,000. In line 6 strike out the numerals 7,000 and 14,000 and insert in lieu thereof the numerals 6,000 and 12,000. Strike out line 8a. In line 14 strike out the numerals 2,000 and 4,000 and insert in lieu thereof the numerals 1,250 and 2,500. In line 21 strike out the numerals 229,100 and 388,600 and insert in lieu thereof the numerals 215,350 and 362,100.

SUB-DIVISION NO. 62, line 2a strike out the numerals 18,000 and 36,000 and insert in lieu thereof the numerals 21,000 and 42,000. In line 33 strike out the numerals 58,175 and 113,750 and insert in lieu thereof the numerals 61,175 and 119,750. At the end of the sub-division insert the following: "The appropriation of \$110,000.00 made by chapter 14 of the Special Session Laws of the 16th Legislative Assembly to provide for the building of a little boy's building, gymnasium, boiler room and equipment and water supply and sewage is hereby continued until July 1st, 1923."

SUB-DIVISION No. 63 after the words and figures Sub-division No. 63, insert "To be appropriated from the Game and Fish Fund."

SUB-DIVISION NO. 64. After the words and figures Sub-division No. 64 insert the following, "To be appropriated from the State Highway Fund." Line 1, strike out the numerals 3,000 and 6,000 and insert in lieu thereof the numerals 2,000 and 4,000. Strike out lines 2, 3, 4, 5, and 6. In line 7 strike out the word "seven." Strike out line 13, line 16 and line 19. In line 23 strike out the numerals 56,345 and 112,120 and insert in lieu thereof the numerals 50,775 and 101,550.

SUB-DIVISION NO. 65. After the words and figures Sub-division No. 65 insert the following, "To be appropriated from the State Highway Fund."

Strike out all of SUB-DIVISION NO. 71.

Strike out all of SUB-DIVISION NO. 84.

Strike out all of SUB-DIVISION NO. 86.

SUB-DIVISION NO. 93. After line 14 insert the following: "Any unexpended portion of the appropriation under this sub-division at the end of the biennial period shall be credited to the several vocational schools receiving federal aid."

Strike out all of SUB-DIVISION NO. 95.

SUB-DIVISION NO. 96. In line 4 strike out the numerals 1,200 and 2,400 and insert in lieu thereof the numerals 1,320 and 2,640. In line 16 strike out the numerals 4,575 and 91,125 and insert in lieu thereof the numerals 4,695 and 9,415.

SUB-DIVISION NO. 99. In line 1 strike out the numerals 50,000 and 100,000 and insert in lieu thereof the numerals 10,000 and 10,000.

Strike out all of SUB-DIVISION NO. 109.

SUB-DIVISION NO. 18. That the words "at twelve hundred dollars" and the figures "1200" after the word stenographer, be stricken out in sub-division 18.

An amendment to amendment on sub-division No. 27.

Line 12 (as amended by the committee) strike out the numbers 254,000 and 508,000 and insert in lieu thereof the numbers 279,525 and 559,050. Line 47, correct the totals to read 425,000 850,000. Line 64 in bill as amended by Senate strike out numerals 15,000 and insert in lieu thereof 150,000.

SUB-DIVISION NO. 43. In the bill as amended by the Senate. In line 5a strike out the words purchase of real estate \$15,000.00 \$30,000.00 and insert in lieu thereof Gymnasium 50,000 50,000. Line 10, strike out the totals 181,463.08 and 362,926.16 and insert in lieu thereof 198,943.08 and 347,886.16.

SUB-DIVISION NO. 44. In the bill as amended by the Senate. Line 6a after the word building insert "and equipment 100,000." Line 42 strike out "on condition that the city." Line 43 strike out "abate the taxes on special improvements." So that line 42 should read "additional land 5,000 10,000."

That sub-division 98 be stricken out.

And recommend the same do pass as amended by a majority of the committee on appropriations and by the committee of the whole.

Also:

Senate Bill No. 66: A Bill for an Act to Promote, Foster and Encourage the Proper Marketing of Agricultural Products and By-Products, and for the Creation of a Co-Operative Marketing Association and Providing for License Fees.

Have had the same under consideration and recommend that the same be amended as follows:

In Section 6, sub-division a, line 3, before the word "activity" insert the word "any."

Section 21, line 4, of the printed bill, after the word "unless" strike out balance of line 4 and all of line 5 and insert the following: "It is in fact a co-operative association or corporation." Same section, line 9, after the word "not" strike out everything up to the word "must" and in lieu thereof insert the following: "In fact a cooperative association or corporation."

And recommend the same do pass as amended by the committee.

D. E. SHIPLEY,
Chairman.

Mr. Kelly moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Kitchen moved that the House do now recess until 10 o'clock a. m. March 4, 1921, which motion prevailed and the House so recessed.

C. L. DAWSON,
Chief Clerk.

FIFTY-NINTH DAY AFTER RECESS AND
SIXTIETH DAY.

House of Representatives,
Bismarck, North Dakota,
March 4, 1921.

The House assembled at 10 o'clock a. m. pursuant to recess taken, the Speaker presiding.

REPORTS OF STANDING COMMITTEES.

The committee on Enrollment and Engrossment made the following report:

Mr. Speaker: Your committee on Enrollment and Engrossment have examined the following bills:

House Bill No. 146: A Bill for an Act to Amend and Re-enact Section 3533 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 104 of the Session Laws of 1915, Relating to the Compensation and Office Hours of County Commissioners.

House Bill No. 148: A Bill for an Act Making it a Felony for Any Person to Enter Any Room Wherein, in Whole or in Part, a General Banking Business is Carried on, or Wherein in Whole or in Part, a Business of Receiving Securities, Evidence of Debts or Any Other Valuable Papers on Deposit or for Safe Keeping, in Which There is at the Time a Human Being, With Intent to Commit a Felony Therein by Means of Threats, Force or Violence, and Prescribing the Punishment Therefor.

House Bill No. 154: A Bill for an Act to Amend and Re-

enact Section 10184 and 10185 of the Compiled Laws of North Dakota for 1913, Prohibiting the Manufacture, Sale, Disposing of, Giving Away, and Soliciting Orders for Cigarettes, or Cigarette Papers and Providing Penalty.

House Bill No. 159: A Bill for an Act to Amend and Re-enact Section 26 of Chapter 161 of the Session Laws of 1915, Relating to Hours for Shooting.

House Bill No. 169: A Bill for an Act to Amend and Re-enact Section 4671 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to the Size and Construction of Caboose Cars.

House Bill No. 171: A Bill for an Act Authorizing the Board of Administration to Create a Students Loaning Fund in State Normal Schools.

House Bill No. 185: A Bill for an Act to Amend and Re-enact Section One, Chapter 124, of Session Laws of 1917, as Amended by Chapter 136, Session Laws of 1919, Relating to Witness Fees in Garnishment Proceedings.

House Bill No. 16: A Bill for An Act Relative to Scaffoldings and Providing Safety Appliances in Construction Work.

House Bill No. 79: A Bill for an Act to Amend and Re-enact Sections 48 and 49 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Public Printing and Binding.

House Bill No. 81: A Bill for an Act to Establish a Uniform Egg Law, for Regulating and Preventing the Sale of Eggs Unfit as Articles of Human Food, Requiring Eggs to be Canded, Requiring a License for Dealers in Eggs and establishing a Penalty for Violation of This Act.

House Bill No. 118: A Bill for an Act to Amend and Re-enact Sections 624 and 625 of the Compiled Laws of North Dakota for the Year 1913 as Amended by Chapter 252 of the Laws of North Dakota for the Year 1917 and by Chapter 25 of the Laws Passed by the Special Session of the Legislative Assembly of North Dakota in 1919, Relative to the Commissioner of Noxious Weeds.

House Bill No. 140: A Bill for an Act to Amend and Re-enact Chapter 271 of the Session Laws of North Dakota for the Year 1915, Relating to Qualifications of Signers on Petition of County Commissioners.

House Bill No. 31: A Bill for an Act Creating a Children's Code Commission; Fixing the Membership Thereof; Defining its Powers and Duties; and Making an Appropriation Therefor.

House Bill No. 101: A Bill for an Act Entitled, An Act Establishing a System of State Free Employment Service, Providing for the Maintenance Thereof, Defining the Duties of Such Department, Its Officers and Employees, and Appropriating Money for the Garrying Out of the Provisions of

House Bill No. 149: A Bill for an Act Providing for the Supervision of Liquidation of Insolvent Banks by the De-

positors' Guaranty Fund Commission, the Appointment of a Supervisor of Receivers and Compensation and Expenses Thereof to be Paid Out of the Depositors' Guaranty Fund.

And find the same correctly enrolled.

A. J. PRESZLER,
Chairman.

Mr. Preszler moved that the report be adopted, which motion prevailed and the report was adopted.

CONSIDERATION OF MESSAGES FROM THE SENATE

Mr. Anderson of Burleigh moved that the House do now concur in Senate amendments to House Bill No. 203, which motion prevailed.

Mr. Patterson moved that the rules be suspended and that House Bill No. 203 be considered properly engrossed and the same be passed on its third reading and final passage, which motion prevailed.

THIRD READING OF HOUSE BILLS

House Bill No. 203: A Bill for an Act to Amend and Re-enact Section 69 of the Compiled Laws of North Dakota for 1913, Relating to the Printing of the Popular Edition of the Session Laws; Fixing the Specifications for the Unauthenticated Edition of the Session Laws of the State of North Dakota, and Repealing All Acts and Parts of Acts in Conflict Therewith.

Was read the third time.

The question being on the final passage of the bill, as amended by the Senate, the roll was called and there were ayes 106, nays 0, absent and not voting 7.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Fredrickson, Frandson, Grangaard, Hangelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olson of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Bauer, Bollinger, Cole, Freeman, Kamrath, Kellogg, Maddock of Benson.

So the bill passed as amended by the Senate and the title was agreed to.

SIGNING OF BILLS

The Chief Clerk announced that the Speaker was about to sign:

House Bill No. 149: A Bill for an Act Providing for the Supervision of Liquidation of Insolvent Banks by the Depositors' Guaranty Fund Commission, the Appointment of a Supervisor of Receivers and Compensation and Expenses Thereof to be Paid out of the Depositors' Guaranty Fund.

House Bill No. 101: A Bill for an Act Entitled, An Act Establishing a System of State Free Employment Service, Providing for the Maintenance Thereof, Defining the Duties of Such Department, Its Officers and Employees, and Appropriating Money for the Carrying Out of the Provisions of This Act.

House Bill No. 16: A Bill for An Act Relative to Scaffoldings and Providing Safety Appliances in Construction Work.

House Bill No. 79: A Bill for an Act to Amend and Re-enact Sections 48 and 49 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Public Printing and Binding.

House Bill No. 81: A Bill for an Act to Establish a Uniform Egg Law, for Regulating and Preventing the Sale of Eggs unfit as Articles of Human Food, Requiring Eggs to be Candled, Requiring a License for Dealers in Eggs and Establishing a Penalty for Violation of this Act.

House Bill No. 169: A Bill for an Act to Amend and Re-enact Section 4671 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to the Size and Construction of Caboose Cars.

House Bill No. 171: A Bill for an Act Authorizing the Board of Administration to Create a Students Loaning Fund in State Sormal Schools.

House Bill No. 31: For an Act Creating a Children's Code Commissios; Fixing the Membership Thereof; Defining Its Powers and Duties; and Making an Appropriation Therefor.

House Bill No. 118: A Bill for an Act to Amend and Re-enact Sections 624 and 625 of the Compiled Laws of North Dakota for the Year 1913 as Amended by Chapter 252 of the Laws of North Dakota for the Year 1917 and by Chapter 25 of the Laws Passed by the Special Session of the Legislative Assembly of North Dakota in 1919, Relative to the Commissioner of Noxious Weeds.

House Bill No. 140: A Bill for an Act to Amend and Re-enact Chapter 271 of the Session Laws of North Dakota for the Year 1915, Relating to Qualifications of Signers on Petition of County Commissioners.

House Bill No. 146: A Bill for an Act to Amend and Re-enact Section 3533 of the Compiled Laws of North Dakota.

for the Year 1913, as Amended by Chapter 104 of the Session Laws of 1915, Relating to the Compensation and Office Hours of County Commissioners.

House Bill No. 148: A Bill for an Act Making it a Felony for Any Person to Enter Any Room Wherein, in Whole or in Part, a General Banking Business is Carried on, or Wherein in Whole or in Part, a Business of Receiving Securities, Evidence of Debts or Any Other Valuable Papers on Deposit or for Safe Keeping, in Which There is at the Time a Human Being, With Intent to Commit a Felony Therein by Means of Threats, Force or Violence, and Prescribing the Punishment Therefor.

House Bill No. 154: A Bill for an Act to Amend and Re-enact Section 10184 and 10185 of the Compiled Laws of North Dakota for 1913, Prohibiting the Manufacture, Sale, Disposing of, Giving Away, and Soliciting Orders for Cigarettes, or Cigarette Papers and Providing Penalty.

House Bill No. 159: A Bill for an Act to Amend and Re-enact Section 26 of Chapter 161 of the Session Laws of 1915, Relating to Hours for Shooting.

House Bill No. 185: A Bill for an Act to Amend and Re-enact Section One, Chapter 124, of Session Laws of 1917, as Amended by Chapter 136, Session Laws of 1919, Relating to Witness Fees in Garnishment Proceedings.

Senate Bill No. 17: A Bill for an Act to Appropriate \$10,000 to Aid in the Educational Work Being Carried on by North Dakota Tuberculosis Association, and the Prevention of the Spread of Tuberculosis more Definitely Prescribed in Chapter 7 of the Session Laws of North Dakota for the year 1915, for the Salary and Traveling Expenses of Field Workers and Nurses.

Senate Bill No. 24: A Bill for an Act to Amend and Re-enact Section 4400 of the Compiled Laws of North Dakota, 1913, Relating to Affirmative Proof Required in Divorce Actions.

Senate Bill No. 54: A Bill for an Act to Appropriate Money to Take Care of the Deficit in the Maintenance Account of the Hail Insurance Department for the Year Beginning January 1st, 1920, and Ending December 31st, 1920.

Senate Bill No. 55: A Bill for an Act to Amend and Re-enact Sections 9014 and 9015, Compiled Laws of North Dakota for the Year 1913, Relating to the Depositing of Official Dockets and Papers of Justices of the Peace.

Senate Bill No. 121: A Bill for an Act to Provide for the Acceptance of the Benefits of an Act by the Senate and House of Representatives of the United States of America in Congress Assembled. (H. R. 4438, Approved, June 2, 1920). Entitled an Act to Provide for the Promotion of Vocational Rehabilitation of Persons Disabled in Industry or Otherwise and Their Return to Civil Employment, to Provide for the Administration of Same.

Senate Bill No. 187: A Bill for an Act Amending and Re-

enacting Section 1334 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to the Interest on Bonds of Common School Districts.

Senate Bill No. 201: A Bill for an Act Making an Appropriation to Pay the Irrigation or Water Tax on State School Lands, Included Within the Williston Irrigation District.

Senate Bill No. 203: A Bill for an Act to Amend and Re-enact Section 10 of Chapter 31 of the Special Laws of North Dakota for the Year 1919 Relating to the Purchase of Cattle by County.

And the Speaker signed the same in the presence of the House.

REPORT OF STANDING COMMITTEES
HOUSE COMMITTEE ON ENROLLMENT AND
ENGROSSMENT

The committee on Enrollment made the following report:
Mr. Speaker: Your committee on Enrollment and Engrossment respectfully report that:

House Bill No. 149: A Bill for an Act Providing for the Supervision of Liquidation of Insolvent Banks by the Depositors' Guaranty Fund Commission, the Appointment of a Supervisor of Receivers and Compensation and Expenses Thereof to be Paid out of the Depositors' Guaranty Fund.

Also:

House Bill No. 101: A Bill for an Act Entitled, An Act Establishing a System of State Free Employment Service, Providing for the Maintenance Thereof, Defining the Duties of Such Department, Its Officers and Employees, and Appropriating Money for the Carrying Out of the Provisions of This Act.

Also:

House Bill No. 16: A Bill for An Act Relative to Scaffoldings and Providing Safety Appliances in Construction Work.

Also:

House Bill No. 79: A Bill for an Act to Amend and Re-enact Sections 48 and 49 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Public Printing and Binding.

Also:

House Bill No. 81: A Bill for an Act to Establish a Uniform Egg Law, for Regulating and Preventing the Sale of Eggs Unfit as Articles of Human Food, Requiring Eggs to be Canded, Requiring a License for Dealers in Eggs and Establishing a Penalty for Violation of This Act.

Also:

House Bill No. 169: A Bill for an Act to Amend and Re-enact Section 4671 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to the Size and Construction of Caboose Cars.

Also:

House Bill No. 171: A Bill for an Act Authorizing the Board of Administration to Create a Students Loaning Fund

in State Normal Schools.

Also:

House Bill No. 31: A Bill for an Act Creating a Children's Code Commission; Fixing the Membership Thereof; Defining its Powers and Duties; and Making an Appropriation Therefor.

Also:

House Bill No. 118: A Bill for an Act to Amend and Re-enact Sections 624 and 625 of the Compiled Laws of North Dakota for the Year 1913 as Amended by Chapter 252 of the Laws of North Dakota for the Year 1917 and by Chapter 25 of the Laws Passed by the Special Session of the Legislative Assembly of North Dakota in 1919, Relative to the Commissioner of Noxious Weeds.

Also:

House Bill No. 140: A Bill for an Act to Amend and Re-enact Chapter 271 of the Session Laws of North Dakota for the Year 1915, Relating to Qualifications of Signers on Petition of County Commissioners.

Also:

House Bill No. 146: A Bill for an Act to Amend and Re-enact Section 3533 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 104 of the Session Laws of 1915, Relating to the Compensation and Office Hours of County Commissioners.

Also:

House Bill No. 148: A Bill for an Act Making it a Felony for Any Person to Enter Any Room Wherein, in Whole or in Part, a General Banking Business is Carried on, or Wherein in Whole or in Part, a Business of Receiving Securities, Evidence of Debts or Any Other Valuable Papers on Deposit or for Safe Keeping, in Which There is at the Time a Human Being, With Intent to Commit a Felony Therein by Means of Threats, Force or Violence, and Prescribing the Punishment Therefor.

Also:

House Bill No. 154: A Bill for an Act to Amend and Re-enact Section 10184 and 10185 of the Compiled Laws of North Dakota for 1913, Prohibiting the Manufacture, Sale, Disposing of, Giving Away, and Soliciting Orders for Cigarettes, or Cigarette Papers and Providing Penalties.

Also:

House Bill No. 159: A Bill for an Act to Amend and Re-enact Section 26 of Chapter 161 of the Session Laws of 1915, Relating to Hours for Shooting.

Also:

House Bill No. 185: A Bill for an Act to Amend and Re-enact Section One, Chapter 124, of Session Laws of 1917, as Amended by Chapter 136, Session Laws of 1919, Relating to Witness Fees in Garnishment Proceedings.

Were delivered to the governor for his approval at the hour of 11 o'clock A. M.

A. J. PRESZLER,
Chairman.

CONSIDERATION OF MESSAGES FROM THE SENATE

Mr. Johnson of Cass moved that the House do not concur in Senate amendments to House Bill No. 105.

Roll call demanded.

The question being on the motion of Mr. Johnson of Cass, the roll was called and there were ayes 52, nays 54, absent and not voting 7.

Ayes: Allen, Anderson of Burleigh, Bauer, Bjorgo, Bolinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Kelly, Kitchen, Kjos, Kopp, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nathan, Olafson, Olgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Slominski, Sproul, Starke, Watt, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Freeman, Grangaard, Johnson of Ward, Lackey, Nagel, Shipley, Ulland.

So the motion was lost.

The Speaker asked that the records show that R. W. Fraser, while this House was in session, came upon the floor of the House and talked to the members; that during the remarks of the member, Mr. Heaton, from Burleigh county, he said to a member "Yes, let him talk," and injected himself into the discussion; that the gentleman was ordered to leave the floor of the House and to remain out of the House chambers and gallery during the remainder of the session. Upon not leaving promptly he was escorted out of the chambers by the Sargent-at-Arms.

The Speaker ruled that no one will be allowed inside the railing of this House except members of the Legislature, including Senators, newspaper correspondents and state officials and employees. And further ruled that the newspaper men remain at the table.

Mr. Cart moved that the House do now concur in Senate amendments to House Bill No. 105.

Call of the House demanded.

The roll being called all members were present except

Messrs. Freeman, Grangaard, Lackey, Maddock of Mountrail Nagel, Shipley, Ulland.

Mr. Whitmer moved that further proceedings under call of the House be dispensed with, which motion prevailed, and further proceedings under call of the House was dispensed with.

Mr. Shipley moved that the House reconsider the vote by which the House concurred in Senate amendments to House Bill No. 105, which motion prevailed.

Mr. Anderson of Burleigh moved that the House do not concur in Senate amendments to House Bill No. 105, which motion prevailed.

Mr. Starke moved that the House do now concur in Senate amendments to House Bill No. 49, which motion prevailed.

Mr. Starke moved that the rules be suspended and that House Bill No. 49 be considered properly engrossed and the same be passed on its third reading and final passage, which motion prevailed.

THIRD READING OF HOUSE BILLS

House Bill No. 49: An Act to Amend and Re-enact Section 814 of the Compiled Laws of North Dakota for the year 1913 Relating to Jurors.

Was read the third time.

The question being on the final passage of the bill, as amended by the Senate, the roll was called and there were ayes 90, nays 0, absent and not voting 23.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burns, Cart, Cole, Doyle, Durkee, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Fredrickson, Frandson, Grangaard, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Hartl, Hempel, Heaton, Jardine, Johnson of Pembina, Johnson of Sargent, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjøs, Kopp, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Reichert, Renauld, Root, Sagen, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Strain, Ulland, Watt, Weld of Kidder, Weld of Wells, Wood, Mr. Speaker.

Absent and not voting: Arduser, Burkhart, Carlson, Eckert, Freeman, Hagelbarger, Johnson of Cass, Johnson of Steele, Johnson of Traill, Lackey, Maddock of Benson, Maddock of Mountrail, Morton, Mouck, Ness, Nagel, Quade, Semling, Starke, Vogel, Whitmer, Yeater.

So the bill passed as amended by the Senate and the title was agreed to.

CONSIDERATION OF MESSAGES FROM THE SENATE

Mr. Miller moved that the House do now concur in Senate amendments to House Bill No. 14, which motion prevailed.

Mr. Lakie moved that the rules be suspended and that House Bill No. 14 be considered properly engrossed and the same be passed on its third reading and final passage, which motion prevailed.

THIRD READING OF HOUSE BILLS

House Bill No. 14: A Bill for an Act Entitled an Act Relating to Interfering With Rights of Employees.

Was read the third time.

The question being on the final passage of the bill as amended by the Senate, the roll was called and there were ayes 71, nays 35, absent and not voting 7.

Ayes: Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Carlson, Cart, Cole, Doyle, Eckert, Ellingson, Elmer, Erickson of Divide, Freeman, Fredrickson, Frandson, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Hempel, Heaton, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kopp, Lakie, Larkin, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Maxwell, Miller, Olson of Barnes, Olsen of Billings, Opland, Patterson, Quade, Reichert, Renauld, Sagen, Semling, Sherman, Shipley, Sims, Starke, Strain, Vogel, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Allen, Bollinger, Burns, Durkee, Erickson of Walsh, Flom, Grangaard, Hanson of Grand Forks, Jardine, Johnson of Cass, Johnson of Sargent, Kelly, Kitchen, Kjos, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olsgard, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Root, Shimmmin, Slominski, Sproul, Ulland, Watt.

Absent and not voting: Johnson of Pembina, Lackey, Martin of Slope, Morton, Oberg, Olafson, Weld of Kidder.

CONSIDERATION OF MESSAGES FROM THE SENATE.

Mr. Harding moved that the House comply with the request of the Senate for the return of House Bills No. 7 and 61, which motion prevailed.

REPORTS OF STANDING COMMITTEES.

Mr. Speaker: Your committee on Enrollment and Engrossment have examined the following bills:

House Bill No. 19: A Bill for an Act to Amend and Re-enact Section 4 of Chapter 162 of the Session Laws of the State of North Dakota for the Year 1919, as Amended by Chapter 73 of the Laws Passed at the Special Session of the

Sixteenth Legislative Assembly in December, 1919, Relating to the Creation of the Workmen's Compensation Bureau of North Dakota, the Appointment and Removal of the Commissioners Thereof, the Salary of Such Commissioners and the Powers and Duties of such Bureau.

House Bill No. 28: A Bill for an Act to Amend and Re-enact Section 1136 of the General School Laws entitled Deputies. How Appointed. Salary.

House Bill No. 77: A Bill for an Act Fixing the Compensation of Election Officers.

House Bill No. 41: A Bill for an Act, Providing for the Preservation and Control of the Artesian Waters of the State.

Mr. Speaker: Your committee on Enrollment and En-grossment have examined the following bills:

House Bill No. 67: A Bill for an Act to Amend and Re-enact Sections 2462, 2463, 2466, 2487, 2489, 2490 Compiled Laws 1913, Relating to Drains.

House Bill No. 137: A Bill for an Act Amending and Re-enacting Section 5742, Compiled Laws of North Dakota for 1913, Relating to the Application of the Provisions of Article 20, Compiled Laws of 1913, to Water Main and Water Works Systems, and to the Purchase Thereof.

House Bill No. 201: A Bill for an Act Entitled, "An Act Whereby Teachers Teaching in the Public Schools of North Dakota be United States Citizens.

House Bill No. 23: A Bill for an Act Designating the Legal Holidays in the State of North Dakota and to Amend and Re-enact Section 7297 of the Compiled Laws of North Dakota, 1913, as Amended by Chapter 143, Session Laws of 1919.

And find the same correctly enrolled.

A. J. PRESZLER,
Chairman.

Mr. Preszler moved that the report be adopted, which motion prevailed and the report was adopted.

SIGNING OF BILLS

The Chief Clerk announced that the Speaker was about to sign:

House Bill No. 19: A Bill for an Act to Amend and Re-enact Section 4 of Chapter 162 of the Session Laws of the State of North Dakota for the Year 1919, as Amended by Chapter 73 of the Laws Passed at the Special Session of the Sixteenth Legislative Assembly in December, 1919, Relating to the Creation of the Workmen's Compensation Bureau of North Dakota, the Appointment and Removal of the Commissioners Thereof, the Salary of Such Commissioners and the Powers and Duties of Such Bureau.

House Bill No. 28: A Bill for an Act to Amend and Re-enact Section 1136 of the General School Laws Entitled Deputies. How Appointed. Salary.

House Bill No. 77: A Bill for an Act Fixing the Compensation of Election Officers.

House Bill No. 41: A Bill for an Act, Providing for the Preservation and Control of the Artesian Waters of the State.

House Bill No. 67: A Bill for an Act to Amend and Re-enact Sections 2462, 2463, 2466, 2487, 2489, 2490, Compiled Laws of 1913, Relating to Drains.

House Bill No. 137: A Bill for an Act Amending and Re-enacting Section 3742, Compiled Laws of North Dakota for 1913, relating to the Application of the Provisions of Article 20, Compiled Laws of 1913, to Water Main and Water Works Systems, and to the Purchase thereof.

House Bill No. 201: A Bill for an Act Entitled an Act Whereby Teaching in the Public Schools of North Dakota be United States Citizens.

House Bill No. 23: A Bill for an Act Designating the Legal Holidays in the State of North Dakota and to Amend and Re-enact Section 7297 of the Compiled Laws of North Dakota, 1913, as Amended by Chapter 143, Session Laws of 1913.

And the Speaker signed the same in the presence of the House.

Mr. Speaker: Your committee on Enrollment and En-grossment respectfully report that:

House Bill No. 19: A Bill for an Act to Amend and Re-enact Section 4 of Chapter 162 of the Session Laws of the State of North Dakota for the Year 1919, as Amended by Chapter 73 of the Laws Passed at the Special Session of the Sixteenth Legislative Assembly in December, 1919, Relating to the Creation of the Workmen's Compensation Bureau of North Dakota, the Appointment and Removal of the Commissioners Thereof, the Salary of such Commissioners and the Powers and Duties of such Bureau.

House Bill No. 28: A Bill for an Act to Amend and Re-enact Section 1136 of the General School Laws entitled Deputies. How Appointed. Salary.

House Bill No. 77: A Bill for an Act Fixing the Compensation of Election Officers.

Also:

House Bill No. 41: A Bill for an Act Providing for the Preservation and Control of the Artesian Waters of the State.

House Bill No. 67: A Bill for an Act to Amend and Re-enact Sections 2462, 2463, 2466, 2487, 2489, 2490 Compiled Laws 1913, Relating to Drains.

House Bill No. 137: A Bill for an Act Amending and Re-enacting Section 5742, Compiled Laws of North Dakota for 1913, Relating to the Application of the Provisions of Article 20, Compiled Laws of 1913, to Water Main and aWter Works Systems, and to the Purchase Thereof.

Also:

House Bill No. 201: A Bill for an Act Entitled, "An Act Whereby Teachers Teaching in the Public Schools of North Dakota be United States Citizens.

House Bill No. 23: A Bill for an Act Designating the Legal Holidays in the State of North Dakota and to Amend and Re-enact Section 7297 of the Compiled Laws of North Dakota, 1913, as Amended by Chapter 143, Session Laws of 1919.

Were delivered to the governor for his approval at the hour of 1:20 o'clock p. m.

A. J. PRESZLER,
Chairman.

Mr. Harding moved that the rules be suspended and that Senate Bill No. 25 be placed on its third reading and final passage, which motion prevailed.

THIRD READING OF SENATE BILLS

Senate Bill No. 25: A Bill for an Act to Appropriate Money for the Expenses of the Executive, Legislative and Judicial Departments of the State Government, and for Public Schools, Specifying the Amount and Time for Which Such Appropriations Shall be Available, and Repealing Sections 1416, 1418 and 1419 of the Compiled Laws of 1913, as Amended by Chapter 34 of the Session Laws of 1915, and All Other Acts and Parts of Acts in so far as the Same Relate to Appropriations Conflicting Herewith or the Appropriations for the Same Matters or Purposes Provided for Herein.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 103, nays 10, absent and not voting 7.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Frederickson, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Harding, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Larkin, Larson of Pierce, Larson of Ransom, Lazler, Levin, McDowell, McGauvran, McLarty, McManus, Maudock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaugh, Opland, Patterson, Pters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whtimer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Bauer, Doyle, Freeman, Frandson, Grangaard, Hall, Hartl, Johnson of Steele, Lakie, Miller.

So the bill passed with the emergency clause and the title was agreed to.

Mr. Mikkelson moved that the vote by which Senate Bill No. 25 passed be reconsidered and the motion to reconsider be laid on the table, which motion prevailed.

Mr. Bryans explained his vote as follows: This bill is not what I would like to have it. But I am going to vote "aye" for this so the emergency will pass and that we get the appropriations. Therefore, I vote "aye."

Mr. Burkhart explained his vote as follows: I am heartily in favor of a great many or larger part of the appropriations made in this bill, but I am not in favor of cutting down some of the offices, at the expense of, and raising some of the others. Therefore, I would not be in favor of the bill as a general rule. But I must vote for this as I am not willing to see the institutions of the state suffer. Therefore, I vote "aye."

Mr. Eckert explained his vote as follows: I vote "aye" for the same reasons given by Mr. Maddock.

Mr. Kellogg explained his vote as follows: I, as a citizen of this state and a member of this legislature, must vote for this measure even though as it was finally drawn or considered, it does not fit as the way my conscience dictates to me that it should. However, I will trust to the future and to the people not only that sent me here but whom we, as a body, represent, that in time to come, we will know and know fully the conditions that cover us at this particular year as to why we support this great bill.

Mr. Maddock of Benson explained his vote as follows: I am going to vote "aye" on this bill not because I favor the bill in its present form, for I know this bill is not what the people of this state want inasmuch as this bill tends to cripple several of the state departments and it also carries the appropriation for the educational institutions and I am in favor of doing nothing that will cripple any of these institutions. I vote "aye" that it may go to conference with the Senate and that the conferees may arrive at a solution that will be fair to both the minority and majority of this House, and to the people of the state of North Dakota. I vote "aye."

Mr. Maddock of Mountrail explained his vote as follows: I vote "aye" on this bill in the hope that in conference many of the vicious amendments, adopted to misrepresent in the closing hours of the session, will be eliminated.

Mr. Martin explained his vote as follows: This bill embodies appropriations for educational institutions and I realize while it is not the best for the departments of the state it is for the best interests of the people of the State, and I am going to vote "aye."

Mr. Ness explained his vote as follows: The aim of this bill and other bills is to tax people out of the state and no value received to show for same. Therefore, I vote "aye."

Mr. Olson of Barnes: I shall vote "aye" on it not because

it agrees with me, nor do I agree with the bill, but because I say it would cripple the educational institutions of the state to such an extent that it will take time to gain the time it would lose by not giving appropriations enough to carry on the educational work in this state as they should be at the present time. I, therefore, vote "aye" on this bill.

Olsen of Billings explained his vote as follows: The majority of the appropriations committee of the House have very carefully and conscientiously considered Senate Bill No. 25 carrying appropriations or embodying the budget bill and we have acted in all due and good faith for ourselves and for our constituents. In fairness to ourselves and the minority members of the House, wish to say that the recommendations we make and changes over the Senate recommendations have been made with a view to safeguarding the interests of the educational institutions of the state as well as in any other interests. We have considered the people of the state who will pay the bill as well as the people who will spend the money. Therefore, I vote "aye."

Mr. Watt explained his vote as follows: I vote "aye" on this bill. I do not think that it is the best bill, but it is the best that could be done under the circumstances. It was not the desire on the part of any of the majority members of the House appropriations committee to treat anybody unfairly in any manner, shape, or form. I, therefore, vote "aye."

Mr. Twitchell, the Speaker, explained his vote as follows: In the mind of the Speaker the bill is a long way from being an ideal measure. It appropriates too much money. I know of no industry, institution or activity of the state that is not getting all the funds it requires. In my opinion some of the institutions and departments are getting more money than it could get along with under the conditions. I vote "aye."

Mr. Sims explained his vote as follows: I am not in favor of the bill in its entirety, but I feel for various reasons the state government should not fail to function. Therefore I vote "aye."

Mr. Vogel explained: I vote "aye" on this bill although I am opposed to several features of the bill. I do not believe any bill put before this House affecting the destinies of the boys and girls of North Dakota should be made a political football, as was done last night on the floor of this House. Therefore, I vote "aye" on this bill.

Mr. Kelly moved that the House do not concur in Senate amendments to House Bill No. 136.

Mr. Patterson moved as a substitute motion that the House do concur.

Roll call demanded.

The question being on the substitute motion of Mr. Patterson.

The roll was called and there were ayes 56, nays 54, absent and not voting 3.

Ayes : Anderson of Griggs, Arduser, Babcock, Bauer, Bil-

quist, Bjerke, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hempel, Johnson of Steele, Kamrath, Kellogg, Lackey, Lakie, Larkin, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Nathan, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Shipley, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Nays: Allen, Anderson of Burleigh, Bjorgo, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen-Kjos, Kopp, McDowell, McGauvran, Mikkleson, Mouck, Ness, Nagel, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Absent and not voting: Freeman, Grangaard, Hartl.

So the motion was carried.

Mr. Patterson moved that the rules be suspended and that House Bill No. 136 be considered properly engrossed and the same be passed on its third reading and final passage, which motion was lost.

Mr. Martin moved that the vote by which the motion of Mr. Patterson to concur in Senate amendments to House Bill No. 136, was carried, be reconsidered, and the motion to reconsider be laid on the table.

Call of the House demanded.

The roll being called, all members were present except Messrs. Freeman and Grangaard.

Mr. Vogel moved that further proceedings under call of the House be dispensed with, which motion was adopted and further proceedings under call of the House was dispensed with.

Mr. Sherman moved that the bills in general orders for this legislative day may be taken up the next legislative day under a suspension of the rules and considered in that day's business, which motion prevailed.

MESSAGES FROM THE GOVERNOR

Bismarck, March 4th, 1921.

To the Honorable Members of the House of Representatives:

Gentlemen: You are hereby informed that I have approved and filed with the Secretary of State, House Bill No. 42, being An Act to Amend and Re-enact Section 3969 of the Compiled Laws of North Dakota for the year 1913, as amended by Section 79 of the Session Laws of North Dakota for the year 1919, relating to Excluding Farm Lands from the Limits of City, Town and Villages.

Also: House Bill No. 51, being An Act to Prohibit the Use of Tobacco by Smoking in Certain Places and Providing Penalty.

Also: House Bill No. 52, being An Act Levying a Tax of One Mill upon Each Dollar of Assessed Valuation of All Taxable Property Within the State for Each Year for the Purpose of Creating a Fund to be Known as the "Returned Soldier's Fund," Providing for the payment thereof to returned soldiers, defining the Powers and Duties of the Adjutant General and of the Industrial Commission with reference thereto and making an Appropriation therefor.

Also: House Bill No. 99, being an Act to Amend and Re-enact Section 3529 of the Compiled Laws of North Dakota for the year 1913, relating to Fees of Notaries Public.

Also: House Bill No. 107, being an Act to Amend and Re-enact Section 10298 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 162 of the Laws of North Dakota for the Year 1915, as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Relating to the Season for Killing Deer.

Also: House Bill No. 6, being an Act to Amend and Re-enact Section 7949 of the Compiled Laws of North Dakota, 1913, Relating to Continuances of Cases.

Respectfully yours,

LYNN J. FRAZIER,
Governor.

Mr. Patterson moved that the House do now adjourn, which motion prevailed and the House adjourned.

C. L. DAWSON,
Chief Clerk.

SIXTIETH DAY

House of Representatives,
Bismarck, North Dakota,
March 4, 1921.

The House convened at 2 o'clock P. M., pursuant to adjournment, the Speaker presiding.

Prayer by the Chaplain, Rev. Alfson.

Roll call: All members present.

REVISION AND CORRECTION OF THE JOURNAL

The committee on revision and correction of the journal made the following report:

Mr. Speaker: Your committee on revision and correction of the journal have carefully examined the Journal of the 59th day and found the same correct.

And recommend that the same be approved.

ANDREW JOHNSON,
Chairman.

Mr. Johnson moved that the report be adopted, which motion prevailed and the report was adopted.

REPORTS OF SELECT COMMITTEES

Mr. Bauer moved the adoption of the report of the conference committee on House Bill No. 108, which motion prevailed.

Mr. Bauer moved that the rules be suspended and that House Bill No. 108 be considered properly engrossed and the same be passed on its third reading and final passage, which motion prevailed.

THIRD READING OF HOUSE BILLS

House Bill No. 108: A Bill for an Act to Amend and Re-enact Section 28 of Chapter 161 of the Laws of North Dakota for the Year 1915 as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Relating to Trespassing on Lands Where Hunting is Prohibited.

Was read the third time.

The question being on the final passage of the bill, as amended by the conference committee, the roll was called and there were ayes 111, nays 0, absent and not voting 2.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryane, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Harti, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Mckelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olset of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Maddock of Mountrail, Maxwell.

So the bill passed as amended by the conference committee and the title was agreed to.

MOTIONS AND RESOLUTIONS

Mr. Grangaard moved that the vote by which the House concurred in Senate amendments to House Bill No. 136 be reconsidered.

Roll call demanded.

The roll was called and there were ayes 56, Nays 57, absent and not voting 0.

Ayes: Allen, Anderson of Burleigh, Bjorgo, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lackey, Lakie, Larkin, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Nathan, Oberg, Olson of Barnes, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

So the motion was lost.

Mr. Kelly moved that the House do not concur in Senate amendments to House Bill No. 134.

Roll call demanded.

The roll was called and there were ayes 57, nays 56, absent and not voting 0.

Ayes: Allen, Anderson of Burleigh, Bauer, Bjorgo, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Larson of Pierce, McDowell, McGauvran, Mikkleson, Mouck, Ness, Nagel, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lackey, Lakie, Larkin, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Nathan, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

So the motion prevailed.

Mr. Twitchell moved that further consideration of House Bill No. 134 be indefinitely postponed, which motion was lost.

Mr. Twitchell moved that the vote by which the House considered House Bill No. 134 be reconsidered and the motion to reconsider be laid on the table.

Roll call demanded.

The roll was called and there were ayes 56, nays 57, absent and not voting 0.

Ayes: Allen, Anderson of Burleigh, Bjorgo, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Olafson, Ols-gard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmie, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Brady, Bratsberg, Bryans, Burkhardt, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lackey, Lakie, Larkin, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Nathan, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renault, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

So the motion was lost.

Mr. Patterson moved that the rules be suspended and that House Bill No. 136, be placed on its third reading and final passage, which motion prevailed.

THIRD READING OF HOUSE BILLS

House Bill No. 136: A Bill for an Act to Amend and Re-enact Section 8205, Compiled Laws of North Dakota for 1913, Defining the Private Property Which May be Taken by Eminent Domain.

Was read the third time.

The question being on the final passage of the bill as amended by the Senate, the roll was called and there were ayes 62, nays 51, absent and not voting 0.

Ayes: Allen, Anderson of Burleigh, Arduser, Babcock, Bauer, Bilquist, Bjerke, Brady, Bratsberg, Bryans, Burkhardt, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Heaton, Johnson of Steele, Kamrath, Kellogg, Lackey, Lakie, Larkin, Larson of Ransom, Lazier, Levin, Mc-

Larty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Nathan, Oberg, Olson of Barnes, Opland, Patterson, Preszler, Reichert, Renault, Semling, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Nays: Anderson of Griggs, Bjorgo, Bollinger, Botz, Boyd, Burns, Carlson, Cole, Durke, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Larson of Pierce, McDowell, McGauvran, Mikkelsen, Mouck, Ness, Nagel, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Quade, Root, Sagen, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

So the bill passed as amended by the Senate and the title was agreed to.

Mr. Patterson moved that the vote by which House Bill No. 136 passed, be reconsidered and the motion to reconsider be laid on the table. Which motion prevailed.

CONSIDERATION OF MESSAGES FROM THE SENATE.

Mr. Johnson of Sargent moved that the House do now concur in Senate amendments to House Bill No. 90, which motion prevailed.

Mr. Ness moved that the rules be suspended and that House Bill No. 90 be considered properly engrossed the same be passed on its third reading and final passage, which motion prevailed.

THIRD READING OF HOUSE BILLS.

House Bill No. 90: A Bill for an Act Requiring Railroad Companies to Provide Separate Compartments for Carriage of Sick People and Providing a Penalty for Violation Thereof. Was read the third time.

The question being on the final passage of the bill, as amended by the Senate, the roll was called and there were ayes 101, nays 0, absent and not voting 12.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Fredrickson, Fraudson, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Maxwell, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Op-

land, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Sims, Slominski, Sproul, Starke, Strain, Ulland, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Bauer, Burkhart, Flom, Freeman, Grangaard, Jardine, Kopp, Martin of Slope, Mikkelson, Patterson, Shipley, Vogel.

So the bill passed as amended by the Senate and the title was agreed to.

CONSIDERATION OF MESSAGES FROM THE SENATE.

Mr. Hempel moved that the House do now concur in Senate amendments to House Bill No. 192, which motion prevailed.

Mr. Anderson moved that the rules be suspended and that House Bill No. 192 be considered properly engrossed and the same be passed on its third reading and final passage, which motion prevailed.

THIRD READING OF HOUSE BILLS.

House Bill No. 192: A Bill for an Act to Amend and Re-enact Chapter 97 of the Session Laws of 1917, as amended by Chapter 99 of the Session Laws of 1919, and by Chapter 29 of the Special Session Laws of 1919, Relating to Cooperative Associations and to Repeal Chapter 13 of the Civil Code of the Compiled Laws of 1913, Chapter 92 of the Session Laws of 1915, and Chapters 95 and 96 of the Session Laws of 1917.

Was read the third time.

The question being on the final passage of the bill, as amended by the Senate, the roll was called and there were ayes 95, nays 0, absent and not voting 18.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olson of Barnes, Olsen of Billings, Opland, Plath, Preszler, Quade, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Sims, Slominski, Sproul, Starke, Strain, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Boyd, Cole, Grangaard, Hartl, Johnson of Ward, Lakie, Larkin, McLarty, Maddock of Mountrail, Olafson, Olgard, Olson of Ramsey, Ophaug, Patterson, Peters, Reichert, Shipley, Ulland.

So the bill passed as amended by the Senate and the title was agreed to.

MESSAGES FROM THE SENATE.
SENATE CHAMBER.

Bismarck, N. D., March 4, 1921.

Mr. Speaker: I have the honor to return herewith the following bills:

House Bill No. 61: A Bill for an Act to Amend and Re-enact Section 5 of Chapter 224 of the Session Laws of North Dakota, for the Year 1919, Relating to Income Taxes.

Which the Senate has indefinitely postponed.

Very respectfully,

W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to return herewith the following bill:

House Bill No. 7: A Bill for an Act Providing for the Appointment of County Brand Inspectors; Defining the Duties of Railways in the Shipment of Certain Stock; Penalty.

Which the Senate has passed unchanged.

Very respectfully,

W. J. PRATER,
Secretary.

CONSIDERATION OF MESSAGES FROM THE SENATE.

The Speaker appointed as a conference committee on Senate Bill 134, Messrs. Larson of Pierce, Root, Ulland.

Mr. Johnson of Cass moved that the House do not concur in Senate amendment to House Bill No. 100.

Call of the House demanded.

The roll being called all members were present.

Mr. Peters moved that further proceedings under call of the House be dispensed, which motion prevailed and further consideration under call of the House was dispensed with.

The question now being on the motion of Mr. Johnson the motion prevailed and the House did not concur in said Senate amendments to House Bill No. 100.

SIGNING OF BILLS.

The Chief Clerk announced that the Speaker was about to sign:

Senate Bill No. 11: A Bill for an Act Amending and Re-enacting Section 10251 of the Compiled Laws of North Dakota for the Year 1913, Relating to Unlawful Obligations in Writing.

Senate Bill No. 31: A Bill for an Act to Amend and Re-

enact Section 780 of the Compiled Laws of North Dakota, for the Year 1913, as Amended by Chapter 30, of the Special Session Laws of North Dakota, for the Year 1919, Relating to Compensation of Court Stenographers, and Providing for the Payment of Expenses.

Senate Bill No. 32: A Bill for an Act to Amend and Re-enact Sections 11114 and 11115, Compiled Laws of the State of North Dakota for 1913, Relating to the Admitting to Bail of Persons Charged with the Offense of Homicide.

Senate Bill No. 39: A Bill for an Act to appropriate the Sum of \$175,000.00 for the Purpose of Aiding in the Construction of a Bridge Across the Missouri River From Burleigh County to Morton County in the State of North Dakota Under the Provision of Chapter 73 of the Laws Passed at the Sixteenth Session of the Legislative Assembly of North Dakota, Approved March 5, 1919, in Addition to the Sum Appropriated by Chapter 4 of the Special Session of the Sixteenth Legislative Assembly, Approved December 12, 1919, and That Such Appropriation be Made From the State Highway Fund.

Senate Bill No. 41: A Bill for an Act to Amend and Re-enact Section 4059 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 71, Session Laws of 1915, and Chapter 178, Session Laws of 1917, Relating to Powers of Park Commission, be Amended and Re-Enacted to Read as Follows:

Senate Bill No. 58: A Bill for an Act Making it Unlawful for Any Railroad Corporation Doing Business in North Dakota, to Operate Any Locomotive Engine Propelled by Steam or Electric Power, Without Equipping Such Engine With a Vestibuled Cab; and Prescribing a Penalty for the Violation of this Act.

Senate Bill No. 84: A Bill for an Act to appropriate the Sum of Eight Hundred Twenty-one and 75-100 Dollars (\$821.75) for Printing the 1917-1918 Biennial Report of the Attorney General.

Senate Bill No. 111: A Bill for an Act entitled: "An Act Prescribing What Number of Stockholders Shall constitute a Quorum in Stockholders' Meetings of Domestic Corporations, and also Providing that the Written Consent of the Holders of a Majority in Value of the Subscribed Capital Stock Shall be Effectual for Certain Purposes, also Making Provision for Notice for Stockholders' Meetings, and Repealing Conflicting Laws."

Senate Bill No. 153: A Bill for an Act to Amend and Re-enact Section 8122 of the Compiled Laws of North Dakota for 1913, as Amended by Chapter 180 of the Laws of 1915 and as Amended by Chapter 151 of the Laws of 1917, Relating to Foreclosure of Land Contracts.

Senate Bill No. 156: A Bill for an Act Restricting Rights of Litigants to Bring Actions in Courts to Set Aside Taxes or Assessments or to Recover Taxes Before Submitting Their Claims to the Board of County Commissioners for Adjustment and Dismissing Actions Heretofore Brought.

Senate Bill No. 162: A Bill for an Act to Provide a Minimum Salary for a Teaching Experience of Less Than One School Year, and a Schedule of Salary Minimums for a Teaching Experience of From One to Six Years Inclusive, for the Teachers in the Public Schools of North Dakota.

Senate Bill No. 200: A Bill for an Act Authorizing the Renewal of the Period of Corporate Existence of Certain Corporations Whose Period of Duration has Expired Without the Renewal Thereof, and Legalizing Acts and Contracts of Such Corporation Made or Done and Performed Subsequent to the Expiration of the Original Period of Existence of Such Corporations.

And the Speaker signed the same in the presence of the House.

CONSIDERATION OF MESSAGES FROM THE SENATE.

Mr. Olson of Barnes moved that the House do now concur in Senate amendments to House Bill No. 199, which motion prevailed.

Mr. Olson of Barnes moved that the rules be suspended and that House Bill No. 199 be considered properly engrossed and the same be passed on its third reading and final passage, which motion prevailed.

THIRD READING OF HOUSE BILLS.

House Bill No. 199: A Bill for an Act to Amend and Re-enact Sections 1589, 1594, and 1595 of the Compiled Laws of 1913, Relative to Normal Schools.

Was read the third time.

The question being on the final passage of the bill, as amended by the Senate, the roll was called and there were ayes 103, nays 0, absent and not voting 10.

Anderson, of Burleigh, Anderson, of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhardt, Burns, Cart, Cole, Boyle, Durkee, Eckert, Ellingson, Erickson, of Divide, Erickson, of Walsh, Freeman, Frandson, Hagelbarger, Halcrow, Hanson, of Benson, Hanson, of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson, of Cass, Johnson, of Pembina, Johnson, of Sargent, Johnson, of Steele, Johnson, of Traill, Johnson, of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson, of Pierce, Larson, of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock, of Benson, Maddock, of Mountrail, Magnuson, Martin, of Bottineau, Martin, of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson, of Barnes, Olsen, of Billings, Olson, of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Allen, Bauer, Carlson, Elmer,

Flom, Fredrickson, Grangaard, Shipley, Weld of Kidder.

So the bill passed as amended by the Senate and the title was agreed to.

CONSIDERATION OF MESSAGES FROM THE SENATE.

The Speaker appointed as a conference committee on House Bill No. 100, Messrs. Johnson of Cass, Hanson of Grand Forks and Plath and as a conference committee on Senate Bill No. 116, Messrs. McGauvran, Nagle and Preszler.

Mr. Harding moved that the House do now concur in Senate amendments to House Bill No. 113, which motion prevailed.

Mr. Harding moved that the rules be suspended and that House Bill No. 113 be considered properly engrossed and the same be passed on its thord reading and final passage, which motion prevailed.

THIRD READING OF HOUSE BILLS.

House Bill No. 113: A Bill for an Act to Amend and Re-enact Section 2495 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Levy of Taxes for Interest for Drainage Purposes and Creating Sinking Fund.

Was read the third time.

The question being on the final passage of the bill, as amended by the Senate, the roll was called and there were ayes 105, nays 0, absent and not voting 8.

Anderson, of Burleigh, Anderson, of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Brady, Bratsberg, Bryans, Burkhart, Burns, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson, of Divide, Erickson, of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson, of Benson, Hanson, of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson, of Cass, Johnson, of Pembina, Johnson, of Sargent, Johnson, of Steele, Johnson, of Trail, Johnson, of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson, of Pierce, Larson, of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock, of Benson, Maddock, of Mountrail, Magnuson, Martin, of Bottineau, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson, of Barnes, Olsen, of Billings, Olson, of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quado, Reichert, Renault, Root, Sagen, Semling, Sherman, Shimmin Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld, of Kidder, Whitman, Wood, Yeater, Mr. Speaker..

Absent and not voting: Allen, Bauer, Boyd, Carlson, Martin, of Slope, Maxwell, Shipley, Weld, of Wells.

So the bill passed as amended by the Senate and the title was agreed to.

The Chief Clerk announced that the Speaker was about to sign:

House Bill No. 203: A Bill for an Act to Amend and Re-enact Section 69 of the Compiled Laws of North Dakota for 1913, Relating to the Printing of the Popular Edition of the Sessions Laws; Fixing the Specifications for the Unauthenticated Edition of the Session Laws of the State of North Dakota, and Repealing All Acts and Parts of Acts in Conflict Therewith.

House Bill No. 49: A Bill for an Act to Amend and Re-enact Section 814 of the Compiled Laws of North Dakota for the year 1913 Relating to Jurors.

And the Speaker signed the same in the presence of the House.

REPORT OF STANDING COMMITTEES.

Mr. Speaker: Your committee on Enrollment and Engrossment respectfully report that:

House Bill No. 49: An act to Amend and Re-enact Section 814 of the Compiled Laws of North Dakota for the year 1913

House Bill No. 203: An Act to Amend and Re-enact Section 69 of the Compiled Laws of North Dakota for 1913, Relating to the Printing of the Popular Edition of the Session Laws; Fixing the Specifications for the Unauthenticated Edition of the Session Laws of the State of North Dakota, and Repealing All Acts and Parts of Acts in Conflict Therewith.

Were delivered to the governor for his approval at the hour of 4:35 o'clock p. m.

A. J. PRESZLER,
Chairman.

CONSIDERATION OF MESSAGES FROM THE SENATE.

Mr. Johnson of Cass moved that the House do now concur in Senate amendments to House Bill 139, which motion prevailed.

Mr. Johnson of Cass moved that the rules be suspended and that House Bill No. 139 be considered properly engrossed and the same be passed on its third reading and final passage, which motion prevailed.

THIRD READING OF HOUSE BILLS.

House Bill No. 139: A Bill for an Act to Amend and Re-enact Section 3296 of the Compiled Laws of North Dakota for the year 1913, Relating to County Commissioners' Powers and Duties With Respect to Contracts Let on Competitive Bids.

Was read the third time.

The question being on the final passage of the bill, as amended by the Senate, the roll was called and there were ayes 80, nays 0, absent and not voting 33.

Ayes: Anderson of Griggs, Arduser, Babcock, Bilquist,

Bjerke, Bjorgo, Bollinger, Botz Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Kellogg, Kelly, Kitchen, Kopp, Lakie, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, Maddock of Benson, Magnuson, Martin of Slope, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Quade, Renauld, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Vogel, Watt, Weld of Kidder, Weld of Wells, Yeater, Mr. Speaker.

Absent and not voting: Allen, Anderson of Burleigh, Bauer, Cart, Erickson of Divide, Erickson of Walsh, Hanson of Grand Forks, Hartl, Hempel, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kjos, Lackey, Larkin, Larson of Pierce, McManus, Maddock of Mountrail, Martin of Bottineau, Maxwell, Mikkelson, Olafson, Olsgard, Plath, Preszler, Reichert, Root, Starke, Strain, Ulland, Whitmer, Wood.

So the bill passed as amended by the Senate and the title was agreed to.

CONSIDERATION OF MESSAGES FROM THE SENATE.

Mr. Peters moved that the House do not concur in Senate amendments to House Bill No. 33, which motion prevailed.

Mr. Miller moved that the House do now concur in Senate amendments to House Bill No. 174, which motion prevailed.

Mr. Miller moved that the rules be suspended and that House Bill No. 174 be considered properly engrossed and the same be passed on its third reading and final passage, which motion prevailed.

THIRD READING OF HOUSE BILLS.

House Bill No. 174: A Bill for an Act to Amend and Re-enact Section 1190 of the Compiled Laws of North Dakota, for the Year 1913, as Amended by Chapter 199 of the Laws of North Dakota for the Year 1919, as Amended by Chapter 53 of the Laws of North Dakota, Special Session of the Year 1919, Relating to the Consolidation of Schools; and Contracting for the Transportation of Pupils and From Said Schools; and Providing for a Board of Arbitration.

Was read the third time.

The question being on the final passage of the bill, as amended by the Senate, the roll was called and there were ayes 109, nays 0, absent and not voting 4.

Allen, Anderson, of Burleigh, Anderson, of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole,

Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson, of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson, of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson, of Cass, Johnson, of Pembina, Johnson, of Sargent, Johnson, of Steele, Johnson, of Traill, Johnson, of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson, of Pierce, Larson, of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock, of Benson, Maddock, of Mountrail, Magnuson, Martin, of Bottineau, Martin, of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olson, of Barnes, Olsen, of Billings, Olson, of Ramsey, Ophaug, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Peters.

Absent and not voting: Bollinger, Patterson, Weld, of Kidder, Weld, of Wells.

So the bill passed as amended by the Senate and the title was agreed to.

CONSIDERATION OF MESSAGES FROM THE SENATE.

The Speaker appointed as a conference committee on House Bill No. 33, Messrs. Shipley, Grangaard and Freeman.

Mr. Olson of Billings moved that action on House Bill No. 212 be deferred until after Senate Bill 117 has been disposed of.

Mr. Burkhart moved that the motion of Mr. Olson of Billings be laid on the table, which motion was lost.

The question now being on the motion of Mr. Olson the motion prevailed and further action on House Bill No. 212 was deferred.

Mr. Speaker: Your conference committee on H. B. 151 to whom was referred:

House Bill No. 151: A Bill for an Act to Amend and Re-enact Section 1 of Chapter 126 of the Laws of North Dakota 110 of the Laws of North Dakota for 1919, Relative to the Guarantee of Bank Deposits.

Have had the same under consideration and recommend that the House accede in the Senate amendment, and recommend that the same be passed as amended by the Senate.

CHRIST LEVANG,
FRANK E. PLOYHAR,
Senate.

M. O. GRANGAARD,
A. JOHNSON,
F. O. VOGLE,
House.

Mr. Grangaard moved that the report of the conference committee be adopted, which motion prevailed and the report was adopted.

Mr. Grangaard moved that the House do now concur in Senate amendments to House Bill No. 151, which motion prevailed.

Mr. Grangaard moved that the rules be suspended and that House Bill No. 151 be considered properly engrossed and the same be passed on its third reading and final passage, which motion prevailed.

THIRD READING OF HOUSE BILLS.

House Bill No. 151: A Bill for an Act to Amend and Re-enact Section 1 of Chapter 126 of the Laws of North Dakota for the Year 1917 as Amended and Re-enacted by Chapter 110 of the Laws of North Dakota for 1919, Relative to the Guarantee of Bank Deposits.

Was read the third time.

The question being on the final passage of the bill, as amended by the Senate, the roll was called and there were ayes 109, nays 0, absent and not voting 4.

Allen, Anderson, of Burleigh, Anderson, of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson, of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson, of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson, of Cass, Johnson, of Pembina, Johnson, of Sargent, Johnson, of Steele, Johnson, of Traill, Johnson, of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Strain, Ulland, Vogel, Watt, Weld of Kidder, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Bollinger, Lackey, Starke, Weld of Wells.

So the bill passed as amended by the Senate and the title was agreed to.

CONSIDERATION OF MESSAGES FROM THE SENATE.

Mr. Harding moved that the House do not concur in Senate amendment to House Bill No. 188, which motion prevailed, and the Speaker appointed Messrs. Carlson, Harding and Anderson of Burleigh as a conference committee on said bill.

The Speaker appointed as a conference committee on House Bill No. 182 Messrs. Bauer, Botz and Kitchen.

MESSAGES FROM THE SENATE.

SENATE CHAMBER.,

Bismarck, N. D., March 4, 1921.

Mr. Speaker: I have the honor to inform you that the Senate has concurred in the conference committee on House Bill No. 108 and recede from its amendment to said bill.

Very respectfully,
W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to inform you that the Senate has refused to concur in the House amendments to Senate Bill No. 182, and the President has appointed Senators Wog, Fraser and Gardiner as a conference committee.

Very respectfully,
W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to inform you that the Senate refuses to concur in House amendments to House Bill 105 and has appointed as a conference committee Senators Baker, Patten, Byrne.

Very respectfully,
W. J. PRATER,
Secretary.

Also:

Mr. Speaker: I have the honor to inform you that the Senate refuses to concur to the House amendments to Senate Bill 25 and has appointed as such conference committee Senators Church, Levang and Van Camp.

Very respectfully,
W. J. PRATER,
Secretary.

The Speaker appointed as a conference committee on Senate Bill 25 Messrs. Watt, Kelly and Olson of Billings.

The speaker appointed as a conference committee on House Bill 105, Messrs. Johnson of Cass, Hanson of Grand Forks and Olsgard.

Mr. Grangaard: This afternoon I delivered to the chief clerk at his desk a mass of documents constituting the report of the House Audit Committee, together with all of the exhibits and transcripts of the evidence. The report consists of about 135 pages of Typewriting and the testimony about 1600 pages, together with innumerable exhibits I move you at this time, Mr. Speaker, that the reading of this be dispensed with, and that the same be printed in the Journal and the report be adopted which motion prevailed.

The Speaker suggested that the printing of the report as provided by the resolution of Mr. Grangaard should

take the place of the printing of the testimony taken before the House Audit Committee, and of the Bishop, Brissman Report, as provided for by resolution heretofore adopted by the House, a motion to that effect being duly made by Mr. Johnson such motion prevailed.

Mr. Grangaard moved that 2000 copies of the journal of the last day be printed to enable them to be distributed by the Secretary of State, distribution being made as are the House Journals under the rules of the House, which motion prevailed.

Mr. Harding moved that the House do now recess until 7:30 p. m. this evening which motion prevailed and the House so recess.

AFTER RECESS

The House convened at 7:30 p. m. pursuant to recess taken, the Speaker presiding.

MESSAGE FROM THE SENATE

Bismarck, N. D. March 4, 1921

Mr. Speaker: I have the honor to inform you that the president has appointed as a new conference committee on Senate Bill 116, Senators Benson, Steel and McNair.

SENATE CHAMBER

Bismarck, N. D., March 4, 1921

Mr. Speaker: I have the honor to return.

House Bill No. 25. A bill for an Act to Amend and Re-enact Section 2078 of the Compiled Laws of North Dakota for the year 1913 and Chapter 223 of the Session Laws of North Dakota for the year 1919 Relating to the Exemption of Property from Taxation.

Which the Senate has amended as follows:

Strike out everything after a Bill and insert the following:

For an Act to Amend and Re-enact Sub-Section 11 and Sub-Section 15 of Chapter 223, Session Laws of North Dakota for the year 1919, Relating to Taxation and more Specifically to the Exemption of Property from Taxation And Providing for a Limitation of Tax Levies Upon all Taxable Property.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. Amendment. That Sub-section 11 and Sub-section 15 of Chapter 223 of the Session Laws of North Dakota for the year 1919 are hereby amended and re-enacted to read as follows:

Sub-Section 11. Structures and improvements, when used as a place of residence and when personally occupied by the legal or equitable owner on village, town or city lots to the amount of five hundred dollars (\$500.00).

Sub-Section 15. The tools, implements or other equipment of a farmer, to the amount of five hundred dollars (\$500.00).

Section 2. The total amount of taxes levied for any purpose, except special levies for local improvements and for the maintenance of sinking funds in any county or political subdivision thereof in any village, town or city within the state shall not exceed an amount equal to one-fifth of the total combined levies, which were made for the years 1916, 1917, 1918, 1919 and 1920, except that school districts may levy not to exceed 30 percent of such amount, and provided that any county or political subdivision thereof or any village town or city may increase such levy in the same proportion as the assessed property valuation increases or has increased over that of the year 1919. Provided, however, that the electors of any county or political subdivision thereof or any village, town or city within the state, may by a majority vote authorize a levy of 25 percent in excess of this limit.

Section 3. Emergency. This is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Very respectfully,
W. J. PRATER,
Secretary.

SENATE CHAMBER

Bismarck, N. D., March 4, 1921

Mr. Speaker: I have the honor to transmit the following concurrent resolution:

Be It Resolved by the Senate of the State of North Dakota the House concurring therein, that the following telegram signed by the President of the Senate and the Speaker of the House be sent to Warren G. Harding, President of the U. S. A.

Congratulations to Pres. Harding.

"We, the members of the Seventeenth Legislative Assembly of the State of North Dakota on the eve of adjournment Sine Die this fourth day of March, 1921, do wish to congratulate you upon your inauguration today as the chief executive officer of the greatest nation on earth. May God in his wisdom guide, protect you in the discharge of your duties."

Which the Senate adopted and your favorable consideration is respectfully requested.

Very respectfully,
W. J. PRATER,
Secretary

SENATE CHAMBER

Bismarck, N. D., March 4, 1921

Mr. Speaker: I have the honor to transmit the following resolution:

A CONCURRENT RESOLUTION

Introduced by Mr. Bowman.

Whereas, it is important that the members of the House and Senate should be provided with a copy of the corrected bound journals of the House and Senate.

Be It Therefore Resolved, by the Senate, The House of Representatives concurring therein, that the Secretary of State be and is hereby authorized and directed to send to each member of the Senate and House, President and Secretary of the Senate and Chief Clerk of the House, and to each district judge in the state, a copy of the joint Senate and House journals and a copy of the Session Laws.

Which the Senate adopted and your favorable consideration is respectfully requested.

Very respectfully,
W. J. PRATER,
Secretary.

SENATE CHAMBER

Bismarck, N. D., March 4. 1921

Mr. Speaker: I have the honor to inform you that the Senate appointed as conference committee on House Bill 25 Senators. Bowman, Ettetstad, Benson.

Very respectfully,
W. J. PRATER,
Secretary.

SENATE CHAMBER

Bismarck, N. D., March 4. 1921

Mr. Speaker: I have the honor to inform you that the Senate refused to accept the report of the conference committee appointed on House Bill 105.

The President has appointed a new conference committee Sen. Ettetstad, Fleckten and Noltimier.

Very respectfully,
W. J. PRATER,
Secretary.

SENATE CHAMBER

Bismarck, N. D., March 4. 1921

Mr. Speaker: I have the honor to inform you that the Senate has Refused to accept the report of the conference committee appointed on House Bill 134.

And the President has appointed as conference committee Senators Oksendahl, Patten and Olson.

Very respectfully,
W. J. PRATER,
Secretary.

SENATE CHAMBER

Bismarck, N. D., March 4, 1921.

Mr. Speaker: I have the honor to inform you that the Senate Refuses to accept the report of the conference committee appointed on House Bill 33.

And the President has appointed as conference committee Senators Garberg, Ward and Miklethun.

Very respectfully,
W. J. PRATER,
Secretary.

SIGNING OF BILLS

The Chief Clerk announced that the Speaker was about to sign:

House Bill No. 108: A Bill for an Act to Amend and Re-enact Section 28 of Chapter 161 of the Laws of North Dakota for the Year 1915 as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Relating to Trespassing on Lands Where Hunting is Prohibited.

House Bill No. 136: A Bill for an Act to Amend and Re-enact Section 8205, Compiled Laws of North Dakota for 1913, Defining the Private Property Which May be Taken by Eminent Domain.

House Bill No. 90: A Bill for an Act Requiring Railroad Companies to Provide Separate Compartments for Carriage of Sick People and Providing a Penalty for Violation Thereof.

House Bill No. 113: A Bill for an Act to Amend and Re-enact Section 2495 of the Compiled Laws of the State of North Dakota for the Year 1913 Relating to Levy of Taxes for Interest for Drainage Purposes and Creating Sinking Fund.

House Bill No. 7: A Bill for an Act Providing for the Appointment of County Brand Inspectors; Defining the Duties of Railways in the Shipment of Certain Stock; Penalty.

House Bill No. 139: A Bill for an Act to Amend and Re-enact Section 3296 of the Compiled Laws of North Dakota for the Year 1913, Relating to County Commissioners' Powers and Duties With Respect to Contracts Let on Competitive Bids.

House Bill No. 199: A Bill for an Act to Amend and Re-enact Sections 1589, 1594, and 1595 of the Compiled Laws of 1913, Relative to Normal Schools.

And the Speaker signed the same in the presence of the House.

REPORTS OF STANDING COMMITTEES

Mr. Speaker: Your committee on Enrollment and Engrossment have examined the following bills:

House Bill No. 113: A Bill for an Act to Amend and Re-enact Section 2495 of the Compiled Laws of the State of

North Dakota for the Year 1913, Relating to Levy of Taxes for Interest for Drainage Purposes and Creating Sinking Fund.

House Bill No. 7: A Bill for an Act Providing for the Appointment of County Brand Inspectors; Defining the Duties of Railways in the Shipment of Certain Stocks; Penalty.

House Bill No. 139: A Bill for an Act to Amend and Re-enact Section 3296 of the Compiled Laws of North Dakota for the Year 1913, Relating to County Commissioners' Powers and Duties With Respect to Contracts Let on Competitive Bids.

House Bill No. 199: A Bill for an Act to Amend and Re-enact Sections 1589, 15994, and 1595 of the Compiled Laws of 1913, Relative to Normal Schools.

Mr. Speaker: Your committee on Enrollment and En-grossment have examined the following bills:

House Bill No. 108: A Bill for an Act to Amend and Re-enact Section 28 of Chapter 161 of the Laws of North Dakota for the Year 1915 as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919. Relating to Trespassing on Lands Where Hunting is Prohibited.

House Bill No. 136: A Bill for an Act to Amend and Re-enact Section 8205, Compiled Laws of North Dakota for 1913, Defining the Private Property Which May be Taken by Eminent Domain.

House Bill No. 90: A Bill for an Act Requiring Railroad Companies to Provide Separate Compartments for Carriage of Sick People and Providing a Penalty for Violation Thereof. And find the same correctly enrolled.

A. J. PRESZLER,
Chairman.

Mr. Preszler moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Enrollment and En-grossment respectfully report that:

House Bill No. 113: A Bill for an Act to Amend and Re-enact Section 2495 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Levy of Taxes for Interest for Drainage Purposes and Creating Sinking Fund.

House Bill No. 7: A Bill for an Act Providing for Appointment of County Board Inspectors; Defining the Duties of Railways in the Shipment of Certain Stock; Penalty.

House Bill No. 139: A Bill for an Act to Amend and Re-enact Section 3296 of the Compiled Laws of North Dakota for the Year 113, Relating to County Commissioners' Powers and Duties With Respect to Contracts Let on Competitive Bids.

House Bill No. 199: A Bill for an Act to Amend and Re-

enact Section 1589, 1594, and 1595 of the Compiled Laws of 1913, Relative to Normal Schools.

House Bill No. 108: A Bill for an Act to Amend and Re-enact Section 28 of Chapter 161 of the Laws of North Dakota for the Year 1915 as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Relating to Trespassing on Lands Where Hunting is Prohibited.

House Bill No. 136: A Bill for an Act to Amend and Re-enact Section 8205, Compiled Laws of North Dakota for 1913, Defining the Private Property Which May be Taken by Eminent Domain.

House Bill No. 90: A Bill for an Act Requiring Railroad Companies to Provide Separate Compartments for Carriage of Sick People Providing a Penalty for Violation Thereof.

Were delivered to the governor for his approval at the hour of 6:30 o'clock p. m.

A. J. PRESZLER,
Chairman.

Mr. Speaker: Your committee on Enrollment and Engrossment have examined the following bills:

House Bill No. 192: A Bill for an Act to Amend and Re-enact Chapter 97 of the Session Laws of 1917, as Amended by Chapter 99 of the Session Laws of 1919, and by Chapter 29 of the Special Session Laws of 1919, Relating to Cooperative Associations and to Repeal Chapter 13 of the Civil Code of the Compiled Laws of 1913, Chapter 92 of the Session Laws of 1915, and Chapters 95 and 96 of the Session Laws of 1917. Terrorism as a Means of Accomplishing Industrial Ends, and Assemblage for the Purpose of Such Advocacy; and Providing Penalties for the Violations of the Provisions Thereof.

House Bill No. 174; A Bill for an Act to Amend and Re-enact Section 1190 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 199 of the Laws of North Dakota for the Year 1919, as Amended by Chapter 53 of the Laws of North Dakota, Special Session of the Year 1919, Relating to the Consolidation of Schools; and Contracting for the Transportation of Pupils to and From Said Schools; and Providing for a Board of Arbitration.

House Bill No. 151: A Bill for an Act to Amend and Re-enact Section 1 of Chapter 126 of the Laws of North Dakota for the Year 1917 as Amended and Re-enacted by Chapter 110 of the Laws of North Dakota for 1919, Relative to the Guarantee of Bank Deposits.

And find the same correctly engrossed.

A. J. PRESZLER,
Chairman.

Mr. Preszler moved that the report be adopted, which motion prevailed and the report was adopted.

SIGNING OF BILLS

The Chief Clerk announced that the Speaker was about to sign.

House Bill No. 192: A Bill for an Act to Amend and Re-enact Chapter 97 of the Session Laws of 1917, as Amended by Chapter 99 of the Session Laws of 1919, and by Chapter 29 of the Special Session Laws of 1919, Relating to Cooperative Associations and to Repeal Chapter 13 of the Civil Code of the Compiled Laws of 1913, Chapter 92 of the Session Laws of 1915, and Chapters 95 and 96 of the Session Laws of 1917.

House Bill No. 174: A Bill for an Act to amend and Re-enact Section 1190 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 199 of the Laws of North Dakota for the Year 1919, as Amended by Chapter 53 of the Laws of North Dakota, Special Session of the Year 1919, Relating to the Consolidation of Schools; and Contracting for the Transportation of Pupils to and From Said Schools; and Providing for a Board of Arbitration.

House Bill No. 151: A Bill for an Act to Amend and Re-enact Section 1 of Chapter 126 of the Laws of North Dakota for the Year 1917 as Amended and Re-enacted by Chapter 110 of the Laws of North Dakota for 1919, Relative to the Guarantee of Bank Deposits.

And the Speaker signed the same in the presence of the House.

Mr. Speaker: Your conference committee on H. B. No. 33 to whom was referred,

House Bill No. 33: A Bill for an Act to Appropriate \$12,000 out of any Money in the State Treasury not Otherwise Appropriated, or so Much Thereof as May be Necessary for the Purpose of Paying All Expenses Connected With the Auditing of the Various State Industries as Required by Section 369, of the Compiled Laws of 1913, as Amended November 2nd, 1920, by a Vote of People, and Providing How Such Appropriation Shall be Paid.

Have had the same under consideration and recommend that the House do not concur in the Senate amendment.

Senate: John L. Miklethun, C. A. Ward, P. B. Garberg.

House: D. E. Shipley, M. O. Grangard, John F. Freeman.

CONSIDERATION OF MESSAGES FROM THE SENATE

Mr. Patterson moved that the House do now concur in the Senate amendments to House Bill No. 25.

Mr. Starke moved as a substitute motion that the House do refuse to concur in Senate amendments to House Bill No. 25.

Call of the House demanded.

The roll being called, all members were present except Messrs. Botz, Bryans.

Mr. Sagen moved that further proceedings under call of the House be dispensed with, which motion prevailed and further proceedings under call of the House was dispensed with.

The question being on the substitute motion of Mr. Starke, that the House do not concur.

The motion prevailed.

Mr. Speaker: Your Committee on conference to whom was referred.

Senate Bill 116: A Bill for an Act to amend and re-enact chapter 179 of the Session Laws of 1915; an act to amend Chapter 177 of the Laws of 1911 (Same being Sections 11402 to 11428, inc., Compiled Laws of 1913), Entitled "Juvenile Court." by Adding thereto certain provisions giving the Court Power when necessary to appoint District Juvenile Commissioners, Guardians as litem, and to make Rules and Regulations prescribing their duties and fixing their compensation; also to enact such other provisions which are best calculated to carry out the purpose of said Chapter 177.

Have had the same under consideration and recommend that the same be amended as follows:

Section four (4) in line five (5) of the engrossed bill, strike out the word five and insert the word six.

At the end of section four, add the following, (Provided that the per diem to be paid to either commissioner shall not exceed \$150.00 in any one month.)

And when so amended recommend the same do pass.

JOSEPH MCGAUVVRAN,
Chairman.

Mr. Patterson moved that the House adopt the report of the conference committee on Senate Bill No. 116, which motion prevailed.

The Speaker appointed Messrs. Jardine, Sproul and Sagen as a conference committee on House Bill No. 25.

GENERAL ORDERS

Mr. Starke moved that the house resolve itself into a committee of the whole for the consideration of general orders; which motion prevailed, and the house resolved itself into a committee of the whole.

The Speaker called Mr. Starke to the chair.

When the committee arose it submitted the following report

Mr. Speaker: The committee of the whole have had under consideration

Senate Bill No. 110: A Bill for an Act to Amend and Re-enact Section 811 of Chapter 69 of the Laws of the State of North Dakota for the Year of 1919, Providing for a Bond for Attorneys.

Have had the same under consideration and recommend that the same be amended as follows:

Title: An Act to amend and re-enact Sections 811 and 812 of the Compiled Laws of North Dakota, 1913, as amended by Sections 9 and 10 of Chapter 69 of the Session Laws of the State of North Dakota for the Year 1919.

Section 1. Amendment. That Sections 811 and 812 of the Compiled Laws of North Dakota, 1913, as amended by Sections 9 and 10 of Chapter 69 of the Session Laws of North Dakota for the Year 1919, is hereby amended and re-enacted to read as follows:

SECTION ONE. (1)

"Section 1. AMENDMENT). That Section 811 of Chapter 69 of the Session Laws of North Dakota for the year 1919 is hereby amended and re-enacted to read as follows:

"Section 811. (Who May Practice). No person shall be entitled to practice law or act as attorney or counsellor at law or act as attorney or counsellor at law in this state who is also making collections for others unless such person shall first secure a certificate of admission to the bar, and shall also file a bond to the State of North Dakota in the penal sum of Two Thousand Dollars (\$2,000.00) with good and sufficient sureties to be approved by the state bar board for the faithful performance of his duties as attorney or counsellor at law, and collector of moneys for others."

And recommend the same do pass as amended by the committees.

Also:

Mr. Speaker: The committee of the whole have had under consideration Senate Bill No. 131 and recommend the same be amended as follows:

That the words and figures "Fifty Thousand Dollars" be stricken out and insert in Lieu thereof the words and figures "Thirty-four Thousand Dollars".

And when so amended recommend that the same do pass as amended by the committee of the whole.

Also:

Mr. Speaker: The committee of the whole have had under consideration Senate Bill No. 51 and recommend the same be amended as follows:

Strike out the words and figures "Two Hundred Thousand Dollars", and insert in Lieu thereof the words and figures "One Hundred Thousand Dollars."

And when so amended recommend the same do pass as amended by the committee of the whole.

Also:

Mr. Speaker: The committee of the whole have had under consideration.

Senate Bill No. 140: A Bill for an Act to Amend and Re-

enact Chapter 271 of the Session Laws of North Dakota for the Year 1915, Relating to Qualifications of Signers of Petition of County Commissioners.

Have had the same under consideration and recommend that the same be amended as follows: ..

Strike out everything after the words "A BILL" and insert in lieu thereof the following:

For an Act to Amend and Re-enact Sections 2 and 28 of Chapter 224 of the Session Laws of North Dakota for the Year 1919, as Amended by Chapter 60 of the Special Session Laws of North Dakota for the Year 1919, Relating to the Levy, Assessment, Collection and Distribution of said Income Taxes; and Repealing Subdivision 7-(c) of Section 6 of said Chapter 224 of the Session Laws of North Dakota for the Year 1919, as Amended by Chapter 60 of the Special Laws of North Dakota for the Year 1919.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE STATE OF NORTH DAKOTA:

Sec. 1. Amendment.) That Section 2 of Chapter 224 of the Session Laws of North Dakota for the year 1919, as amended by Chapter 60 of the Special Session Laws of North Dakota for the Year 1919, be and the same is hereby amended and re-enacted to read as follows:

Sec. 2. For the purpose of providing revenue to defray the general expense of the state government and the political subdivisions thereof, there shall be levied, assessed, collected, and paid annually upon the entire net income of every individual, a resident or non-resident of the State of North Dakota, except as hereinafter provided, from all sources within the state, including interest on bonds, notes or other interest bearing obligations of any corporation, joint stock company or association organized or doing business or owning property within the state, a tax in accordance with the following schedule:

(a) On unearned income.

On the first \$1000 or fraction thereof a tax of $\frac{1}{2}$ of 1 per cent;

On the 2nd \$1000 or fraction thereof a tax of 1 percent;

On the 3rd \$1000 or fraction thereof a tax of $1\frac{1}{2}$ percent;

On the 4th \$1000 or fraction thereof a tax of 2 per cent;

On the 5th \$1000 or fraction thereof a tax of $2\frac{1}{2}$ per cent;

On the 6th \$1000 or fraction thereof a tax of 3 per cent;

On the 7th \$1000 or fraction thereof a tax of $3\frac{1}{2}$ per cent;

On the 8th \$1,000 or fraction thereof a tax of 4 per cent;

On the 9th \$1,000 or fraction thereof a tax of $4\frac{1}{2}$ per cent;

On the 10th \$1,000 or fraction thereof a tax of 5 per cent;

On all net income in excess of \$10,000 and not in excess of \$20,000 a tax of 6 per cent;

On all income in excess of \$20,000 and not in excess

of \$30,000 a tax of 8 per cent, and on all net income in excess of \$30,000 a tax of 10 per cent.

(b) On Earned Income:

On the 1st \$1000 or fraction thereof a tax of $\frac{1}{4}$ of 1 per cent;

On the 2nd \$1,000 or fraction thereof a tax of $\frac{1}{2}$ of 1 per cent;

On the 3rd \$1,000 or fraction thereof a tax of $\frac{3}{4}$ of 1 per cent;

On the 4th \$1000 or fraction thereof a tax of 1 per cent;

On the 5th \$1000 or fraction thereof a tax of $1\frac{1}{4}$ per cent;

On the 6th \$1000 or fraction thereof a tax of $1\frac{1}{2}$ per cent;

On the 7th \$1000 or fraction thereof a tax of $1\frac{3}{4}$ per cent;

On the 8th \$1000 or fraction thereof a tax of 2 per cent;

On the 9th \$1000 or fraction thereof a tax of $2\frac{1}{4}$ per cent;

On the 10th \$1000 or fraction thereof a tax of $2\frac{1}{2}$ per cent;

On the 11th \$1,000 or fraction thereof a tax of $2\frac{3}{4}$ per cent;

On the 12th \$1000 or fraction thereof a tax of 3 per cent;

On the 13th \$1000 or fraction thereof a tax of $3\frac{1}{4}$ per cent;

On the 14th \$1000 or fraction thereof a tax of $3\frac{1}{2}$ per cent;

On the 15th \$1000 or fraction thereof a tax of $3\frac{3}{4}$ per cent;

On the 16th \$1000 or fraction thereof a tax of 4 per cent;

On the 17th \$1000 or fraction thereof a tax of $4\frac{1}{4}$ per cent;

On the 18th \$1000 or fraction thereof a tax of $4\frac{1}{2}$ per cent;

On the 19th \$1000 or fraction thereof a tax of 4% per cent;

On the 20th \$1000 or fraction thereof a tax of 5 per cent;

On all net income in excess of \$20,000 and not in excess of \$30,000, a tax of 6 per cent;

On all net income in excess of \$30,000 and not in excess of \$40,000, a tax of 8 per cent;

On all net income in excess of \$40,000 a tax of 10 per cent;

The foregoing taxes shall apply to the entire net income, except as herein elsewhere provided, received by every taxable person for the calendar year, and for each and every year thereafter.

Sec. 2. Amendment. That Section 28 of Chapter 224 of the Session Laws of North Dakota for the year 1919, as amended by Chapter 60 of the Special Sessions Laws of North Dakota for the year 1919, be and the same is hereby amended and re-enacted to read as follows:

Sec. 28. All moneys collected under the provisions of this Act shall be paid into the State Treasury, and, after paying therefrom the necessary and proper expenses of collection of said income taxes, the remainder thereof shall be divided and distributed as follows: One-half thereof shall be paid into the General Fund of the State, to be used in defraying the general expenses of the State Government; and one-half thereof shall be paid into the General Funds of the various

political subdivisions of the State, the same to be distributed to such political subdivisions on the basis of the proportion which the amount paid as income taxes by persons in said political subdivisions bears to the whole amount collected by the State, and to be used by said political subdivisions, when so distributed, for the purpose of defraying the general expenses of said political subdivisions.

Sec. 3. Repeal. Subdivision 7-(c) of Section 6 of Chapter 224 of the Session Laws of North Dakota for the year 1919, as amended by Chapter 60 of the Special Session Laws of North Dakota for the year 1919, and all Acts or parts of Acts in conflict herewith are hereby repealed.

And when so amended recommend the same do pass.

J. A. JARDINE,
Chairman.

Also:

Mr. Speaker: The committee of the whole have had under consideration

Senate Bill No. 64 and recommend the same be indefinitely postponed.

C. H. STARKE,
Chairman.

Mr. Mikkelson moved that the report be adopted which motion prevailed and the report was adopted.

Mr. Hagen moved that report of the committee of the whole be adopted.

Mr. Sherman moved a divided report be adopted on Senate Bill No. 140.

The question being on the adoption of the report of the committee of the whole, with the exception of Senate Bill No. 140, the motion prevailed.

Mr. Peters moved that the report of the committee of the whole be adopted on Senate Bill No. 140.

Roll call demanded.

ROLL CALL

The question being on the adoption of the report, the roll was called and there were ayes 60, nays 52, absent and not voting 1.

Ayes: Allen, Anderson, of Burleigh, Ardsuer, Bauer, Bjorgo, Bollinger, Boyd Burns, Carlson, Cole, Durkee, Ellingson, Erickson, of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson, of Grand Forks, Heaton, Jardine, Johnson, of Cass, Johnson, of Pembina, Johnson of Sargent, Johnson of Trail, Johnson, of Ward, Kamrath, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauveran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen, of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimm'n, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Babcock, Bilquist, Bjerke, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Frederickson, Frandson, Hagelbarger, Hanson, of Benson, Hall, Harding, Hartl, Hempel, Johnson, of Steele, Kellogg, Lakie, Larkin, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock, of Benson, Maddock, of Mountrail, Magnuson, Martin of Bottineau, Martin, of Slope, Maxwell, Miller, Morton, Oberg, Olson, of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Botz.

So the motion prevailed and the report was adopted.

Mr. Sagen moved that report of the committee of the whole Senate Bills. Nos. 110, 131, 51, and 140 be placed on third reading and final passage,

Which motion prevailed.

THIRD READING OF SENATE BILLS

Senate Bill No. 110: An Act to Amend and Re-enact Section 811 of Chapter 69 of the Laws of the State of North Dakota for the Year of 1919, Providing for a Bond for Attorneys

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 109, nays 0, absent and not voting 4.

Ayes: Allen, Anderson, of Bureligh, Anderson, of Griggs, Auduser, Babcock, Bauer, Bilquist, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson, of Divide, Erickson, of Walsh, Flom, Freeman, Frederickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson, of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson, of Cass, Johnson, of Pembina, Johnson, of Sargent, Johnson, of Steele, Johnson, of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson, of Pierce, Larson, of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock, of Mountrail, Magnuson, Martin, of Bottineau, Martin, of Slope, Maxwell, Mikkelson, Miller, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson, of Barnes, Olsen, of Billings, Olson, of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel Watt, Weld, of Kidder, Weld, of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: None.

Absent and not voting: Bjorke, Cole Maddock, of Benson, Morton.

So the bill passed and the title was agreed to.

Mr. Speaker: Your committee on enrollment and engrossment respectfully report that:

House Bill No. 192: A Bill for an Act to Amend and Re-enact Chapter 97 of the Session Laws of 1917, as Amended by Chapter 99 of the Session Laws of 1919, and by Chapter 29 of the Special Session Laws of 1919, Relating to Cooperative Associations and to Repeal Chapter 13 of the Civil Code of the Compiled Laws of 1913, Chapter 92 of the Session Laws of 1915, and Chapters 95 and 96 of the Session Laws of 1917. Terrorism as a Means of Accomplishing Industrial Ends, and Assemblage for the Purpose of Such Advocacy; and Providing Penalties for the Violation of the Provisions Thereof.

House Bill No. 174: A Bill for an Act to Amend and Re-enact Section 1190 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 199 of the Laws of North Dakota for the Year 1919, as Amended by Chapter 53 of the Laws of North Dakota, Special Session of the Year 1919, Relating to the Consolidation of Schools; and Contracting for the Transportation of Pupils to and From Said Schools; and providing for a Board of Arbitration.

House Bill No. 151: A Bill for an Act to Amend and Re-enact Section 1 of Chapter 126 of the Laws of North Dakota for the Year 1917 as Amended and Re-enacted by Chapter 110 of the Laws of North Dakota for 1919, Relative to the Guarantee of Bank Deposits.

Were delivered to the governor for his approval at the hour of 6:45 o'clock p. m.

A. J. PRESZLER,
Chairman.

THIRD READING OF SENATE BILLS

Senate Bill No. 131: A Bill for an Act Entitled an Act for the Purpose of Continuing the Work of Immigration as Provided for in Chapter 146 of the Session Laws of 1919, During the Biennial Period Beginning July 1, 1921, and Ending June 30, 1923.

Was read the third time.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 84, nays 24, absent and not voting 5.

Ayes: Anderson, of Burleigh, Anderson, of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Doyle, Durkee, Eckert, Elmer, Erickson, of Divide, Freeman, Frederickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson, of Benson Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Steele, Johnson, of Traill, Johnson, of Ward, Kamrath, Kellogg, Kitchen, Kopp, Lackey, Lakie, Larkin, Larson, of Pierce, Larson, of Ransom, Lazier, McLarty, McManus, Maddock, of Benson, Maddock of Mountrail, Magnuson, Martin, of Bottineau, Martin, of Slope, Maxwell, Miller Morton, Mouck, Nagel, Nathan, Oberg, Olson, of Barnes, Olsen, of Billings, Olson, of Ramsey, Opland, Patterson, Preszler, Reichert, Renauld, Root, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Strain, Vogel, Weld, of Kidder, Weld, of Wells, Whitmer, Yeater. Mr. Speaker.

Nays: Allen, Cole, Ellingson, Flom, Hanson, of Grand Forks, Johnson, of Cass, Johnson, of Pembina, Johnson, of Sargent, Kelly, Kjos, McDowell, McGauvran, Mikkelson, Ness, Olsgard, Peters, Plath, Quade, Sagen, Sproul, Ulland, Watt, Wood.

Absent and not voting: Botz, Erickson, of Walsh, Levin, Olafson, Ophaug, Starke.

So the bill passed and the title was agreed to.

Senate Bill No. 51: A Bill for an Act to Appropriate \$200,000.00 Out of Any Moneys in the Interest and Income of the Capitol Building Fund to Complete the Library Memorial Building, to Build a Tunnel to Connect it With the Power House, Laying Water Mains and Sewers, for the Improvement of the Grounds and Establishment of the Park.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 85, nays 12, absent and not voting 16.

Ayes: Anderson, of Burleigh, Anderson, of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjorgo, Bollinger, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Doyie, Durkee, Eckert, Elmer, Erickson, of Divide, Erickson, of Walsh, Freeman, Fredrickson, Frandson, Hagelbarger, Halcrow, Hanson, of Benson, Harding, Hartl, Hempel, Heaton, Jardine, Johnson, of Sargent, Johnson of Steele Kamrath, Kellogg, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson, of Pierce, Larson, of Ransom, Lazier, Levin, McDowell, McLarty, McManus, Maddock, of Benson Magnuson, Martin, of Bottineau, Martin, of Slope, Maxwell, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olson, of Barnes, Olsen, of Billings, Olson, of Ramsey, Opland, Patterson, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Sims, Slominski, Strain, Vogel, Weld, of Kidder, Weld, of Wells, Whitmer, Wood Yeater, Mr. Speaker.

Nays: Durkee, Ellingson, Flom, Johnson, of Cass, Johnson of Traill, Kelly, McGauvran, Mikkelson, Ophaug, Plath, Sproul, Ulland, Watt.

Absent and not voting: Allen, Bjerke, Botz, Cart, Cole, Grangaard, Hall, Johnson, of Pembina, Johnson, of Ward, Maddock, of Mountrail, Olafson, Olsgard, Peters, Shipley, Starke.

So the bill passed and the title was agreed to.

On motion the House returned to the Seventh order of Business.

MOTIONS AND RESOLUTIONS

Mr. Watt movd that the vote by which Senate Bill No. 133 was lost be reconsidered,

Which motion prevailed.

Mr. Watt moved that the rules be suspended and that Senate Bill No. 133 be placed on third reading and final passage which motion prevailed.

THIRD READING OF
SENATE BILLS

Senate Bill No. 140: A Bill for an Act to Amend and Re-enact Chapter 224, Laws of North Dakota, for the Year 1919, as Amended by Chapter 60, Special Session Laws of 1919; an Act for the Purpose of Raising Revenue to Defray the General Expenses of the State Government by Providing for a Tax on the Incomes of Individuals, Fiduciaries, Corporations, Joint Stock Companies or Associations and Insurance Companies in the State of North Dakota; Classifying and Graduating Incomes for the Purpose of Taxation; Providing for Exemptions and Deductions in Certain Cases; Describing a Method of Levying and Collecting Said Tax; Prescribing Penalties for Nonconformance With the Provisions of this Act, and Repealing all Acts and Parts of Acts in Conflict Herewith.

Was read the third time.

The question being on the final passage of the bill, as amended, the roll was called, and there were ayes 54, nays 15, absent and not voting 44.

Ayes: Allen, Anderson, of Burleigh, Arduser, Babcock, Bilquist, Bollinger, Brady, Bryans, Burkhart, Carlson, Cole, Doyle, Eckert, Ellingson, Elmer, Erickson, of Divide, Erickson, of Walsh Flom, Freeman, Frederickson, Frandson, Hagelbarger, Halcrow, Hanson, of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kellogg, Kjos, Kopp, Lackey, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikke Ison, Miller, Nagel, Nathan, Olson of Barnes, Patterson, Quade, Reichert, Renault, Semling, Sims, Vogel.

Nays: Hanson, of Grand Forks, Johnson, of Cass, Johnson, of Ward, Kitchen, Ness, Nagel, Oberg, Plath, Preszler, Root, Sherman, Shimmin, Slominski, Sproul, Mr. Speaker.

Absent and not voting: Anderson of Griggs, Bauer, Bjerke, Bjorgo, Botz, Boyd, Burns, Cart, Durkee, Grangaard, Hempel, Heaton, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Kamrath, Kelly, Lakie, Larkin of Pierce, McDowell, McGauvran, Maddock, of Mountrail, Morton, Mouck, Olafson, Olsgard, Olsen, of Billings, Olson, of Ramsey, Ophaug, Opland, Peters, Sagen, Shipley, Starke, Strain, Ulland, Watt, Weld, of Kidder, Weld, of Wells Whitmer, Wood, Yeater.

So the bill was lost.

Senate Bill No. 181: A Bill for an Act to Amend and Re-enact Section 144 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to the Keeping of Permanent Books of Record by the State Treasurer and the State Auditor, and Authorizing the Re-arrangement and Revision of the Present System.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 91, nays 12, absent and not voting 10.

Ayes: Allen, Anderson, of Burleigh, Anderson, of Griggs, Babcock, Bilquist, Bjorgo, Bollinger, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Elmer, Erickson, of Divide, Freeman, Frederickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson, of Benson, Hanson, of Grand Forks Hall, Harding, Hartl Hempel, Heaton, Johnson, of Cass, Johnson, of Steele, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock, of Benson, Maddock, of Mountrail, Magnuson, Martin, of Bottineau, Martin, of Slope, Maxwell, Mikkelson, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson, of Barnes, Olsen, of Billings, Olson, of Ramsey, Ophaug, Opland, Peters, Plath, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Sims, Slominski, Sproul, Strain, Vogel, Weld of Kidder Whitmer, Wood, Yeater, Mr. Speaker.
Weld of Kidder Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Bauer Boyd, Ellingson, Erickson, of Walsh, Flom, Jardine, Johnson, of Pembina, Johnson, of Sargent, Johnson, of Traill, Preszler, Ulland, Weld of Wells.

Absent and not voting: Arduser, Botz, McDowell, McGauvran, Miller, Patterson, Shipley, Starke, Watt.

So the bill passed and the title was agreed to

Which motion prevailed.

The House reverted to the 12th order of Business.

CONSIDERATION OF MESSAGES FROM THE SENATE

The Speaker appoints as a conference committee on House Bill No. 33 Messrs. Shipley, Grangaard, Freeman.

The Speaker appointed as a conference committee on House Bill No. 134, Larson of Pierce, Root, Ulland.

Speaker appointed as conference committee on House Bill No. 105, Johnson, Ward, Olsgaard, Hanson, of Grand Forks.

Mr. Sagen mover that the House of now concur in the Senate concurrent resolution congratulating President Harding on his inauguration,

Which motion prevailed.

The House reverted to the seventh order of Business.

MOTIONS AND RESOLUTIONS

Mr. Patterson moved that House Bill No. 134 be recalled from conference committee.

Call of House demanded.

The roll being called all members were present except Mr. Botz.

Mr. Vogel moved that the House dispense with further proceedings under call of the House, which motion prevailed and further proceedings under call of the House was dispensed with.

The question being on the motion of Mr. Patterson that House Bill No. 134 be recalled from the committee.

ROLL CALL

The roll was called and there were ayes 57, nays 55, absent and not voting 1.

Ayes: Anderson, of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson, of Divide, Frederickson, Frandson, Hagelbarger, Hanson, of Benson, Hall Harding, Hartl, Hempel, Johnson, of Steele, Kamrath, Kellogg, Lackey, Lakie, Larkin, Larson, of Ransom, Lazier, Levin, McLarty, McManus, Maddock, of Benson, Maddock, of Mountrail Magnuson, Martin, of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Nathan, Oberg, Olson, of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld, of Kidder, Weld of Wells, Whitmer, Yeater.

Nays: Allen, Anderson, of Burleigh, Bjorgo, Bollinger, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson, of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson, of Grand Forks, Heaton, Jardine, Johnson, of Cass, Johnson, of Pembina, Johnson, of Sargent, Johnson, of Traill, Johnson, of Ward, Kelly, Kitchen, Kjos, Kopp, Larson, of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaugh, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke Ulland Watt Wood Mr. Speaker.

Absent and not voting: Botz.

So the motion prevailed.

Mr. Bauer moved that the vote by which the House refused to concur in Senate amendments to House Bill No. 134 be reconsidered.

Roll call demanded.

The roll was called and there were ayes 57, nays 55, absent and not voting 1.

Ayes: Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lackey, Lakie, Larkin, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Nathan, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Nays: Allen, Anderson of Burleigh, Bjorgo, Bollinger, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Olafson, Ols-gard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Ship-ley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Absent and not voting Botz.

So the motion prevailed.

Mr. Vogel moved that the House do now concur in the Sen-ate amendments to House Bill No. 134,

Which motion prevailed.

Mr. Miller moved that Senate Bill 18 be placed at top of the calendar and be considered for final passage.

The Speaker ruled that in order to change the rules and move Senate Bill No. 18 to the head of the calendar it would require a two thirds vote.

Mr. Miller appealed from the decision of the chair.

The question now being shall the chair be sustained.

The roll was called and there were ayes 52, nays 59, absent and not voting 1, 1 not voting.

Ayes: Allen, Anderson of Burleigh, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Hanson of Grand Forks, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Lar-son of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Ols-gard, Olsen of Billings, Ol-son of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood.

Nays: Anderson of Griggs, Arduser, Babcock, Bauer, Bil-quist, Bjerke, Bjorgo, Bollinger, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Hempel, Heaton, Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock of Benson, Mad-dock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Op-land, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Botz.

Not voting: Mr. Speaker.

So the chair was not sustained.

Mr. Miller renewed his motion that Senate Bill No. 18 be placed at the head of the calendar and be considered for final passage,

THIRD READING OF HOUSE BILLS

House Bill No. 18: A Bill for an Act to Amend and Re-enact Section 2 of Chapter 162 of the Laws of North Dakota for the Year 1919, Defining Certain Words and Phrases in said Chapter.

Was read the third time.

Call of the House demanded.

The roll was called and all members were found present except Mr. Botz.

Mr. Vogel moved that further proceedings under call of the House be suspended which motion prevailed and further proceedings under call of the House was dispensed with.

Senate Bill No. 18: A Bill for an Act to Amend and Re-enact Chapter Six, Session Laws 1919, as Amended by Special Session Laws 1919 Relating to the Licensing, Regulating and Supervising the Licensing and Inspection of Pool and Billiard Rooms, Ball and Pin Alleys, Dance Halls, Theaters, Moving Picture Shows, Taxicab or Auto Livery, Places where Soft Drinks are Manufactured or Sold or where Cigars and Tobacco are Sold, or Public Hall, owned Privately and Used for Public Purposes; Providing Fees therefor, Inspectors, Office Help and Supplies Thereof; Defining Powers and Duties and Repealing all Acts and Parts of Acts Inconsistent Therewith.

The question being on the final passage of the bill, the roll was called and there were ayes 59, nays 53, absent and not voting 1.

Ayes: Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Hempel, Heaton, Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Nays: Allen, Bollinger, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Hanson of Grand Forks, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Absent and not voting: Botz.

So the bill passed and the title was agreed to.

The emergency clause was lost.

Mr. Miller moved that the vote by which Senate Bill No. 18 passed, be reconsidered and the motion to reconsider be laid on the table. Which motion prevailed.

Mr. Patterson moved that House Bill No. 134 be placed at the head of the calendar and considered for third reading and final passage.

The Speaker ruled that in order to take a bill out of its regular channel and place it at the head of the calendar required a two-thirds vote.

Mr. Patterson appealed from the decision of the chair.

The question being, shall the chair be sustained.

The roll was called and there were ayes 55, nays 55, absent and not voting 2.

Ayes: Allen, Anderson of Burleigh, Bilquist, Bjorgo, Bollinger, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimm, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood.

Nays: Anderson of Griggs, Arduser, Babcock, Bauer, Bjerke, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lackey, Lakin, Larkin, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Nathan, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Botz, Maddock of Mountrail.

So the chair was sustained.

Senate Bill No. 103: A Bill for an Act to Compel City Councils, City Commissions and Boards of Education of Independent School Districts to Publish Proceedings of all Meetings in Official Paper to be Designated by Them.

Was read the third time.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 67, nays 22, absent and not voting 24.

Ayes: Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bollinger, Brady, Bryans, Burk-

hart, Burns, Cart, Cole, Eckert, Elmer, Erickson of Divide, Freeman, Fredrickson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Kamrath, Kopp, Lackey, Lazier, McDowell, McGauvran, McLarty, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Mikkelson, Morton, Ness, Olsgard, Olson of Barnes, Olson of Ramsey, Ophaug, Opland, Peters, Plath, Quade, Renauld, Semling, Shimmin, Sims, Slominski, Starke, Strain, Weld of Kidder, Weld of Wells, Wood, Yeater, Mr. Speaker.

Nays: Bjorgo, Erickson of Walsh, Frandson, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kitchen, Kjoes, Larkin, Levin, Mouck, Nagel, Nathan, Oberg, Reichert, Sagen, Sherman, Ulland, Vogel, Whitmer.

Absent and not voting: Allen, Bjerke, Botz, Boyd, Bratsberg, Carlson, Doyle, Durkee, Ellingson, Flom, Heaton, Jardine, Kellogg, Kelly, Lakie, McManus, Martin of Slope, Maxwell, Miller, Olafson, Olsen of Billings, Patterson, Preszler, Root, Shipley, Sproul, Watt.

So the bill passed and the title was agreed to.

Senate Bill No. 163: A Concurrent Resolution for an Amendment to the Constitution of the State of North Dakota.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 57, nays 42, absent and not voting 14.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bratsberg, Bryans, Burkhardt, Burns, Carlson, Doyle, Durkee, Eckert, Erickson of Divide, Flom, Freeman, Halcrow, Hanson of Benson, Harding, Hartl, Johnson of Cass, Johnson of Pembina, Johnson of Steele, Johnson of Ward, Kamrath, Kitchen, Lackey, Lakie, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Martin of Slope, Mikkelson, Miller, Morton, Mouck, Ness, Oberg, Plath, Renauld, Sagen, Semling, Sherman, Shipley, Sims, Sproul, Starke, Strain, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater.

Nays: Arduser, Bollinger, Cart, Cole, Ellingson, Elmer, Erickson of Walsh, Fredrickson, Frandson, Hagelbarger, Hanson of Grand Forks, Hall, Heaton, Jardine, Johnson of Sargent, Johnson of Traill, Kjoes, Kopp, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, Magnuson, Martin of Bottineau, Nagel, Nathan, Olafson, Olson of Barnes, Ophaug, Opland, Peters, Quade, Root, Shimmin, Slominski, Ulland, Mr. Speaker.

Absent and not voting: Botz, Boyd, Grangaard, Hempel, Kellogg, Kelly, Maxwell, Olsgard, Olsen of Billings, Olson of Ramsey, Patterson, Reichert, Vogel, Watt.

So the bill passed and the title was agreed to.

Senate Bill No. 197: A Bill for an Act Making an Appro-

priation for the Care and Maintenance of Persons Affected with Leprosy.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 107, nays 0, absent and not voting 6.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Bilquist, Bjerke, Bjorgo, Bollinger, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renault, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Babcock, Bauer, Botz, Kelly, Olsen of Billings, Watt.

So the bill passed with the emergency clause and the title was agreed to.

Senate Bill No. 115: A Bill for an Act to Amend and Re-enact Sections 3, 6 and 12 of Chapter 157 of the Session Laws of 1919, Regular Session, Relating to the Authorizing and Regulating the Exchange of Reciprocal or Insurance Contracts Among Individuals, Partnerships and Corporations.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 110, nays 0, absent and not voting 3.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mik-

kelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Kelly, Olsen of Billings, Watt.

So the bill passed and the title was agreed to.

Senate Bill No. 158: A Bill for an Act to Provide for Conciliation of Controversies and to Repeal Sections 9187, 9188, 9189, 9190, 9191 and 9192 of the Compiled Laws of North Dakota, 1913.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 63, nays 23, absent and not voting 27.

Ayes: Allen, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Burkhart, Burns, Cole, Doyle, Erickson of Divide, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Hartl, Johnson of Cass, Johnson of Sargent, Johnson of Steele, Johnson of Ward, Kellogg, Kopp, Lackey, Lakie, Larkin, Larson of Ransom, Lazier, McLarty, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Miller, Morton, Ness, Olson of Barnes, Plath, Preszler, Quade, Reichert, Renauld, Sagen, Semling, Sherman, Shipley, Sims, Slominski, Sproul, Starke, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Ellingson, Erickson of Walsh, Flom, Jardine, Johnson of Pembina, Johnson of Traill, Kitchen, Larson of Pierce, McDowell, McGauvran, Maxwell, Mikkelson, Mouck, Nagel, Nathan, Oberg, Ophaug, Opland, Peters, Root, Shimmin.

Absent and not voting: Anderson of Burleigh, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Carlson, Cart, Durkee, Eckert, Elmer, Harding, Hempel, Heaton, Kamrath, Kelly, Kjos, Levin, McManus, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Patterson, Strain, Ulland, Watt.

So the bill passed and the title was agreed to.

Senate Bill No. 202: A Bill for an Act to Amend and Re-enact Section 2 of Chapter 63 of the Session Laws of 1915 Prescribing and Limiting the Punishment of the Crime of Prescribing and Limiting the Punishment of the Crime of Murder in the First Degree and Limiting the Time, Manner and Conditions Whereby Such Person May be Pardoned.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 68, nays 18, absent and not voting 27.

Ayes: Allen, Anderson of Griggs, Babcock, Bjerke, Bjorgo,

Brady, Bratsberg, Burns, Cole, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Fraudson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Harding, Hempel, Jardine, Johnson of Cass, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Oberg, Olson of Barnes, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Root, Semling, Starke, Ulland, Vogel, Wood, Yeater.

Nays: Bauer, Bilquist, Bollinger, Carlson, Cart, Doyle, Elmer, Hanson of Grand Forks, Johnson of Pembina, Ophaug, Renauld, Sagen, Sherman, Shimmin, Sims, Weld of Kidder, Weld of Wells, Mr. Speaker.

Absent and not voting: Anderson of Burleigh, Arduser, Botz, Boyd, Bryans, Burkhart, Durkee, Eckert, Ellingson, Hall, Hartl, Heaton, Kellogg, Kelly, McManus, Maddock of Benson, Nathan, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Shipley, Slominski, Sproul, Strain, Watt, Whitmer.

So the bill passed and the title was agreed to.

MOTIONS AND RESOLUTIONS

On motion the House reverted back to the Seventh order of Business.

Mr. Anderson, of Burleigh moved that the vote by which Senate Bill No. 103 was passed be reconsidered.

Which motion prevailed.

MESSAGE FROM THE SENATE

Senate Chamber,
Bismarck, North Dakota,
March 4, 1921.

Mr. Speaker: I have the honor to return:

House Bill No. 188: A Bill for a Concurrent Resolution, to Amend and Re-enact Section 45 of the Constitution of the State of North Dakota, Relating to Compensation of Members of the Legislative Assembly.

Which the Senate has amended as follows:

In section 45, line 2, strike out all after the word "services" and insert the following "One Thousand (\$1,000.00 Dollars for each Biennium, payable Two Hundred and Fifty (\$250.00) Dollars February 1st, and Two Hundred and Fifty (\$250.00) Dollars March 1st each year, and ten cents for each mile of necessary travel in going and returning from the place of meeting of the Legislative Assembly by the most usual route, each session or special session.

Very respectfully,
W. J. PRATER,
Secretary.

SENATE CHAMBER

Bismarck, N. D., March 4, 1921.

Mr. Speaker: I have the honor to inform you that the Senate requests the return of House Bill No. 61

Very respectfully,

W. J. PRATER,
Secretary.

Mr. Harding moved that House Bill 188 be indefinitely postponed, which motion prevailed.

THIRD READING OF
SENATE BILLS

Senate Bill No. 195: A Bill for an Act Relating to the Taking of New Promissory Notes in Renewal of Notes Already Held by Banks, Other Corporations or Individuals, Effecting Their Legality.

The question being on the final passage of the bill, the roll was called and there were ayes 81, nays 4, absent and not voting 28.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Cart, Doyle, Durkee, Elmer, Erickson of Divide, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Ward, Kamrath, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, McDowell, McLarty, Magnuson, Martin of Bottineau, Martin of Slope, Mikkelson, Miller, Mouck, Nagel, Nathan, Oberg, Olafson, Olson of Barnes, Ophaug, Opland, Patterson, Peters, Plath, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Starke, Vogel, Wood, Yeater, Mr. Speaker.

Nays: Ellingson, Johnson of Traill, Kitchen, Ulland.

Absent and not voting: Botz, Carlson, Cole, Eckert, Erickson of Walsh, Hanson of Grand Forks, Hartl, Johnson of Steele, Kellogg, Kelly, Kjos, Levin, McGauvran, McManus, Maddock of Benson, Maddock of Mountrail, Maxwell, Morton, Ness, Olsgard, Olsen of Billings, Olson of Ramsey, Preszler, Sproul, Strain, Watt, Weld of Kidder, Weld of Wells, Whitmer,

So the bill passed with the emergency clause and the title was agreed to.

Senate Bill No. 71: A Bill for an Act to Amend and Re-enact Section 2185 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 67 of the Special Session Laws of North Dakota for the Year 1919, Relating to Real Estate Taxes Due and Delinquent and the Penalty and Interest Thereon.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 77, nays 3, absent and not voting 33.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bilquist, Bjerke, Bjorgo, Boyd, Bryans, Burkhart, Burns, Cart, Doyle, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hall, Hartl, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Martin of Slope, Miller, Mouck, Ness, Nagel, Oberg, Olson, Johnson of Ward, Kamrath, Kitchen, Kjos, Kopp, Lackey, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, of Ramsey, Opland, Ueters, Plath, Reichert, Henauld, Root, Semling, Sherman, Shimmin, Sims, Slominski, Sproul, Vogel, Weld of Kidder, Whitmer, Yeater, Mr. Speaker.

Nays: Brady, Hempel, Weld of Wells.

Absent and not voting: Bauer, Bollinger, Botz, Bratsberg, Carlson, Cole, Durkee, Hanson of Grand Forks, Harding, Heaton, Johnson of Steele, Kellogg, Kelly, Lakie, Maxwell, Mikkelson, Morton, Nathan, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Ophaug, Patterson, Preszler, Quade, Sagen, Shipley, Starke, Strain, Ulland, Watt, Wood.

So the bill passed and the title was agreed to.

Senate Bill No. 48: A Bill for an Act Requiring County Commissioners to have Classified all Acre Property in the State, Providing method of Contracting for Such Work of Classification, Authorizing a Tax Levy Therefor, Fixing Classification Schedules, Providing for Notice to Public prior to Adoption of such Classification and Fixing the duties of the Board of County Commissioners, Boards of Review and Equalization and Local Assessors with respect to such Classification Schedules.

Was read the third time.

The question being on the final passage of the bill, as amended, the roll was called and there were ayes 47, nays 22, absent and not voting 44.

Ayes: Allen, Anderson of Griggs, Bauer, Bilquist, Bjerke, Bollinger, Boyd, Brady, Bratsberg, Carlson, Cart, Doyle, Durkee, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Grangaard, Hagelbarger, Harding, Hartl, Heaton, Jardine, Kellogg, Kitchen, Kjos, Lackey, Lakie, Larson of Ransom, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Miller, Nagel, Ophaug, Root, Sherman, Shimmin, Shipley, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Nays: Anderson of Burleigh, Arduser, Babcock, Bryans, Bjorgo, Cole, Ellingson, Halcrow, Hanson of Benson, Hempel, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Kamrath, Lazier, Mikkelson, Nathan, Olafson, Reichert, Sagen, Ulland, Mr. Speaker.

Absent and not voting: Burkhart, Burns, Eckert, Fredrickson, Frandson, Hanson of Grand Forks, Hall, Johnson of Cass, Johnson of Steele, Johnson of Ward, Kelly, Kopp, Lar-

kin. Larson of Pierce, Levin, McDowell, McGauvran, Maddock of Mountrail, Maxwell, Morton, Mouck, Ness, Oberg, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Opland, Patterson, Peters, Plath, Quade, Renauld, Semling, Sims, Sproul, Strain, Vogel, Watt, Wood.

So the Bill was lost.

House Bill No. 103: A Bill for an Act to Amend and Re-enact Section 4059 of the Compiled Laws of North Dakota for the Year 1913 as Amended by Chapter 71, Session Laws of 1915., and House Bill No. 192 of the Session Laws of 1917 Relating to the Powers of Park Commission.

Was read the third time.

Was read the third time.

The question being on the final passage of the bill. The roll was called and there were ayes 81, nays 6, absent and not voting 26.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Bauer, Bjerke, Bjorgo, Brady, Bratsberg, Burkhardt-Burns, Cart, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Jardine, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kitchen, Kjos, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, McDowell, McGauvran, McLarty, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Mouck, Nagel, Nathan, Olson of Ramsey, Opland, Patterson, Peters, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Sims, Slominski, Starke, Ulland, Vogel, Weld of Kidder, Weld of Wells, Wood, Yeater, Mr. Speaker.

Nays: Babcock, Johnson of Cass, Oberg, Ophaug, Plath, Sproul.

Absent and not voting: Bilquist, Bollinger, Botz, Boyd, Carlson, Cole, Hanson of Grand Forks, Hempel, Heaton, Johnson of Steele, Kamrath, Kellogg, Kelly, Kopp, Levin, McManus, Maddock of Benson, Morton, Ness, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Preszler, Shipley, Strain, Whitmer.

So the bill passed, and the title was agreed to.

Senate Bill No. 147: A Bill for an Act to Amend and Re-enact Chapter 183 of the Session Laws of 1917, an Act Requiring the Owners of Personal Property to Notify the County Treasurer of the Sale of Such Property at Public Auction, Providing for the Collection of Their Personal Property Taxes and Prescribing Dates of Auctioneers in Relation Thereto.

The question being on the final passage of the bill. The roll was called and there were ayes 84, nays 24, absent and not voting 5.

Ayes: Allen, Anderson of Burleigh, Babcock, Bauer, Bjerke, Bjorgo, Bollinger, Boyd, Brady, Bratsberg, Bryans, Burns,

Carlson, Cart, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Ward, Kamrath, Kellogg, Kelly, Kjos, Kopp, Lackey, Lakie Larson of Pierce, Levin, McDowell, McLarty, McManus, Martin of Bottineau, Martin of Slops, Maxwell, Mikkelson, Morton, Ness, Oberg, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Peters, Plath, Preszler, Quade, Renauld, Root, Sagen, Semling, Sherman, Shjmmmin, Shipley, Slominski, Sproul, Starke, Strain, Ulland, Watt, Whitmer, Wood, Yeater, Mr. Speaker.

Nays: Arduser, Bilquist, Burkhart, Doyle, Johnson of Traill, Kitchen, Larkin, Larson of Ransom, Lazier, McGauvran, Maddock of Benson, Magnuson, Miller, Mouck, Nagel, Nathan, Olafson, Patterson, Reichert, Sherman, Sims, Vogel, Weld of Kidder, Weld of Wells.

Absent and not voting: Anderson of Griggs, Botz, Cole, Hanson of Grand Forks, Maddock of Mountrail.

So the bill passed and the title was agreed to.

Senate Bill No. 117: A Bill for an Act Empowering the Board of County Commissioners of Each County to Designate Depositories for County Funds and Providing the Procedure and the Regulations Under Which Such Funds May be Deposited.

Was read the third time.

Mr. Burkhardt moved that Senate Bill 117 be indefinitely postponed.

Mr. Johnson of Cass moved that the motion of Mr. Burkhardt be laid on the table.

Roll call demanded.

Call of the House demanded. The roll was called and all members were present except Messrs. Botz and McManus.

Mr. Flom moved that further proceedings under call of the House be dispensed with, which motion prevailed and further proceedings under call of the House were dispensed with.

The question being on the motion of Mr. Johnson of Cass that the motion of Mr. Burkhardt be laid upon the table.

The roll was called and there were ayes 58, nays 53, absent and not voting 2.

Ayes: Allen, Anderson of Burleigh, Bauer, Bjorgo, Bollinger, Boyd, Burnus, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lakey, Larson of Pierce, McDowell, McGauvran, Mikkleson, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olsen of Barnes, Olson of Ramsey,

Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Arduser, Babcock Bilquist, Bjerke, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger,, Hanson, of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Lazier, Levin, McLarty, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Botz, McManus.

So the motion prevailed and the motion of Mr. Burkhart was laid upon the table.

Senate Bill No. 117: A Bill for an Act Empowering the Board of oCounty Commissioners of Each County to Designate Depositories for County Funds and Providing the Procedure and the Regulations Under Which Such Funds May be Deposited.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 58, nays 53, absent and not voting 2.

Ayes: Allen, Anderson of Burleigh, Bauer, Bjorgo, Bollinger, Boyd, Burns, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Hanson of Grand Forks, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McDowell, McGauvran, Mikkelsen, Mouck, Ness, Nagel, Nathan, Olafson, Olsgard, Olson of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Nays: Anderson of Griggs, Arduser, Babcock, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Frederickson, Frandson, Hagelbarger, Halcrow, Hanson of Benson, Hall, Hartl, Johnson of Steele, Kamrath, Kellogg, Lakie, Larkin, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Absent and not voting: Botz, Harding.

So the bill passed and the title was agreed to.

The emergency clause lost.

Mr. Peters moved that the vote by which Senate Bill No.

117 passed, be reconsidered and the motion to reconsider be laid on the table. Which motion prevailed.

Absent and not voting: Botz, Harding.

The House returned to the Seventh order of business.

MOTIONS AND RESOLUTIONS

Mr. Patterson moved that the vote by which Senate Bill No. 48 was lost be reconsidered, which motion prevailed

Mr. Allen moved that the request of the Senate for the return of House Bill No. 61 be granted.

Which motion prevailed.

THIRD READING OF SENATE BILLS

Senate Bill No. 48: A Bill for an Act Requiring County Commissioners to have classified all acre Property in the State, Providing Method of Contracting for Such Work of Classification, Authorizing a Tax Levy Therefor, Fixing Classification Schedules, Providing for Notion to Public Prior Adoption of Such Classification and Fixing the Duties of the Board of County Commissioners, Boards of Review and Equalization and Local Assessors With Respect to Such Classification Schedules.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 74, nays 22, absent and not voting 17.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bollinger, Boyd, Bratsberg, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Elmer, Erickson of Divide, Erckson of Walsh, Freeman, Fredrickson, Grangaard, Hagelbarger, Hall, Harding, Hartl, Heaton, Jardine, Johnson of Cass, Johnson of Steele, Johnson of Trill, Johnson of Ward, Kamrath, Kellogg, Kitchen, Kjos, Kopp, Lackey, Larson of Pierce, McLarty, McManus, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Mouck, Ness, Nagel, Oberg, Olson of Barnes, Olson of Ramsey, Opland, Patterson, Peters, Preszler, Quade, Renault, Root, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater,

Nays: Bjorgo, Bryans, Burkhardt, Flom, Frandson, Halcrow, Hanson of Benson, Hanson of Grand Forks, Harding, Hempel, Larson of Ransom, Levin, McGauvran, Maddock of Benson, Mikkelson, Olafson, Olsgard, Reichert, Sagen, Mr. Speaker.

Absent and not voting: Bjerke, Botz, Brady, Ellingson, Johnson of Pembina, Johnson of Sargent, Kelly, Lazier, McDowell, Maddock of Mountrail, Morton, Nathan, Olsen of Billings, Plath, Sproul, Starke, Ulland, Watt.

So the bill passed and the title was agreed to.

Mr. Shipley moved that the vote by which Senate Bill No. 48 passed, be reconsidered and the motion to reconsider be laid on the table. Which motion prevailed.

Senate Bill No. 173: A Bill for an Act Providing for Salaries of County Auditors, Registers of Deeds, County Judges, State's Attorneys, Clerks of District Courts, Sheriffs, and County Superintendents of Schools, and Repealing Chapter 112 of the Laws of 1915 and All Acts and Parts of Acts in Conflict Herewith, and Chapter 105 of the Session Laws of 1919.

Was read the third time.

The question being on the final passage of the bill, the roll was called and there were ayes 111, nays 0, absent and not voting 2.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Oisen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Botz, Erickson of Divide.

So the bill passed and the title was agreed to.

Senate Bill No. 67: A Bill for an Act to appropriate Seventy-five Hundred Dollars to the Missouri Slope Agricultural and Fair Association at Mandan for the Fairs to be held in the Years 1921 and 1922.

Was read the third time.

The question being on the final passage of the bill. The roll was called and there were ayes 109, nays 0, absent and not voting 4.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larson of Pierce, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock of Benson, Maddock of

Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whimer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Botz, Larkin, McDowell, McGauvran.

So the bill passed and the title was agreed to.

The House reverted to the Seventh order of business.

MOTIONS AND RESOLUTIONS

Mr. Shipley introduced the following resolution.

By Mr. Shipley.

WHEREAS, the Audit Committee appointed by the House of Representatives of the Seventeenth Legislative Assembly mittee, and a consideration of the evidence submitted to said committee at said hearing, filed with this House a report thereon, containing their findings and conclusions, minutes of their meeting, a transcript of the evidence submitted, and a statement of the expenses incurred by the committee in making said investigation, which is herewith attached.

Now Therefore, Be It Resolved, that the report as submitted by your Audit Committee be and the same is hereby in all things accepted and approved and that the said Audit Committee be discharged.

Mr. Shipley moved that the resolution be adopted which motion prevailed and the resolution was unanimously adopted.

HOUSE AUDIT COMMITTEE

Expense Account

Supplies:

Harris & Co.	\$ 19.50	
Hoskins	88.20	\$ 107.70
		<hr/>
		\$ 107.70

Stenographers:

Helen Breen, Bismarck, N. D.	162.50	
Dorothy Schneck, Bismarck, N. D. .	20.00	
Irene Pilmoor, Bismarck, N. D.	20.00	
Margaret Engelman, Bismarck, N. D. .	20.00	
Elizabeth Walery, Bismarck, N. D. ...	70.00	
Helen Sayler, Underwood, N. D.	35.00	
Dorothy C. Reynolds, Minot, N. D. ...	200.00	
Loraine Drews, Ashley, N. Dak.	105.00	
Margaret Wynkoop, Bismarck, N. D. .	5.00	
Catherine Morris, Bismarck, N. D. . .	5.00	
Mrs. W. C. Paulson, Bismarck, N. D. .	5.00	
Chrissie E. Budge, Grand Forks, N. D.	390.00	
Chas. Wattam, Reporter, Bismarck, N. D.	1160.00	
		<hr/>
		2197.50

Witnesses:

J. G. Johnson, Bowbells, N. D.	31.20
Allen McManus, Grand Forks, N. D. .	36.50
B. H. Stary, Conway, N. D.	44.00
G. A. Ebbert, Minot, N. D.	28.00
John Staub, Valley City, N. D.	16.60
S. P. Ellis, Valley City, N. D.	16.60
Lee Cowell, Valley City, N. D.	16.60
Geo. Rasmusson, Dazey, N. D.	16.60
Max O'Connell, Bismarck, N. D.	3.20
T. Ostbye, Fargo, N. D.	31.60
Wm. Wallgren, Fargo, N. D.	31.60
K. S. Erdall, Fargo, N. D.	31.60
A. E. Champlin, Fargo, N. D.	31.60
L. E. Correll, Casselton, N. D.	20.00
J. W. Brinton, St. Paul, Minn.	166.60
J. R. Waters, Beach, N. D.	96.00
E. L. Foulks, Valley City, N. D.	19.60

637.90

Other Employees:

E. B. McCutcheon, Investigator, Minot N. D.	1,232.76
Staale Herrickson, Marshal, Coteau, N. D.	518.52
Herbert M. Temple, Consulting Ac- countant, St. Paul, Minn.	1,700.00
Bishop, Brissman & Co., Accountants, St. Paul, Minn.	500.00

3951.28

Counsel:

Francis Murphy, Minot, N. D.	4,000.00
John F. Sullivan, Mandan, N. D.	4,000.00

8,000.00

Total\$14894.38

I, the undersigned do hereby certify that the within bill, claim, account or demand, as set opposite my name in the within statement of payroll of the House Audit Committee attached hereto is just and true; that the money therein charged was actually paid for the purposes therein stated; that the services therein charged were actually rendered, and are of the value therein charged; that no part of such bill, claim, account or demand has been paid; and that the goods therein charged were actually delivered and were of the value charged

Hoskins

By E. Stender

Harris & Co.

By H. J. Woodmansee

Margaret Engleman

Helen Breen

Margaret Wynkoop

Mrs. W. C. Paulson

Dorothy M. Schneck

Catherine Morris

Dorothy C. Reynolds

E. B. McCutcheon
 C. C. Wattam
 Staale Hendrickson
 Francis Murphy
 H. M. Temple
 Jno. F. Sullivan
 Chrissie E. Budge

I hereby certify that the above account was signed in my presence by the persons whose signatures appear above, this 4th day of March, 1921.

M. O. GRANGAARD,
 Chairman.

CERTIFICATE

I do hereby certify that the within bill, claim, account or demand, is just and true; that the money therein charged was actually paid for the purposes therein stated; that the services therein charged were actually rendered and are of the value therein charged; that no part of such bill, claim, account, or demand has been paid; and that the goods therein charged were actually delivered and were of the value charged.

M. O. GRANGAARD,
 Chairman, House Audit Committee.

D. E. SHIPLEY,
 Secretary, House Audit Committee.

HOUSE AUDIT COMMITTEE CERTIFICATE

I do hereby certify that the within bill, claim, account or demand is just and true; that the money therein charged was actually paid for the purposes therein stated; that the services therein charged were actually rendered, and are of the value therein charged; that no part of such bill claim, account or demand has been paid; and that the goods therein charged were actually delivered and were of the value charged.

L. L. TWICHELL,
 Speaker, House of Representatives.

C. L. DAWSON,
 Chief Clerk.

Mr. Shipley moved that five thousand copies of the journal of the last day be printed and that five copies of same be distributed to each member, one to the address that is on the mailing list, the remainder to be sent out by the Secretary of State on request,

Which motion prevailed.

MESSAGES FROM THE SENATE SENATE CHAMBER

Bismarck, March 4, 1921.

Mr. Speaker: I have the honor to inform you that the Senate refuses to concur in House Amendment to Senate Bill No. 71 and the president has appointed as a conference

committee Senators Ettestad, Bowman and Benson.

Very respectfully,

W. J. PRATER,
Secretary.

Bismarck, N. D., March 4, 1921.

Mr. Speaker: I have the honor to inform you that the Senate has concurred in the amendment to House Bill No. 25 as follows.

That in Section 2, line 5 the words "one-fifth" be stricken out and the words "one-third" be inserted in lieu thereof. That in line 6, Section 2, the "figures 1916" be stricken out as well as the figures "1917" in line 7, same section.

Very respectfully,

W. J. PRATER,
Secretary.

Mr. Speaker: Your committee on Conference to whom referred.

House Bill No. 105: A Bill for an Act to Amend and Re-enact Chapter 118 of the Session Laws of 1919, Which Amends and Re-enacts Section 890 of the Compiled Laws of North Dakota, for the Year 1913, Pertaining to the Selection of County and State Committeemen.

Have had the same under consideration and recommend that the same be indefinitely postponed.

HOUSE
A. JOHNSON,
NELS OLSGARD,
SENATE
OLE ETTESTAD,
E. H. NOLTIMIER
J. E. FLECKTEN.

Mr. Harding moved that the report be adopted, which motion prevailed and the report was adopted.

The House reverted to the Seventh order of business.

MOTIONS AND RESOLUTIONS

Mr. Starke moved that the Senate be requested to return Senate Bill No. 116.

Which motion prevailed.

THIRD READING OF SENATE BILLS

Senate Bill No. 145: A Bill for an Act to Create, Define and Establish the Bar Association of the State of North Dakota, and Providing for the Publication of its Proceedings, and Filing Copies Thereof With the State Bar Board and the State Libraries and as Otherwise Provided, and Making an Appropriation for the Expenses Connected Therewith.

Was read the third time.

The question being on the final passage of the bill. The roll was called and there were ayes 92, nays 0, absent and not voting 21.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Cart, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Frandson, Grangaard, Hagelbarger, Hanson of Benson, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Kamrath, Kellogg, Kitchen, Kjos, Kopp, Lackey, Lakie, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Nagel, Nathan, Oberg, Olsgard, Olson of Barnes, Olson of Ramsey, Ophaug, Opland, Patterson, Preszler, Quade, Renauld, Root, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Ulland, Vogel, Weld of Kidder, Weld of Wells, Wood, Yeater, Mr. Speaker.

Absent and not voting: Botz, Boyd, Cole, Halcrow, Hanson of Grand Forks, Hall, Johnson of Pembina, Johnson of Ward, Kelly, Larkin, McLarty, Martin of Bottineau, Ness, Olafson, Olsen of Billings, Peters, Plath, Reichert, Sagen, Strain, Watt, Whitmer.

So the bill passed and the title was agreed to.

Senate Bill No. 53: A Bill for an Act to Amend and Re-enact Chapter 160 of the Session Laws of North Dakota for the Year 1919 as Amended by Chapter No. 38 of the Special Session Laws of the 16th Legislative Assembly of the State of North Dakota for the Year 1919 Relating to State Hail Insurance.

Was read the third time.

The question being on the final passage of the bill. The roll was called and there were ayes 93, nays 0, absent and not voting 20.

Ayes: Allen, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Carlson, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olson of Barnes, Olson of Ramsey, Ophaug, Patterson, Peters, Plath, Preszler, Reichert, Renauld, Root, Sagen, Semling, Shipley, Sims, Slominski, Sproul, Starke, Strain, Vogel, Weld of Kidder, Weld of Wells, Yeater, Mr. Speaker.

Absent and not voting: Anderson of Burleigh, Botz, Col

Hanson of Grand Forks, Heaton, Jardine, Kelly, Levin, McDowell, McGauvran, Olafson, Olsgard, Olsen of Barnes, Op-land, Quade, Sherman, Shimmin, Watt, Whitmer, Wood.

So the bill passed with the Emergency clause and the title was agreed to.

Senate Bill No. 66: A Bill for an Act to Promote, Foster and Encourage the Proper Marketing of Agricultural Products and By-products, and for the Creation of a Co-operative Marketing Association and Providing for License Fees.

Was read the third time.

The question being on the final passage of the bill. The roll was called and there were ayes 111, nays 0, absent and not voting 2.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Boyd, Brady, Bratsberg, Byrans, Burns, Carlson, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Botz, McDowell,

So the bill passed and the title was agreed to.

House Bill No. 134: A Bill for an Act to Amend and Re-enact Subdivision 70 of Section 3818, Compiled Laws of North Dakota for 1913, Relating to the Purchase and Acquisition by a City of Any System or Part of System of Water Works.

Was read the third time.

Call of the House demanded.

The roll was called and all members were present except Mr. Botz.

Mr. Vogel moved that further proceedings under call of the House be dispensed with, which motion prevailed and further proceedings under call of the House was dispensed with.

Mr. Starke moved that further action on House Bill No. 134 be indefinitely postponed.

Mr. Patterson moved that the motion of Mr. Starke be laid on the table. The question being on the motion of Mr. Patterson to lay on the table.

The roll was called and there were ayes 57, nays 53, absent and not voting 3.

Ayes: Anderson of Griggs, Arduser, Babcock, Bauer, Biliquist, Bjerke, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lackey, Lakie, Larkin, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Nathan, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Nays: Allen, Anderson of Burleigh, Bjorgo, Bollinger, Boyd, Burns, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kjos, Kopp, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Ulland, Watt, Wood, Mr. Speaker.

Absent and not voting: Botz, Carlson, Hanson of Grand Forks.

So the motion prevailed.

The question being on the final passage of House Bill No. 134, as amended by the Senate. The roll was called and there were ayes 57, nays 53, absent and not voting 3.

Ayes: Anderson of Griggs, Arduser, Babcock, Bauer, Biliquist, Bjerke, Brady, Bratsberg, Bryans, Burkhart, Cart, Doyle, Eckert, Erickson of Divide, Fredrickson, Frandson, Hagelbarger, Hanson of Benson, Hall, Harding, Hartl, Hempel, Johnson of Steele, Kamrath, Kellogg, Lackey, Lakie, Larson of Ransom, Lazier, Levin, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Miller, Morton, Nathan, Oberg, Olson of Barnes, Opland, Patterson, Reichert, Renauld, Sherman, Sims, Strain, Vogel, Weld of Kidder, Weld of Wells, Whitmer, Yeater.

Nays: Allen, Anderson of Burleigh, Bjorgo, Bollinger, Boyd, Burns, Cole, Durkee, Ellingson, Erickson of Walsh, Flom, Freeman, Grangaard, Halcrow, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Traill, Johnson of Ward, Kelly, Kitchen, Kjos, Kopp, Larson of Pierce, McDowell, McGauvran, Mikkelson, Mouck, Ness, Nagel, Olafson, Olsgard, Olsen of Billings, Olson of Ramsey, Ophaug, Peters, Plath, Preszler, Quade, Root, Sagen, Semling, Shimmin, Shipley, Slominski, Sproul, Starke, Ulland, Watt, Wood, Mr. Speaker.

Absent and not voting: Botz, Carlson, Hanson of Grand Forks.

So the bill passed as amended by the Senate and the title was agreed to.

Mr. Vogel moved that the vote by which House Bill No. 134 passed, be reconsidered and the motion to reconsider be laid on the table. Which motion prevailed.

Mr. Bauer explained his vote as follows:

I Vote "aye" on this bill because I think it is poor business management for the state of North Dakota to support two separate electric lighting plants one at Capitol and one at Penitentiary. I vote "aye" because I believe that consolidation of Capitol and Penitentiary plants at Penitentiary is a move that should have been made years ago.

There are some parts in this bill I do not like but I believe the good very much predominates.

Mr. Starke explained his vote as follows:

I vote "no" on this bill for the same reason explained by Mr. Bauer in his vote on Senate Bill No. 32 because of the insidious lobby that has been maintained on this bill for the last several weeks.

MESSAGE FROM THE SENATE
SENATE CHAMBER

Bismarck, N. D., March 4, 1921.

Mr. Speaker: I have the honor to inform you that the Senate refuses to concur in House Amendments to Senate Bill 173 and the President has appointed as conference committee Senators Fraser, Ployhar, Wog.

Very respectfully,

W. J. PRATER,
Secretary.

SENATE CHAMBER

Bismarck, N. D., March 4, 1921.

Mr. Speaker: I have the honor to inform you that the Senate recesses from Senate amendments to House Bill 147.

Very respectfully,

W. J. PRATER,
Secretary.

SENATE CHAMBER

Bismarck, N. D., March 4, 1921.

I have the honor to inform you that the Senate refuses

to return Senate Bill No. 116.

Very respectfully,
W. J. PRATER,
Secretary.

SENATE CHAMBER

Bismarck, N. D., March 4, 1921.

Mr. Speaker: I have the honor to return herewith the following bills:

House Bill No. 61: A Bill for an Act to Amend and Re-enact Section 5 of Chapter 224 of the Session Laws of North Dakota, for the Year 1919, Relating to Income Taxes. Which the Senate has passed unchanged.

Very respectfully,
W. J. PRATER,
Secretary.

SENATE CHAMBER

Bismarck, N. D., March 4, 1921.

Mr. Speaker: I have the honor to inform you that the Senate refuses to concur in House amendments to Senate Bill 117

and the President has appointed as conference committee Senators Garberg, Wenstrom and Ettestad.

Very respectfully,
W. J. PRATER,
Secretary.

SENATE CHAMBER

Bismarck, N. D., March 4, 1921.

Mr. Speaker: I have the honor to inform you that the Senate has concurred in the conference committee amendment to Senate Bill 25.

Very respectfully,
W. J. PRATER,
Secretary.

The Speaker appointed as conference committee on Senate Bill 117 Messrs. Grangaard, Shipley and Jardine.

The Speaker appointed as conference committee on Senate Bill No. 173, Messrs. Johnson of Cass, Sagen and McDowell.

SIGNING OF BILLS

The Chief Clerk announced that the Speaker was about to sign

Senate Bill No. 197: A Bill for an Act Making an Appropriation for the Care and Maintenance of Persons Affected with Leprosy.

Senate Bill No. 195: A Bill for an Act Relating to the Taking of New Promissory Notes in Renewal of Notes Already Held by Banks, Other Corporations or Individuals, Effecting Their Legality.

Senate Bill No. 103: A Bill for an Act to Compel City Councils, City Commissions and Boards of Education of Independent School Districts to Publish Proceedings of All Meetings in Official Paper to be Designated by Them.

Senate Bill No. 163: A Concurrent Resolution for an Amendment to the Constitution of the State of North Dakota, Relating to the Compensation and Mileage of Legislative Members.

Senate Bill No. 115: A Bill for an Act to Amend and Re-enact Sections 3, 6, and 12 of Chapter 157 of the Session Laws of 1919, Regular Session to the Authorizing and Regulating the Exchange of Reciprocal or Insurance Contracts Among Individuals, Partnerships and Corporations.

Senate Bill No. 202: A Bill for an Act to Amend and Re-enact Section 2 of Chapter 63 of the Session Laws of 1915 Prescribing and Limiting the Punishment of the Crime of Murder in the First Degree and Limiting the Time, Manner and Conditions Whereby such Person May be Pardoned.

Senate Bill No. 51: A Bill for an Act to appropriate \$200,000.00 Out of Any Moneys in the Interest and Income of the Capitol Building Fund to Complete the Liberty Memorial Building, to Build a Tunnel to Connect it With the Power House, Laying Water Mains and Sewers, for the Improvement of the Grounds and Establishment of the Park.

Senate Bill No. 181: A Bill for an Act to Amend and Re-enact Section 144 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to the Keeping of Permanent Books of Record by the State Treasurer and the State Auditor, and Authorizing the Re-arrangement and Revision of the Present System.

Senate Bill No. 182: A Concurrent Resolution to Amend and Re-enact Section 173 of Article 10 of the Constitution of the State of North Dakota Providing for the Election of County Officials.

Senate Bill No. 131: A Bill for an Act Entitled an Act for the Purpose of Continuing the Work of Immigration as Provided for in Chapter 146 of the Session Laws of 1919, During the Biennial Period Beginning July 1, 1921, and Ending June 30, 1923.

Senate Bill No. 116: A Bill for an Act to Amend and Re-enact Chapter 179 of the Session Laws of 1915.

And the Speaker signed the same in the presence of the House.

The House returned to the Sixth order of business.

REPORTS OF SELECT COMMITTEES

The Conference Committee appointed by the House and Senate make the following report.

Mr. Speaker your conference Committee to whom was referred Senate Bill No. 25, a Bill for an act to appropriate money for the expenses of the Executive, Legislative, and Judicial Departments of the State Government and for Public Schools specifying the amount and time, for which such appropriation shall be available and repealing Sections 146, 1418 and 1419 of the Compiled Laws of 1913, as amended by Chapter 34 of the Session Laws of 1915 and all other acts and parts of acts insofar as the same relate to appropriations conflicting herewith, or the appropriations for the same matters or purposes provided for herein.

From the printed engrossed bill from the Senate correct the amendments made by the House and showing in the Journal of the House under date of March 2nd, 1921 as follows:

The House receded in Sub-division 1 from its amendment made in line 3.

Subdivision No. 7. The House recedes from its amendment made in lines 9 and 10. The totals in this subdivision should now read 16,350 and 32,700.

Subdivision No. 11. The House recedes from its amendment made in line 4. The House withdraws its amendment in line 12 and your Conference Committee agrees to strike out in said line the numerals 7,200 and 14,400 and insert in lieu thereof 9,250 and 18,500. Totals in this subdivision should now read 44,000 and 78,000.

Subdivision No. 19. We have agreed on lines 3 and 4 and the numbers in said line should now read 18,000 and 36,000. We recede from all other amendments. The total should now read 36,660 and 74,120.

Sub-division No. 27. We have agreed on line 12 and the numerals in said line should now read 290,000 and 580,000. The totals in line 47 should now read 420,790 and 870,950.

Subdivision No. 34. We have agreed that line 20 should be amended to read "Management 5,000 and 10,000." The totals in this subdivision should now read 170,350 and 319,950.

Subdivision No. 43. We have agreed that line 4 be amended by striking out 125,000 and 250,000 as amended by the House and inserting in lieu thereof 137,500 and 275,000. We have agreed that the amount passed by the House "Gymnasium 50,000 50,000", be corrected by striking out 50,000 50,000 and inserting in lieu thereof 60,000 60,000. The totals in this subdivision should now read 221,443.08 and 382,886.16.

Subdivision No. 71. It is agreed that the House amendment made on this subdivision be receded from.

Subdivision No. 99. We have agreed on line 1 by striking out the numerals 50,000 and 100,000 and inserting in lieu thereof the numerals 7,500 and 15,000.

HOUSE COMMITTEE

Wm. WATT,
CARL B. OLSEN,
M. W. KELLY,

SENATE COMMITTEE

W. J. CHURCH,
CHRIST LEVANG,
FRED VAN CAMP

Mr. Watt moved that the report be adopted.

Which motion prevailed and the report was adopted.

SIGNING OF BILLS

The Chief Clerk announced that the Speaker was about to sign.

Senate Bill No. 67: A Bill for an Act to Appropriate Seventy-five Hundred Dollars to the Missouri Slope Agricultural and Fair Association at Mandan for the Fairs to be Held in the Years 1921 and 1922.

Senate Bill No. 145: A Bill for an Act to Create, Define, and Establish the Bar Association of the State of North Dakota, and Providing for the Publication of Its Proceedings, and Filing Copies Thereof With the State Bar Board and the State Libraries and as Otherwise Provided, and Making an Appropriation for the Expenses Connected Therewith.

Senate Bill No. 158: A Bill for an Act to Provide for Conciliation of Controversies and to Repeal Sections 9187, 9188, 9189, 9190, 9191 and 9192 of the Compiled Laws of North Dakota, 1913.

House Bill No. 147: A Bill for an Act to Amend and Re-enact Section 5179 of the Compiled Laws for 1913 as Amended and Re-enacted by Chapter 55 of the Session Laws Relating to the Department of the State Examiner.

And the Speaker signed the same in the presence of the House.

Senate Bill No. 25: A Bill for an Act to Appropriate Money for the Expenses of the Executive, Legislative and Judicial Departments of the State Government, and for Public Schools, Specifying the Amount and Time for Which Such Appropriations Shall be Available, and Repealing Sections 1416, 1418 and 1419 of the Compiled Laws of 1913, as Amended by Chapter 34 of the Sessions Laws of 1915, and All Other Acts and Parts of Acts in so far as the Same Relate to Appropriations Conflicting Herewith or the Appropriations for the Same Matters or Purposes Provided for Herein.

Was read the third time.

The question being on the final passage of the bill, as amended by the report of the conference committee. The roll was called and there were ayes 111, nays 0, absent and not voting 2.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Boyd, Brady, Bratsberg, Bryans, Burkhardt, Burns, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Op-land, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renaul, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Botz, Carlson.

So the bill passed as amended and the title was agreed to.

MESSAGE FROM THE SENATE

SENATE CHAMBER

Bismarck, N. D., March 4, 1921.

Mr. Speaker: I have the honor to inform you that the Senate refuses to concur in House Amendments to Senate Bill 53 and president appointed as such conference committee Senators Ingerson, Olson, and McNair.

Very respectfully,

W. J. PRATER,
Secretary.

The Speaker appointed as a conference committee on Senate Bill 53 Messrs. Peters, Larson of Pierce and Boyd.

Mr. Burkhardt moved that the conference committee report on Senate Bill No. 182 be adopted,

Which motion prevailed.

THIRD READING OF SENATE BILLS

Senate Bill No. 182: A Concurrent Resolution to Amend and Re-enact Section 173 of Article 10 of the Constitution of the State of North Dakota Providing for the Election of County Officials.

Was read the third time.

The question being on the final passage of the bill, as amended by the conference committee. The roll was called and there were ayes 109, nays 0, absent and not voting 4.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bilquist, Bjerke, Bjorgo, Bollinger, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Grangaard, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Lackey, Lakle, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renault, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Carlson, Hagelbarger, Hanson of Grand Forks, Olson of Ramsey.

Mr. Speaker: Your conference committee to whom was referred

House Bill No. 33: A Bill for an Act to Appropriate \$12,000 out of Any Money in the State Treasury not Otherwise Appropriated, or so Much as Thereof as May be Necessary for the Purpose of Paying All Expenses connected with the Auditing of the Various State Industries as Required by Section 369 of the Compiled Laws of 1913, as Amended November 2nd, 1920, by a Vote of People, Providing How Such Appropriation Shall be Paid.

Have had the same under consideration and cannot agree

D. E. SHIPLEY
M. O. GRANGAARD,
J. T. FREEMAN,
P. B. GARBERG,
C. A. WARD,
JOHN L. MIKLETHUN.

Mr. Speaker: Your joint conference committee on to whom was referred

Senate Bill No. 173: A Bill for an Act Providing for Salaries of County Auditors, Registers of Deeds, County Judges, State's Attorneys, Clerks of District Courts, Sheriffs, and County Superintendents of Schools, and Repealing Chapter 112 of the Laws of 1915 and all Acts and Parts of Acts in Conflict Herewith, and Chapter 105 of the Session Laws of 1919.

Your Committee makes the following recommendation: At the end of Section 2 of the engrossed bill as amended by the House insert the following: "Provided, further, that in counties having a population of over 17,000 the county commissioners shall appoint an assistant state attorney or clerk with a salary of not less than one hundred

dollars per year, and in counties having a population of less than 17,000, the county commissioners may appoint an assistant states attorney or clerk whose salary shall be fixed by the county commissioner"

SENATE COMMITTEE

R. L. FRASER,
FRANK E. PLOYHAR,
GUST WOG.

HOUSE COMMITTEE

ROY JOHNSON,
S. SAGEN,
H. McDOWELL.

Mr. Burkhardt moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your joint conference committee to whom was referred

House Bill No. 25: A Bill for an Act to Amend and Re-enact Section 2078 of the Compiled Laws of North Dakota for the Year 1913, and Chapter 223 of the Session Laws of North for the Year 1919, Relating to the Exemption of Property from Taxation.

Have had the same under consideration and recommend that the same be amended as follows:

That in Section 2, line 5 the words "one-fifth" be stricken out and the words "one-third" be inserted in lieu thereof. That in line 6, Section 2, the "figures 1916" be stricken out as well as the figures "1917" in line 7, same section.

And when so amended recommend the same do pass.

J. A. JARDINE,
Chairman.

Mr. Jardine moved that the report be adopted, which motion prevailed and the report was adopted.

The Joint committee on Senate bill 182 made the following report:

Mr. President: Your committee on Joint conference to whom was referred.

Senate Bill No. 182: A Concurrent Resolution to Amend and Re-enact Section 173 of Article 10 of the Constitution of the State of North Dakota Providing for the Election of County Officials.

The Conference Committee recommends where "Ten Thousand" appears in House amendment be changed to "Eight Thousand."

That the words "sheriff and" and also "their respective offices" of the last sentence of the engrossed bill be re-inserted

That the conference committee concurs in the balance of the House amendments

SENATE CONFERENCE COMMITTEE

GUST WOG,
R. L. FRASER,
R. J. GARDINER,

HOUSE CONFERENCE COMMITTEE

Wm. BAUER, Chairman
D. L. PETERS,
JOSEPH A. KITCHEN

Mr. Kitchen moved that the report be adopted, which motion prevailed and the report was adopted.

THIRD READING OF HOUSE BILLS

House Bill No. 25: A Bill for an Act to Amend and Re-enact Section 2078 of the Compiled Laws of North Dakota for the Year 1913 and Chapter 223 of the Session Laws of North Dakota for the Year 1919, Relating to the Exemption of Property from Taxation.

Was read the third time.

The question being on the final passage of the bill, as amended by the conference committee. The roll was called and there were ayes 109, nays 0, absent and not voting 4.

Ayes: Allen, Anderson of Griggs, Arduser, Babcock, Bauer, Bjerke, Bjorgo, Botz, Boyd, Brady, Bratsberg, Bryans, Burkhardt, Burns, Cart, Cole, Doyle, Durkee, Eckert, Ellingson, Elmer, Erickson of Divide, Erickson of Walsh, Flom, Freeman, Fredrickson, Frandson, Hagelbarger, Halcrow, Hanson of Benson, Hanson of Grand Forks, Hall, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Kjos, Kopp, Lackey, Lakie, Larkin, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelsen, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Renauld, Root, Sagen, Semling, Sherman, Shimmin, Shipley, Slominski, Sproul, Starke, Strain, Ulland, Vogel, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker.

Absent and not voting: Anderson of Burleigh, Bilquist, Bollinger, Carlson.

So the bill passed as amended and the title was agreed to.

MESSAGE FROM THE SENATE

SENATE CHAMBER

Bismarck, N. D., March 3, 1921

Mr. Speaker: I have the honor to inform you that the Senate refuses to concur in the House Amendments to Senate Bill 71 and the President has appointed as confer-

ence committee Senators Benson, Beisel and Baker

Very respectfully,

W. J. PRATER,
Secretary.

The speaker appointed as a conference committee on Senate Bill No. 71, Messrs. Johnson, of Ward, Allen, and Johnson, of Pembina.

SIGNING OF BILLS

The Chief Clerk announced that the Speaker was about to sign,

Senate Bill No. 18: A Bill for an Act to Amend and Re-enact Chapter Six Session Laws 1919 as Amended by Special Session Laws 1919 Relating to the Licensing, Regulating and Supervising the Licensing and Inspection of Pool and Billiard Rooms, Ball and Pin Alleys, Dance Halls, Theaters, Moving Picture Shows, Taxicab or Auto Livery, Places where Soft Drinks are Manufactured or Sold or where Cigars and Tobacco are Sold, or Public Hall, Owned Privately and Used for Public Purposes; Providing Fees Therefor, Inspectors, Office Help and Supplies Thereof; Defining Powers and Duties and Repealing all Acts and Parts of Acts Inconsistent Therewith.

Senate Bill No. 147: A Bill for an Act to Amend and Re-enact Chapter 183 of the Session Laws of 1917, an Act Requiring the Owners of Personal Property to Notify the County Treasurer of the Sale of Such Property at Public Auction, Providing for the Collection of Their Personal Property Taxes and Prescribing Dates of Auctioneers in Relation Thereto.

House Bill No. 61: A Bill for an Act to Amend and Re-enact Section 5 of Chapter 224 of the Session Laws of North Dakota, for the Year 1919, Relating to Income Taxes.

House Bill No. 134: A Bill for an Act to Amend and Re-enact Sub-division 70 of Section 3818, Compiled Laws of North Dakota for 1913, Relating to the Purchase and Acquisition by a City of Any System or Part of System of Water Works.

And the Speaker signed the same in the presence of the House.

The House reverted to the Seventh order of business.

MOTIONS AND RESOLUTIONS

Mr. Kelly moved that House Bill No. 100 be indefinitely postponed which motion prevailed and further consideration of House Bill No. 100 was indefinitely postponed.

Mr. Sagen moved that the House do now concur in Senate resolution relating to sending of Senate and House Journals to members and other officials, which motion prevailed

REPORT OF SENATE COMMITTEES

The committee on conference made the following report:

Mr. Speaker: Your committee on conference to whom

Senate Bill No. 71: A Bill for an Act to Amend and Re-enact Section 2185 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 67 of the Special Session Laws of North Dakota for the Year 1919, Relating to Real Estate Taxes Due and Delinquent and the Penalty and Interest Thereon.

Have had the same under consideration and recommend that the same be amended as follows:

To be ammended as follows, in line 7 of the reg. bill insert after the word if (one-half is) in line 8, after the) strike out the word entire and insert the words (unpaid one-half of said)

And when so amended recommend the same do pass.

A. JOHNSON,
Chairman.

JOHN W. BENSON,
Chairman.

Mr. Prezler moved that the report be adopted, which motion prevailed and the report was adopted.

The conference committee on Senate Bill No. 117 made the following report:

Mr. Speaker: Your conference committee on Senate Bill No. 117 to whom was referred .

Senate Bill No. 117: A Bill for an Act Empowering the Board of County Commissioners of Each County to Designate Depositories for County Funds and Providing the Procedure and the Regulations Under Which Such Funds May be Deposited.

Have had the same under consideration:

Beg leave to report a disagreement,

SENATE

P. GARBERG,
OLE ETTESTAD,
JAMES A. WENSTROM,

HOUSE

M. O. GRANGAARD,
D. E. SHIPLEY,
J. A. JARDINE.

And the report was adopted.

THIRD READING OF SENATE BILLS .

Senate Bill No. 71: A Bill for an Act to Amend and Re-enact Section 2185 of the Compiled Laws of North Dakota

for the Year 1913, as Amended by Chapter 67 of the Special Session Laws of North Dakota for the Year 1919, Relating to Real Estate Taxes Due and Delinquent and the Penalty and Interest Thereon.

Was read the third time.

The question being on the final passage of the bill, as amended by the conference committee. The roll was called and there were ayes 96, nays 0, absent and not voting 17.

Ayes: Allen, Anderson of Burleigh, Anderson of Griggs, Arduser, Babcock, Bauer, Bjerke, Bollinger, Boyd, Brady, Bratsberg, Bryans, Burkhart, Burns, Cart, Doyle, Eckert, Elmer, Erickson of Divide, Flom, Freeman, Frandson, Hagelbarger, Halcrow, Hanson of Benson, Harding, Hartl, Hempel, Heaton, Jardine, Johnson of Cass, Johnson of Pembina, Johnson of Sargent, Johnson, of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Larson of Pierce, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Maddock of Mountrail, Magnuson, Martin of Bottineau, Martin of Slope, Maxwell, Mikkelson, Miller, Morton, Mouck, Ness, Nagel, Nathan, Oberg, Olafson, Olsgard, Olson of Barnes, Olsen of Billings, Olson of Ramsey, Ophaug, Opland, Patterson, Peters, Plath, Preszler, Quade, Reichert, Root, Sagen, Semling, Sherman, Shipley, Sims, Slominski, Sproul, Starke, Strain, Ulland, Watt, Weld of Kidder, Weld of Wells, Whitmer, Wood, Yeater, Mr. Speaker. z

Absent and not voting: Bilquist, Bjorgo, Botz, Carlson, Cole, Durkee, Ellingson, Erickson of Walsh, Fredrickson, Hanson of Grand Forks, Hall, Johnson of Steele, Kjos, Kopp, Lackey, Lakie, Larkin, Vogel.

So the bill passed as amended and the title was agreed to.

MOTIONS AND RESOLUTIONS

Mr. Watt moved that Mr. Dawson, chief clerk, and Mr. Crary, assistant clerk, be employed for six days after the session in clearing the journal, indexing same and reading proof thereon, the expense to be charged to legislative expense.

Which motion prevailed.

Mr. Watt moved that the Secretary of State be authorized to send out journals for the last two days of the session, and charge same to legislative expense,

Which motion prevailed.

The Conference on Senate Bill 53 made the following report:

Mr. Speaker: Your conference committee to whom was referred

Senate Bill No. 53: A Bill for an Act to Amend and Re-enact Chapter 160 of the Session Laws of North Dakota for the Year 1919 as Amended by Chapter No. 38 of the Special Session Laws of the 16th Legislative Assembly of the State

of North Dakota for the Year 1919 Relating to State Hail Insurance.

Have had the same under consideration and recommend that the same be amended as follows:

In line 18 of section 3 the House recedes from its amendment.

SENATE
RALPH INGERSON,
H. H. McNAIR,
O. H. OLSON.

HOUSE
D. L. PEERS,
ROBERT L. BOYD,
L. A. LARSON.

And when so amended recommend the same do pass.

Mr. Watt moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Preszler moved that Mr. Dawson and Mr. Crary be paid seven dollars per day for the six days they are to continue after the close of the session in clearing the journal, indexing and proof reading same.

Mr. Burkhardt moved that the House do now concur in Senate Amendments to House Bill No. 212.

Mr. Grangaard moved that the rules be suspended and that House Bill No. 212 as amended by the Senate be considered for final passage.

Mr. Gurkhardt moved that the House reconsider the vote by which House Bill 212 was killed, which motion prevailed.

House Bill No. 212: A Bill for an Act, Designating Depositories of all Public Funds and Fixing the Minimum Rate of Interest; Requiring Competitive Bids for Such Deposits; Providing for Publicity With Reference to Such Funds and Depositories; Prescribing Penalties for Violation of this Act; Defining Terms used Herein, and Repealing Sections 370 to 374, Inclusive, Sections 1472 to 1488, Inclusive, and Sections 3315 to 3329, Inclusive, of the Compiled Laws of 1913.

Was read the third time.

The question being on the final passage of the bill, as amended by the Senate. The roll was called and there were ayes 69, nays 0, absent and not voting 44.

Ayes: Anderson of Griggs, Arduser, Bilquist, Bjerke, Bjorgo, Boyd, Brady, Bryans, Burkhardt, Cart, Ellingson, Elmer, Erickson of Divide, Flom, Freeman, Fredrickson, Frandson, Grangaard, Hagelbarger, Halcrow, Hanson of Benson, Hall, Harding, Hartl, Hempel, Jardine, Johnson of Cass, Johnson of Steele, Johnson of Traill, Johnson of Ward, Kamrath, Kellogg, Kelly, Kitchen, Larkin, Larson of Ransom, Lazier, Levin, McDowell, McGauvran, McLarty, McManus, Maddock of Benson, Magnuson, Martin of Bottineau, Martin of Slope, Mouck, Ness, Oberg, Olafson, Olson of

Barnes, Olsen of Billings, Ophaug, Opland, Patterson, Preszler, Reichert, Renauld, Semling, Sherman, Shipley, Sims, Starke, Ulland, Vogel, Watt, Weld of Kidder, Whitmer, Yeater, Mr. Speaker.

Absent and not voting: Allen, Anderson of Burleigh, Babcock, Bollinger, Botz, Bratsberg, Burns, Carlson, Cole, Doyle, Durkee, Eckert, Erickson of Walsh, Hanson of Grand Forks, Hartl, Heaton, Johnson of Pembina, Johnson of Sargent, Kjos, Kopp, Lackey, Lakie, Larson of Pierce, Maddock of Mountrail, Maxwell Mikkelson, Miller, Morton, Nagel, Nathan Olsgard, Olson of Ramsey, Peters, Plath, Quade, Root, Sagen, Shimmin, Sims, Slominski, Sproul, Strain, Weld of Wells, Wood.

So the bill passed and the title was agreed to.

Mr. Speaker: Your committee on Enrollment and En-grossment have examined the following bills:

House Bill No. 25: A Bill for an Act to Amend and Re-enact Section 2078 of the Compiled Laws of North Dakota for the Year 1913, and Chapter 223 of the Session Laws of North for the Year 1919, Relating to the Exemption of Property from Taxation.

House Bill No. 212: A Bill for an Act, Designating Depositories of all Public Funds and Fixing the Minimum rate of Interest; Requiring Competitive Bids for Such Deposits; Providing for Publicity with Reference to Such Funds and Depositories; Prescribing Penalties for Violation of this Act; Defining terms used Herein, and Repealing Sections 370 to 374, inclusive, Sections 1472 to 1488, inclusive, and Sections 3315 to 3329, inclusive, of the Compiled Laws of 1913.

And find the same correctly enrolled.

A. J. PRESZLER,
Chairman.

Mr. Preszler moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Enrollment and En-grossment have examined the following bills:

House Bill No. 49: A Bill for an Act to Amend and Re-enact Section 814 of the Compiled Laws of North Dakota for the Year 1913 Relating to Jurors.

House Bill No. 203: A Bill for an Act to Amend and Re-enact Section 69 of the Compiled Laws of North Dakota for 1913, Relating to the Printing of the Popular Edition of the Session Laws; Fixing the Specifications for the Un-authenticated Edition of the Session Laws of the State of North Dakota, and Repealing All Acts and Parts of Acts in Conflict Therewith.

And find the same correctly enrolled.

A. J. PRESZLER,
Chairman.

SIGNING OF BILLS

The Chief Clerk announced that the Speaker was about to sign.

House Bill No. 25: A Bill for an Act to Amend and Re-enact Section 2078 of the Compiled Laws of North Dakota for the Year 1913 and Chapter 223 of the Session Laws of North Dakota for the Year 1919, Relating to the Exemption of Property from Taxation.

House Bill No. 212: A Bill for an Act Designating Depositories of all Public Funds and Fixing the Minimum Rate of Interest; Requiring Competitive Bids for Such Deposits; Providing for Publicity with Reference to Such Funds and Depositories; Prescribing Penalties for Violation of This Act; Defining Terms Used Herein, and Repealing Sections 370 to 374, Inclusive, Sections 1472 to 1488, Inclusive, and Sections 3315 to 3329, Inclusive, of the Compiled Laws of 1913.

And the Speaker signed the same in the presence of the House.

Mr. Preszler moved that the report be adopted, which motion prevailed and the report was adopted.

Mr. Speaker: Your committee on Enrollment and En-grossment respectfully report that:

House Bill No. 212: A Bill for an Act Designating Depositories of all Public Funds and Fixing the Minimum Rate of Interest; Requiring Competitive Bids for Such Deposits; Providing for Publicity with Reference to Such Funds and Depositories; Prescribing Penalties for Violation of This Act; Defining Terms Used Herein, and Repealing Sections 370 to 374, Inclusive, Sections 1472 to 1488, Inclusive, and Sections 3315 to 3329, Inclusive, of the Compiled Laws of 1913.

House Bill No. 25: A Bill for an Act to Amend and Re-enact Section 2078 of the Compiled Laws of North Dakota for the Year 1913 and Chapter 223 of the Session Laws of North Dakota for the Year 1919, Relating to the Exemption of Property from Taxation.

House Bill No. 61: A Bill for an Act to Amend and Re-enact Section 5 of Chapter 224 of the Session Laws of North Dakota, for the Year 1919, Relating to Income Taxes.

House Bill No. 134: A Bill for an Act to Amend and Re-enact Sub-division 70 of Section 3818, Compiled Laws of North Dakota for 1913, Relating to the Purchase and Acquisition by a City of Any System or Part of System of Water Works.

House Bill No. 147: A Bill for an Act to Amend and Re-enact Section 5179 of the Compiled Laws of 1913 as Amended and Re-enacted by Chapter 55 of the Session Laws of 1915, Relating to the Department of the State Examiner.

Also.

Were delivered to the governor for his approval at the hour of 11:35 o'clock P. M. March 4, 1921.

A. J. PRESZLER,
Chairman.

SIGNING OF BILLS

The Chief Clerk announced that the Speaker was about to sign.

Senate Bill No. 53: A Bill for an Act to Amend and Re-enact Chapter 160 of the Session Laws of North Dakota for the Year 1919 as Amended by Chapter No. 38 of the Special Session Laws of the 16th Legislative Assembly of the State of North Dakota for the Year 1919 Relating to State Hail Insurance.

Senate Bill No. 71: A Bill for an Act to Amend and Re-enact Section 2185 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 67 of the Special Session Laws of North Dakota for the Year 1919, Relating to Real Estate Taxes Dues and Delinquent and the Penalty and Interest Thereon.

Senate Bill No. 173: A Bill for an Act Providing for Salaries of County Auditors, Registers of Deeds, County Judges, State's Attorneys, Clerks of District Courts, Sheriffs, and County Superintendent of Schools, and Repealing Chapter 112 of the Laws of 1915 and all Acts and Parts of Acts in Conflict Herewith, and Chapter 105 of the Session Laws of 1919.

Senate Bill No. 48: A Bill for an Act Requiring County Commissioners to have classified all acre Property in the State, Providing Method of Contracting for Such Work of Classification, Authorizing a Tax Levy Therefor, Fixing Classification Schedules, Providing for Notice to Public Prior to Adoption of Such Classification and Fixing the Duties of the Board of County Commissioners, Boards of Review and Equalization and Local Assessors With Respect to Such Classification Schedules.

Senate Bill No. 66: A Bill for an Act to Promote, Foster and Encourage the Proper Marketing of Agricultural Products and By-products, and for the Creation of a Co-operative Marketing Association and Providing for License Fees.

Senate Bill No. 39: A Bill for an Act to appropriate the Sum of \$175,000.00 for the Purpose of Aiding in the Construction of a Bridge Across the Missouri River From Burleigh County to Morton County in the State of North Dakota Under the Provision of Chapter 73 of the Laws Passed at the Sixteenth Session of the Legislative Assembly of North Dakota, Approved March 5, 1919, in Addition to the Sum Appropriated by Chapter 4 of the Special Session of the Sixteenth Legislative Assembly, Approved December 12, 1919, and That Such Appropriation be Made From the State Highway Fund.

Senate Bill No. 25: A Bill for an Act to appropriate Money for the Expenses of the Executive, Legislative and Judicial Departments of the State Government, and for Public Schools, Specifying the Amount and Time for Which Such Appropriations Shall be Available, and Repealing Sections 1416, 1418 and 1419 of the Compiled Laws of 1913, as Amended by Chapter 34 of the Session Laws of 1915, and All Other Acts and Parts of Acts in so far as the Same Relate to Appropriations Conflicting Herewith or the Appropriations for the Same Matters or Purposes Provided for Herein.

And the Speaker signed the same in the presence of the House.

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HOUSE AUDIT COMMITTEE

RECORD OF FIRST MEETING

The Committee met in the Grand Pacific Hotel and proceeded to organize. Mr. Grangaard was named by the Speaker of the House and so acted as Chairman of the meeting. Mr. Shipley was elected temporary secretary of the Committee. Members present were:

Johnson of Ward, Mr. Nagel, Mr. Freeman, Mr. Doyle and Mr. Johnson of Steele.

Absent members: Mr. Ulland of Traill and Mr. Hanson.

Moved by Mr. Freeman, seconded by Mr. Nagel, that Messrs. Grangaard and Johnson of Ward be a committee of two to secure the services of stenographers and reporters for the Committee.

Moved by Mr. Freeman, seconded by Mr. Johnson of Ward, that there be a committee of three, consisting of Grangaard, Johnson of Steele, and Shipley, empowered to arrange for legal counsel and expert accountants to assist the Audit Committee in the investigation of the audit report. Motion carried.

Moved by Johnson of Steele, seconded by Freeman that the committee do now adjourn to meet at the call of the chairman.

D. E. SHIPLEY,

Dated Jan. 20, 1921.

Secretary Pro Tem.

MEETING OF JANUARY 25, 1921.

The House Audit Committee met pursuant to adjournment. Members present were Grangaard, chairman, Ulland, Nagel, Freeman, Hanson, Johnson of Steele, Johnson of Ward, Weld of Wells, and Shipley.

The minutes of the previous meeting were read and approved.

Moved by Mr. Weld of Wells, seconded by Mr. Freeman that the Committee have a stenographer strike off copies of the minutes of each meeting, each member of the committee to be supplied with a copy. Motion carried.

On motion Mr. Shipley was unanimously elected as permanent secretary of the Committee.

Mr. Grangaard and Mr. Johnson of Ward, who were named as the committee to procure stenographers and reporters, reported that they had secured Mr. Chas. Wattam as reporter, and Miss Chrissie Budge as stenographer.

Moved by Mr. Freeman, seconded by Mr. Weld that the report of the committee be accepted. Motion carried.

Moved by Mr. Weld of Wells, seconded by Mr. Johnson of Steele: We, the representatives of the minority request that we have an attorney to represent the people of the state; that we be allowed a stenographer and an expert accountant; that we be allowed to summon witnesses and examine same under oath. We have been assured that this is to be an impartial report and see no other way of making this absolutely impartial.

On motion roll call was demanded on the above motion. Motion lost.

The original motion as presented by Mr. Weld was put and lost.

Mr. Freeman moved that the Committee do now adjourn to reconvene at 9:30 A. M., January 26th, which motion prevailed, and the committee adjourned.

D. E. SHIPLEY,
Secretary.

MINUTES OF JANUARY 26, 1921.

The House Audit Committee met pursuant to adjournment at 9:30 A. M., in the Court Room of the Courthouse. Members present were, Grangaard, chairman, Ulland, Nagel, Freeman, Hanson, Johnson of Steele, Johnson of Ward, Weld of Wells and Shipley.

The minutes of the previous meeting were read and approved.

The chairman reported that Mr. John F. Sullivan of Mandan and Mr. Francis Murphy of Minot had been selected by the sub-committee to act as counsel for the Committee in conducting the examination. In presenting the attorneys the chairman made the following statement:

Gentlemen, we have with us this morning the two members constituting the counsel that has been engaged to act for this committee in the capacity of investigators. You gentlemen were selected by this committee because of the fact that you have been recommended to us as being men of impartial minds and unprejudiced, up to this time having taken no active part in the factional strife that has been so prevalent in North Dakota for the past few years. The idea in the minds of all members of this committee, realizing the importance of the work before us—the one and sole idea is that we are here representing the Legislators of the State of North Dakota and the House of Representatives, not representing any one faction or set of men, but representing all of the people.

The industries that have been examined, and the industries upon which this audit report is based, which we are called upon to decipher, are the industries of the people of North Dakota. We, as the members of the committee appointed to make this investigation and report, realize and want you to know that we are sitting here as an unprejudiced, unbiased committee. We have no desire to prosecute, no desire to white-wash, but we want to get out an unbiased and truthful report. Our report will be exactly what the audit report shows.

In conducting this examination, gentlemen, we want you to bear in mind these facts as stated; that there is no inclination on the part of any one member of this committee to have any factional feeling enter in at all. This is not a prosecuting committee; it is not a defense. You have been engaged for the purpose of conducting the investigation. You have been engaged to analyze the report of the auditors, and the Committee is willing that you have such support and help as will enable you to do that work in a fair, complete and proper manner.

In reply Mr. Murphy stated:

This matter is, of course, somewhat new to us. Mr. Sullivan and I were both notified rather hurriedly and have not had an opportunity to get to the bottom of it as yet. I can say for Mr. Sullivan and myself that it will be our desire and aim to respect your instructions to make a fair and impartial investigation of the facts as we are able to determine them.

We have some suggestions to make, if the Committee cares to hear them at this time, as to the method of procedure we would like to be allowed to follow.

First, we would like to suggest that before commencing formal proceedings, you allow us to draught rules of procedure covering the entire ground pretty thoroughly, so that during the proceedings you will not have to stop to discuss points as we go along.

Further, we suggest that you turn over to us such reports of the audit as you have for our inspection and investigation as your counsel.

Moved by Mr. Johnson of Steele, seconded by Mr. Freeman, that the report presented by Mr. Grangaard be accepted. Motion carried.

Moved by Mr. Shipley, seconded by Mr. Johnson of Ward, that the Committee's counsel, Messrs. Sullivan and Murphy, draught rules of procedure and submit them to the committee for their approval or rejection. Motion carried.

Moved by Mr. Freeman, seconded by Mr. Shipley that counsel at all times have free access to the reports of the audit. Motion carried.

Moved by Mr. Johnson of Steele that a committee of three be appointed to negotiate with printers and secure estimates of the cost of procuring a sufficient number of copies of the audit report for the use of the members of the committee and the legislative body. Motion seconded by Mr. Hanson and carried.

The chair appointed Mr. Freeman, Mr. Weld, and Mr. Nagel as a committee to secure the estimate.

Moved by Mr. Shipley, seconded by Mr. Weld, that the committee adjourn to reconvene on the call of the chairman of the committee.

Motion carried.

D. E. SHIPLEY,
Secretary.

MINUTES OF JANUARY 28, 1921

Pursuant to call of the chairman, the House Audit Committee met in room 205 of the Grand Pacific Hotel at 7:30 P. M., January 28, 1921. Members present were Grangaard, Freeman, Hanson, Nagel, Ulland, Johnson of Steele Johnson of Ward and Weld. Absent, Shipley.

The reading of the minutes of the previous session were suspended.

The chairman stated that the purpose of the meeting was to adopt rules of procedure for the guidance of the committee in conducting the investigation, and the chairman read the proposed rules prepared by the committee's attorneys.

Following the reading of the rules there was a full discussion of each rule.

Moved by Mr. Weld, seconded by Mr. Johnson of Steele, that Rule VII as read be stricken out. The motion was lost.

Moved by Mr. Weld of Wells, seconded by Mr. Johnson of Steele, that Rule IX as read be stricken out. Motion lost.

Moved by Mr. Freeman, seconded by Mr. Weld, that in taking the vote of the committee the roll be called. Motion carried.

Moved by Mr. Johnson of Steele, seconded by Mr. Hanson, that that part of Rule XII, following the word "Committee" in the fourth line of the rule, be stricken out and a period substituted for the coma after the word "Committee." The vote on roll call was as follows:

Ayes: Johnson of Steele, Weld of Wells, Hanson.

Nays: Johnson of Ward, Freeman, Nagel, Ulland, Grangaard.

The motion was lost.

Moved by Mr. Weld of Wells seconded by Mr. Hanson, that Rule IX be amended by striking out the period after the word "person" and adding the words, "or by deposition."

The vote on roll call was as follows:

Ayes: Johnson of Steele, Weld, Hanson.

Nays: Johnson of Ward, Freeman, Grangaard, Nagel, Ulland.

Moved by Mr. Johnson of Steele, seconded by Mr. Weld of Wells, that Rule III be amended by inserting after the word "Application" in line 1, the words, "of any Committeeman to," making the rule read: "Upon application of any Committeeman to the Chairman of this Committee or counsel appointed to aid in the investigation."

The motion carried unanimously.

Moved by Mr. Weld, seconded by Mr. Johnson of Steele, that Rule XII be amended by striking out all of the Rule following the word "however" in the second line, and inserting in lieu thereof the following: "That any member of this committee may question any witness."

The vote on roll call was as follows:

Ayes: Johnson of Steele, Weld, Hanson.

Nays: Johnson of Ward, Freeman, Grangaard, Nagel, Ulland.

There being no further objection to the rules, Mr. Johnson of Ward moved the adoption of the rules as read and amended. Motion seconded by Mr. Freeman and carried, the vote on roll call being as follows:

Ayes: Johnson of Ward, Freeman, Grangaard, Nagel, Ulland.

Nay: Johnson of Steele, Weld, Hanson.

RULES GOVERNING THE PRACTICE AND PROCEDURE OF THE HOUSE AUDIT COMMITTEE.

The following are the rules governing the practice and procedure before the House Audit Committee of the House of Representatives of the State of North Dakota, Seventeenth Session, appointed to investigate the affairs of the Bank of North Dakota, and other State Industries.

RULE I.

The hour of the day at which the House Audit Committee shall sit upon this investigation shall be at 9:30 o'clock A. M., and when the hour shall arrive the Chairman of said Committee shall so announce, and, thereupon, the business of the investigation shall proceed.

RULE II.

The Secretary of this Committee shall keep a full and complete record of all proceedings had in this investigation, including all motions made by members of said Committee and the vote thereon and a verbatim report of all testimony taken on said investigation, including all papers, documents and records which may be offered in connection therewith; provided, however, that all testimony may be taken in shorthand by a reporter, duly appointed and sworn for that purpose and by him transcribed.

The oath, taken by the reporter shall be substantially in the following form:

State of North Dakota,
County of Burleigh. SS.

I,, do solemnly swear that I will support the Constitution of the United States of America, and the Constitution of the State of North Dakota, that I will perform the duties of the office of Reporter of the investigation before the House Audit Committee of the House of Representatives of the State of North Dakota, 17th Session, to the best of my ability, So help me God.

Subscribed and sworn to before me this.....day of.....
A. D. 1921

.....
Notary Public, State of North Dakota.

RULE III.

Upon the application of any Committeeman to the Chairman of this Committee, or of Counsel appointed to aid in this investigation, subpoenas shall be issued by the Chairman of the Committee, attested by the Secretary thereof, and such subpoenas shall state the time and the place at which the same shall be returnable, and shall be substantially in the following form:

State of North Dakota,
County of Burleigh—SS.

Before the House Audit Committee of the House of Representatives of the State of North Dakota, 17th Session, appointed to consider the audit and investigate the affairs of the Bank of North Dakota and other State Industries.

THE STATE OF NORTH DAKOTA TO.....

GREETING:

You, and each of you, are hereby commanded to appear before the House Audit Committee of the House of Representatives of the State of North Dakota, 17th Session, sitting to investigate and consider the audit of the affairs of the Bank of North Dakota and other State Industries, on theday of, 1921, at the Court House in the City of Bismarck, County of Burleigh, and State of North Dakota, then and there to testify your knowledge in the matter which is before said committee, to-wit; the investigation and consideration of the audit and affairs of the Bank of

North Dakota and other State Industries, and you are required to bring with you the following:.....

.....

Hereof fail not.

Attest:
Chairman of House Audit Committee.

.....
Secretary of House Audit Committee.

RULE IV.

All witnesses subpoenaed as above shall immediately report to the Secretary of said Committee, and upon discharge of such witness or witnesses they shall present to said Secretary their said subpoena, and he shall thereupon certify thereon the mileage and per diem of such witnesses, which certificate shall be accepted as evidence thereof.

RULE V.

The form of direction for the service of such subpoena shall appear upon the subpoena, and shall be substantially as follows:

The State of North Dakota:

To the Sergeant at Arms of the House of Representatives of the State of North Dakota, or any of his assistants, or any Special Officer appointed by the House Audit Committee, or to any Sheriff, Constable, Marshal or Public Officer within the State of North Dakota:

You are hereby commanded to forthwith serve and return the within subpoena according to law.

Dated at Bismarck, N. D., this.....day of.....1921.

.....
Secretary of House Audit Committee.

Proof of service of such subpoena shall be governed by the provisions of Section 7436, Civil Code, Compiled Laws of 1913.

RULE VI.

Each witness shall be sworn in the following manner:

You do solemnly swear (affirm) that the evidence you will give in the matter of the investigation and consideration of the audit of the affairs of the Bank of North Dakota, and other State Industries, now before this House Audit Committee, shall be the truth, the whole truth, and nothing but the truth, so help you God.

Which oath shall be administered by the Chairman of this House Audit Committee.

RULE VII.

The hearings shall be open to the public, provided, however, that upon the motion of any member of this Committee, or at the discretion of the Chairman thereof, the Committee may go into executive session, whereupon all persons shall be excluded from said hearing, save and except the members of said Committee, counsel employed by said Committee, the necessary accountants and other employees, and the person under examination.

RULE VIII.

This proceeding being in the nature of an investigation, and the controversies incident to the average trial being absent,

the Counsel for the Committee are directed to proceed to the examination of witnesses by the question and answer method, and, without reference to the formal rules of evidence, elicit from the witnesses, as expeditiously as the circumstances will permit, the ultimate and essential facts to be by each witness disclosed.

RULE IX.

This proceeding being in the nature of an inquiry and investigation and not a trial, no witness or other person shall be permitted to appear or be represented before this House Audit Committee at any hearing by agent, representing attorney, counsellor, or in any other manner than in person.

RULE X.

The Chairman of this House Audit Committee shall direct all necessary preparation for the hearings before said Committee, and upon the hearing shall direct all forms of proceedings not otherwise specifically provided for herein.

RULE XI.

When no rule is herein provided for the governing of the practice and procedure of this House Audit Committee, the Chairman thereof shall announce the rule, subject to the right of any members of said Committee to appeal therefrom to the whole Committee.

RULE XII.

Witnesses shall be examined by counsel employed by this Committee, provided, however, that if a member of the Committee wishes to question a witness permission shall first be given by the Chairman of said Committee, and, provided further, that if it shall appear to the Chairman that such question or questions are not propounded in good faith, he shall refuse to permit same to be asked unless directed so to do by a majority of the whole committee.

RULE XIII.

The parliamentary rules adopted by the House of Representatives of the State of North Dakota, 17th Session, so far as the same may be applicable and not inconsistent with the specific rules adopted by this Committee, shall govern the proceedings upon this investigation.

RULE XIV.

In the event of any witness failing to appear before this Committee in answer to a subpoena, upon such fact being found by this Committee the Chairman hereof shall prepare a statement thereof showing the following facts:

- (1) The issuance of the subpoena and the date thereof.
- (2) The service thereof upon such person, including the time and place of such service.
- (3) A statement of the time and place when and where such witness was by such subpoena directed to appear.
- (4) The fact of the failure or refusal of such witness to so appear. Such statement shall be signed and certified by the Chairman of this Committee and attested by the Secretary hereof, and shall be filed with the Speaker of the House of Representatives of the State of North Dakota for such proceedings in said House for Contempt as may be in accordance with the rules of said House of Representatives.

RULE XV.

In the event of any witness refusing to answer a question or questions propounded to him by counsel for this Committee, upon such fact being found by this Committee the Chairman hereof shall prepare a statement showing the following facts:

- (1) The issuance of the subpoena and the date thereof.
- (2) The service thereof upon such person, including the time and place of such service.
- (3) A statement of the time and place when and where such witness was by such subpoena directed to appear.
- (4) The fact of his refusal to answer questions propounded. Such statement shall be signed and certified by the Chairman of this Committee and attested by the Secretary hereof, and shall be filed with the Speaker of the House of Representatives of the State of North Dakota for such proceedings in said House for contempt as may be in accordance with the rules of said House of Representatives.

RULE XVI.

Upon the final completion of this investigation the Chairman of this Committee shall direct the stenographer or stenographers taking the testimony thereof to make a full, complete and verbatim transcript of such testimony and to affirm the same under oath and there may be annexed thereto any and all papers, documents or exhibits offered or received in connection therewith, or certified copies thereof, duly certified to by the Chairman of this Committee, which said verbatim report of such testimony, together with such papers, documents and exhibits as shall be deemed necessary, to a proper understanding of the report, shall be annexed and attached to the report of the House Audit Committee and filed with the House of Representatives of the State of North Dakota.

RULE XVII.

All documents, papers and exhibits offered and received in this investigation shall immediately be filed with and kept in the custody of the Secretary of this Committee until the same shall be annexed to the report of this Committee and filed with the House of Representatives.

Mr. Freeman reported that his committee had secured and recommended that the following typists be engaged to make copies of the Audit Report, viz:

Miss Engelman, Miss Helen Breen, Miss Pillmore, Miss Saylor and Miss Walery.

The committee had also secured the loan of a sufficient number of typewriters to do the work, and had made arrangements for a room in the Grand Pacific Hotel where the work might be done. Mr. Freeman stated that the work could be started the morning of the 29th of January.

Moved by Mr. Johnson of Steele, seconded by Mr. Weld, that the report of the committee be adopted.

Motion carried unanimously.

Moved by Mr. Johnson of Ward, seconded by Mr. Weld that the committee do now adjourn to reconvene on call of the chairman.

Motion carried unanimously.

C. E. BUDGE,
Acting Secretary.

MINUTES OF FEBRUARY 1, 1921

The House Audit Committee met in Room 205, Grand Pacific Hotel, Tuesday morning, February 1, 1921, at 9:30 A. M., pursuant to call of the Chairman.

All members of the Committee were present.

The minutes of the meeting of January 26th, 1921, were read and approved as read.

The minutes of the meeting of January 28th, 1921, were read and approved as read.

Mr. Freeman moved that the minutes of all meetings of the committee shall contain all regular proceedings of the meetings, and in addition thereto there shall be incorporated the remarks of any gentleman upon his request.

Motion seconded by Mr. Ulland and carried.

Mr. Freeman reported that his committee had secured five typists and had started them to work at copying the Report, including Balance Sheet and Income and Expense Statement, on Saturday, January 29th, and that they were still at work upon it.

The secretary reported the names of employees of the Committee as follows:

Francis Murphy, John F. Sullivan—Counsel.

Charles Wattam—Reporter.

Chrissie E. Budge, Dorothy C. Reynolds, Stenographers.

Staale Hendrickson—Special Marshal.

E. B. McCutcheon—Investigator.

Margaret Engleman, Elizabeth Walery, Helen M. Sayler, Irene Pilmore, Helen Breen—Typists.

Moved by Mr. Shipley, seconded by Mr. Nagel, that the list of employees as read be the employees hired by this committee. Motion carried.

Moved by Mr. Hanson, seconded by Mr. Freeman, that the employees be sworn in by signed oath rather than being sworn in a verbal manner. Motion carried.

Moved by Mr. Johnson of Steele, seconded by Mr. Johnson of Ward, that the Court Reporter be instructed to furnish twelve copies of each day's record of the testimony for the use of the Committee and its counsel. Motion carried.

Moved by Mr. Freeman, seconded by Mr. Nagel that all copies of the transcript of testimony be delivered to counsel for distribution, and that members of the committee and the reporters for the papers may procure copies from counsel at Room 205, Grand Pacific Hotel. Motion carried.

Moved by Mr. Freeman, seconded by Mr. Hanson, that the Committee adjourn. Motion carried.

D. E. SHIPLEY,
Secretary.

MINUTES OF FEBRUARY 2, 1921

Meeting called to order at Court House by Chairman of the Committee. Roll of Committee called by Secretary, all members of committee, together with the attorneys, marshal and reporter, being present.

Minutes of preceding meeting read by the Secretary and approved.

The attorneys for the Committee instructed by the Chairman to proceed with the hearing.

W. A. Anderson as a witness, was sworn and testified.

H. A. Paddock, called as a witness, was sworn and testified.

Mr. Francis Murphy suggested that the Secretary of the

Committee be instructed to address a communication to Mr. Paddock as secretary of the Industrial Commission to communicate at once with the Governor, Attorney General and Commissioner of Agriculture, as the Industrial Commission, suggesting that the records and documents of the commission be produced for the purpose of inspection by the Committee and copies being made or read into the evidence, with the understanding that the possession of the books, papers and documents are not to be retained by the secretary or members of the Commission.

Motion made by Mr. Freeman and seconded by Mr. Nagel, that the communication as suggested by Mr. Murphy, be issued by the secretary. Carried.

Motion made by Mr. Johnson of Ward, seconded by Mr. Ulland, that an adjournment be taken until 9:30 A. M., Feb. 3rd, Carried.

D. E. SHIPLEY,
Secretary.

MINUTES OF MEETING FEBRUARY 3, 1921

Meeting called to order, pursuant to adjournment, at 9:30 A. M. by the Chairman. All members of the Committee present, together with attorneys, marshal and reporter.

Mr. Shipley moved the adoption of Rule 15½

RULE 15½

In the event of the failure of any witness, duly subpoenaed, to appear and bring with him any books, papers, documents or records, and upon such fact being found by the Committee, the chairman shall prepare a statement showing the following facts:

1. The issuance of the subpoena and the date thereof, together with a description of the books, papers, documents or records.
2. Service thereof upon such person, including the time and place of such service.
3. A statement of the time and place when and where such witness was by such subpoena directed to appear and produce such books, papers, documents, or records.
4. The fact of his refusal to produce such books, papers, documents and records.

Such statement shall be signed and certified by the chairman and attested by the secretary of the Committee, and shall be filed with the Speaker of the House of Representatives of the State of North Dakota for such proceedings before said House for contempt as may be in accord with the rules of such House of Representatives.

Motion seconded by Mr. Freeman. The roll being called upon motion, Mr. Grangaard votes aye, Mr. Freeman, aye; Mr. Weld, no; Mr. Hanson, no; Mr. Johnson of Steele, no; Mr. Nagel, aye; Mr. Ulland, aye; Mr. Johnson of Ward, aye; Mr. Shipley, aye, and the rule was declared adopted.

Mr. H. A. Paddock was recalled and testified.

Motion made by Mr. Johnson of Steele and seconded by Mr. Weld, that that part of yesterday's proceedings with reference to the order to be directed to Mr. Paddock, as secretary of the Industrial Commission be read at the present time.

The roll being called on the motion as put, the members of the committee voted, as follows: Grangaard, aye; Freeman, no; Mr. Weld, aye; Mr. Hanson, aye; Mr. Johnson of

Steele, aye; Mr. Nagel, no; Mr. Ulland, no; Mr. Johnson of Ward, no; Mr. Shipley, no. And the motion was declared lost.

F. W. Cathro called as a witness, was sworn and testified.

Motion was made by Mr. Johnson of Steele, seconded by Mr. Freeman that adjournment be taken until 9:30 A. M. February 4th. Carried and meeting adjourned.

D. E. SHIPLEY,
Secretary.

MINUTES OF MEETING FEBRUARY 4, 1921.

Meeting called to order at 9:30 by Chairman, all members of the committee being present, together with the attorneys, reporter and marshall.

F. W. Cathro examined as a witness.

Recess taken at 10:45 to permit Mr. Cathro to go to the Bank for the purpose of producing certain records asked for by the attorneys for the committee.

Meeting called to order at 11:45 by the chairman, with all members, the attorneys, the reporter and marshall present.

F. W. Cathro's examination as a witness resumed.

Moved by Mr. Johnson of Steele that Rule 9 be amended and re-enacted to read, that any witness called before the committee shall be allowed to be represented by the attorney general or any other attorney he may see fit to employ.

Seconded by Mr. Hanson.

The roll being called on the motion as made, the members of the committee voted as follows: Grangaard, no; Freeman, no; Weld, aye; Hanson, aye; Johnson of Steele, aye; Nagel, no; Ulland, no; Johnson of Ward, no; Shipley, no. And the motion was declared lost.

On motion of Mr. Freeman, seconded by Mr. Johnson of Ward, the committee adjourned until 9:30 A. M. Feb. 5th 1921.

D. E. SHIPLEY,
Secretary.

MINUTES OF MEETING FEBRUARY 5, 1921.

Meeting called to order by Chairman at 9:50 a. m., all members of the committee, the attorneys, and reporter being present.

Minutes of previous meeting read by the secretary and approved as read.

Mr. Lemke having, as attorney general of the state, attorney for Mr. Cathro, and a member of the Industrial Commission, requested that the committee take an adjournment until Monday morning, at 9:30.

Mr. Johnson of Steele moved that the request be granted, and the motion having been seconded by Mr. Weld, on roll call all members voted aye, and the motion was declared carried.

Adjournment was thereupon taken until Monday morning, Feb. 7th, 1921, at 9:30 a. m.

D. E. SHIPLEY,
Secretary.

MINUTES OF MEETING FEBRUARY 7th, 1921.

Meeting called to order by Chairman at 9:30 a. m., all members of the committee present, together with the attorneys and the reporter.

Minutes of previous meeting read by the secretary and

approved. The following resolution was offered by Mr. Johnson of Steele, and seconded by Mr. Hanson:

"WHEREAS, it is the desire and wish of the minority members of this committee to obtain and have a fair, full and honest investigation of the audit which has been presented to the House of Representatives by Bishop, Brissman Company; and

WHEREAS, two attorneys have been selected by the majority of said committee for the purpose of studying the said audit and examining witnesses and introducing evidence thereon in order to explain and make clear to the public said audit; and

WHEREAS, it is recognized as essential in the investigation of any matter in courts of justice and other investigations that both sides of a controversy be fully presented by extending the right of cross examination and that through cross examination only can the truth be ascertained, in any matter under consideration; and

WHEREAS, it appears from the proceedings thus far had in this investigation that the majority of this committee are fully represented by able counsel who are conducting said investigation; and

WHEREAS, it is deemed advisable by the minority members of this committee that they be represented by counsel who are able to make a study of and investigate said audit and who are able to propound questions to the witnesses produced in a legal manner and who are able to fully present the truth of said audit to the people of the State of North Dakota by cross examination on the various witnesses and by introducing evidence covering and explaining matters either forgotten or intentionally omitted by the attorneys for the majority of said committee,

Therefore, it is hereby moved that the minority members of this committee be permitted to employ such counsel as they see fit to act in conjunction with all of the other members of said committee and their counsel to the end that an honest and fair investigation of the North Dakota State Industry may be had."

The roll being called on the above resolution, members of the committee voted as follows: Grangaard, no; Freeman, no; Weld, aye; Hansen, aye; Johnson of Steele, aye; Nagel, no; Ulland, no; Johnson of Ward, no; Shipley, no; and the motion was declared lost.

Mr. Johnson of Steele then asked to have the following communication read into the minutes.

COUNTY TREASURER'S OFFICE

Barnes County North Dakota.

Valley City, N. D., Feb. 6th, 1921.

F. W. Cathro, Bismarck, N. D.

Dear Sir: I am writing to you for some advice and to give you a little information. The first of February, I issued the usual checks on your bank for the current expenses of the county. They were deposited by the parties and as it happened First National Bank of this city got quite a number of them. They were sent to Fargo and Minneapolis for clearance. Yesterday the checks were returned to the First National from their correspondents as "undesirable business" and by the First National charged back to the individual accounts. Yesterday afternoon the First National received several county warrants from Fargo banks and without consult-

ing me they returned these warrants saying to their correspondents that as Fargo could not accept the county checks in payment they had to return them. If I had known this in time I could have taken this up with currency.

I had a talk with Mr. Mudgett of the First National last evening and made arrangements to cash local checks given for taxes in payment for clearance items on the county. I will make no deposits here till necessary but I can see no other way than the above to clear my items at present.

Any suggestion that you can offer will be greatly appreciated.

Yours truly,

C. A. FISHER,
County Treasurer."

Mr. Johnson of Steele, thereupon, for reasons given, stated that it would be necessary for himself and other minority members of the committee to withdraw from further participation in the investigation, and Messrs. Johnson of Steele, Weld and Hanson thereupon withdrew.

F. W. Cathro recalled as a witness and testified.

The witness, Mr. Cathro, having refused to produce certain records of the Bank of North Dakota, Mr. Freeman moved that Rule 15 1-2 be invoked and that Mr. Cathro be certified to the House of Representatives as being in contempt of the Committee and of the House. Seconded by Mr. Shipley. Motion carried, all members present voting aye.

A. Johannsen called as a witness, was sworn and testified.

E. G. Lee, called as a witness, was sworn and testified.

On motion of Johnson of Ward, seconded by Mr. Freeman, adjournment taken until 9:30 a. m. Feb. 8, 1921.

D. E. SHIPLEY,
Secretary.

MINUTES OF MEETING OF FEBRUARY 8, 1921.

Meeting called to order by the Chairman. Roll of committee called by Secretary, and all members present, except Messrs. Johnson of Steele, Hanson and Weld. Attorneys and reporter also present.

Minutes of previous meeting read and approved.

Mr. Shipley stated that a communication had been handed to him from J. W. Brinton and on his suggestion, same was turned over to counsel for further consideration.

Mr. Sinkler announced that Mr. Cathro desired to take the witness stand and produce all of the records of every name, nature or description that the committee desired.

Mr. Cathro recalled as a witness, and testified.

J. W. Brinton called as a witness, was sworn and testified.

Mr. Shipley moved that in view of the fact that Mr. Cathro had appeared and signified his willingness to produce any and all records, demanded by this Committee and counsel, that the committee reconsider the motion made yesterday to cite Mr. Cathro to the House for contempt.

Motion seconded by Mr. Ulland.

On roll call, all members present voted aye.

On motion of Mr. Nagel, seconded by Mr. Johnson of Ward, adjournment taken until 9:30 A. M. February 9th.

D. E. SHIPLEY,
Secretary.

MINUTES OF MEETING OF FEBRUARY 9, 1921.

Meeting called to order by Chairman at 9:30 A. M.
 All members of the committee, except Johnson of Steele, Hanson and Weld, present, together with the attorneys and reporter.

Minutes of previous meeting read and approved.

J. W. Brinton called as a witness and testified.

A. Johanson called as a witness and testified.

H. A. Paddock called as a witness and testified.

On motion of Mr. Ulland, seconded by Mr. Johnson of Ward, adjournment taken until 9:30 A. M. February 10th.

D. E. SHIPLEY,
 Secretary.

MINUTES OF MEETING OF FEBRUARY 10, 1921.

Meeting called to order by the Chairman at 9:30 A. M., all members of the committee present except Messrs. Johnson of Steele, Weld and Hanson. The marshal, reporter and attorneys also being present.

Minutes of previous meeting read and approved.

E. G. Lee recalled as a witness and testified.

J. H. Newton called as a witness, was sworn and testified.

F. W. Cathro, recalled as a witness and testified.

On motion of Mr. Freeman, seconded by Mr. Nagel, adjournment taken until 9:30 a. m., Feb. 11th, 1921.

D. E. SHIPLEY,
 Secretary.

MINUTES OF MEETING, FEBRUARY 11, 1921.

Meeting called to order by the Chairman, all members being present except Johnson of Steele, Hanson and Weld. Attorneys and reporter also present.

Minutes of previous meeting read by the secretary and approved.

E. G. Lee recalled as a witness and testified.

F. W. Cathro recalled as a witness and testified.

Max O'Connell, called as a witness, was sworn and testified.

F. W. Cathro recalled as a witness and testified.

O. E. Lofthus, called as a witness, was sworn and testified.

F. W. Cathro recalled as a witness and testified.

O. E. Lofthus recalled as a witness and testified.

E. G. Lee recalled as a witness and testified.

O. E. Lofthus recalled as a witness and testified.

Mr. Shipley introduced the following resolution, and moved its adoption:

WHEREAS, In the course of the investigation conducted by the House Audit Committee of the House of Representatives, certain testimony has been given which tends to reflect upon the Governor of the State of North Dakota; and,

WHEREAS, We deem it proper and courteous that the Governor of the State be given an opportunity to appear before this Committee and explain, if he desires, concerning the matters set forth in such testimony:

NOW, THEREFORE, BE IT RESOLVED, That the Governor of the State be, and he hereby is respectfully invited to appear at his convenience, before this Committee for the purposes aforesaid.

AND BE IT FURTHER RESOLVED, That the Secretary of

this Committee is instructed to forward to the Governor a copy of these resolutions.

Motion seconded by Mr. Freeman.

On roll call all members present voted aye, and the motion was declared carried, and the resolution duly adopted.

On motion of Mr. Nagel, seconded by Mr. Ulland, hearing adjourned until 9:30 A. M., Monday, February 14, 1921.

D. E. SHIPLEY,
Secretary.

MINUTES OF MEETING OF FEBRUARY 14, 1921.

Meeting called to order by the Chairman at 9:30 a. m. with all members present, excepting Johnson of Steele, Hanson and Weld. The attorneys and reporter were also present.

Minutes of the previous meeting were read and approved.

Mr. Cathro, called as a witness, asked to make a statement to the committee. After proceeding with the statement for some time, Mr. Shipley made the following motion:

I move at this time that the speech of Mr. Cathro, as made before this committee, be expunged from the records of this investigation, and that neither he nor any other witness, at any future time, be permitted to make speeches when called here for the purpose of an investigation; that the balance of the speech that he has so carefully prepared be now laid aside and he be required to answer the questions put to him by counsel.

Motion seconded by Johnson of Ward.

On roll call Grangaard voted no; Freeman, aye; Nagel, aye; Ulland, aye; Johnson of Ward, aye; Shipley, aye; and the motion was declared carried.

The following witnesses were then examined by counsel: Mr. F. W. Cathro, Mr. A. Johannsen, and Mr. O. E. Lofthus.

On motion of Mr. Freeman, seconded by Mr. Nagel, the hearing adjourned until 9:30 a. m., February 15, 1921.

D. E. SHIPLEY,
Secretary.

MINUTES OF MEETING FEBRUARY 15, 1921.

Meeting called to order by Chairman at 9:30 a. m., all members of the committee present, except Messrs. Johnson of Steele, Weld and Hanson.

O. E. Lofthus and E. G. Lee were recalled as witnesses and testified.

On motion of Mr. Nagel, seconded by Mr. Freeman hearing adjourned until 9:30 A. M. February 16, 1921.

D. E. SHIPLEY,
Secretary.

MINUTES OF MEETING, FEBRUARY 16, 1921.

Meeting called to order by the Chairman at 9:30 A. M., all members present except Messrs. Johnson of Steele, Hanson and Weld. The attorneys and reporter also present.

Minutes of previous meeting read and approved.

The following witnesses were examined and testified: O. E. Lofthus, F. W. Cathro and J. W. Brinton

On motion of Mr. Freeman, seconded by Mr. Johnson of Ward, the committee adjourned until 9:30 A. M. February 17th 1921.

D. E. SHIPLEY,
Secretary.

MINUTES OF MEETING, FEBRUARY 17, 1921.

Meeting called to order by the Chairman at 9:30 A. M., with all members of the committee present, except Messrs. Johnson of Steele, Weld and Hanson.

Minutes of previous meeting read and approved.

F. W. Cathro and J. W. Brinton recalled as witnesses and testified.

Mr. O. E. Lofthus, under the Committee's subpoena, and requested to be present at this time, having failed to appear.

Mr. Freeman moved that the marshal be instructed to take the necessary steps to locate the whereabouts of Mr. Lofthus, and inform him that his presence will be required at 9:30 tomorrow morning.

Motion seconded by Mr. Ulland.

On roll call all members present voted aye, and the motion was declared passed, and the marshal so instructed.

On motion of Johnson of Ward, seconded by Mr. Nagel, adjournment taken until 9:30 a. m., Feb. 18, 1921.

D. E. SHIPLEY,
Secretary.

MINUTES OF MEETING OF FEBRUARY 18, 1921.

Meeting called to order by the chairman at 9:30 o'clock A. M. All members of the committee present except Messrs. Johnson of Steele, Weld and Hanson. The attorneys and reporter were also present.

Minutes of previous meeting read and approved.

Mr. F. W. Cathro and Mr. M. W. Thatcher called as witnesses and examined.

On motion of Mr. Shipley, seconded by Mr. Freeman, adjournment taken until 9:30 A. M. Feb. 19, 1921.

D. E. SHIPLEY,
Secretary.

MINUTES OF MEETING, FEBRUARY 19, 1921.

Meeting called to order by the Chairman at 9:30 A. M., all members present except Messrs. Johnson of Steele, Hanson and Weld. Attorneys and reporter also present.

Minutes of previous meeting read and approved.

S. P. Ellis, Lee, Cowell, John E. Staub, J. W. Brinton and M. W. Thatcher called as witnesses and testified.

On motion of Mr. Shipley, seconded by Mr. Ulland, adjournment taken until 9:30 A. M., February 21st, 1921.

D. E. SHIPLEY,
Secretary.

MINUTES OF MEETING OF FEBRUARY 21, 1921.

Meeting called to order by the chairman at 9:30 A. M., all members being present, except Messrs. Johnson of Steele, Hanson and Weld.

The minutes of the previous meeting were read by the secretary and approved as read.

The following witnesses were called and examined: M. W. Thatcher, H. A. Paddock, and O. E. Lofthus

On motion of Mr. Freeman, seconded by Mr. Nagel, adjournment taken until 9:30 A. M., February 22, 1921.

D. E. SHIPLEY,
Secretary.

MINUTES OF FEBRUARY 22, 1921

Meeting called to order by Chairman at 9:30 A. M., all members of committee present, except Messrs. Johnson of Steele, Hanson and Weld.

Minutes of previous meeting read by the secretary and approved as read.

Mr. O. E. Lofthus recalled as a witness, and Mr. Louis P. McAneney called as a witness and testified.

On motion of Mr. Johnson of Ward, seconded by Mr. Ulland, adjournment taken until 9:30 A. M., February 23, 1921.

D. E. SHIPLEY,
Secretary.

MINUTES OF MEETING OF FEBRUARY 23, 1921.

Meeting called to order by the Chairman at 9:30 A. M. All members of the committee present, except Messrs. Johnson of Steele, Hanson and Weld.

Minutes of the previous meeting were read and approved.

L. P. McAneney and F. W. Cathro recalled as witnesses and examined

On motion of Mr. Freeman, seconded by Mr Nagel, meeting adjourned until February 24th, 1921, at 9:30 A. M.

D. E. SHIPLEY,
Secretary.-

MINUTES OF MEETING, FEBRUARY 24TH, 1921.

Meeting called to order by the Chairman, all members being present except Messrs. Johnson of Steele, Hanson and Weld. The attorneys and reporter also present.

The minutes of the previous meeting were read by the secretary and approved as read.

John N. Hagen called as a witness and testified.

After some disinclination on the part of this witness to answer a question propounded by counsel, Mr. Shipley made the following statement:

Mr. Shipley: Mr. Chairman, I think the witness understands perfectly what the attorney is asking him for, and I now move that he be directed to answer the question.

Mr. Ulland: I second the motion. The motion being put all members present voted aye, and the motion was declared carried.

On motion of Mr. Freeman, seconded by Mr. Johnson of Ward, an adjournment was taken until 9:30 A. M., February 25, 1921.

D. E. SHIPLEY,
Secretary.

MINUTES OF MEETING, FEBRUARY 25, 1921.

Meeting called to order by the Chairman at 9:30 A. M., all members of the committee being present, except Messrs. Johnson of Steele, Weld and Hanson.

The minutes of the previous meeting were read and approved.

John N. Hagan and H. A. Paddock recalled as witnesses and testified.

H. L. Aultman called as a witness and testified.

Mr. Shipley moved that the marshall be directed to eject Mr. Paddock from the room unless he took his seat and kept it. Motion seconded by Mr. Freeman.

On roll call all members present voted in favor of such mo-

tion, and the motion was declared carried, and the marshal so instructed.

G. A. Ebbert, B. H. Stary, Allan McManus, and E. L. Fouks called as witnesses and testified.

On motion of Mr. Freeman, seconded by Mr. Nagel, adjournment taken until 9:30 A. M. February 26, 1921.

D. E. SHIPLEY,
Secretary.

MINUTES OF MEETING OF FEBRUARY 26, 1921.

members being present except Messrs. Johnson of Steele, Weld and Hanson. The attorneys and reporter were also present.

Minutes of previous meeting were read by the secretary and approved as read.

The following witnesses were called and examined: J. R. Waters, H. L. Altman, B. F. Baker and S. W. Johnson.

On motion of Mr. Freeman, seconded by Mr. Ulland, the hearing adjourned until Monday morning, February 28th, 1921, at 9:30 A. M.

D. E. SHIPLEY,
Secretary.

MINUTES OF MEETING OF FEBRUARY 28, 1921.

Meeting called to order by the Chairman at 9:30 A. M. all members present, except Messrs. Hanson, Weld and Johnson of Steele. The attorneys and reporter were also there.

Minutes of previous meeting read and approved as read.

Mr. Shipley introduced the following resolution. Mr. Freeman moved its adoption, which motion was seconded by Mr. Nagel:

RESOLUTION:

WHEREAS, The investigation conducted by the House Audit Committee has been hindered and delayed by the refusal to produce public records and documents essential to such inquiry, and by the dilatory tactics and evasive attitude of certain witnesses in the public employment; and

WHEREAS, It appears that, in furtherance of such policy, a committee appointed by the Senate to investigate into the character of the Bishop, Brissman & Co. report, has summoned to appear before it as witnesses the Counsel of this committee, though it is well known that said Counsel have no personal knowledge of the matters and things within the scope of the inquiry being made by said Senate Committee; and,

WHEREAS, There remain but four days in which this committee must complete its investigation and compile and submit its report to the House of Representatives, to which end it is necessary that the entire time of the counsel employed by this committee be devoted to such matters and things:

NOW, THEREFORE, BE IT RESOLVED, That the said counsel so employed by this committee be, and each of them hereby are directed and instructed to devote their entire working time to the completion of this investigation, and giving counsel and advice in the preparation and compilation of the report of this committee, and to that end they, and each of them, are hereby directed and instructed to disregard the summons of subpoena served upon them, and each of them, are hereby directed and instructed to disregard the

summons of subpoena served upon them, and each of them, afore mentioned, until the further order of this committee.

AND BE IT FURTHER RESOLVED, That the foregoing order shall remain in full force and effect until such time as said Senate Committee, through the proper channels, shall state to this committee the testimony sought to be elicited from said counsel, and shall satisfy this committee that such testimony so sought to be elicited is within the scope of the inquiry conducted by said Senate Committee, and as prescribed by the resolution of the Senate creating said committee.

Dated this 28th day of February, 1921.

D. E. SHIPLEY,
Secretary House Audit Committee.

On roll call all members present voted aye and the resolution was declared adopted.

F. W. Cathro, J. O. Lyngstad, and O. E. Lofthus were called as witnesses and testified.

On motion of Mr. Shipley seconded by Mr. Ulland, recess taken until 7 P. M., at which time meeting was called to order by the Chairman, with all members present except Johnson of Steele, Weld and Hanson.

H. M. Temple, L. A. Winter and Thos. Hall called as witnesses and testified.

On motion of Johnson of Ward, seconded by Mr. Nagel adjournment taken until 9:00 A. M. March 1st, 1921.

D. E. SHIPLEY,
Secretary.

MINUTES OF MEETING, MARCH 1, 1921.

Meeting called to order by the Chairman at 9:00 A. M., with all members of the committee present except Johnson of Steele, Hanson and Weld. The Attorneys and reporter were also present.

Minutes of previous meeting not being prepared, reading of same was deferred until next meeting.

H. M. Temple, John Steen, F. W. Cathro, and O. E. Lofthus called as witnesses and testified.

On motion of Mr. Shipley, seconded by Mr. Nagel, committee adjourned to meet at the call of the Chairman.

D. E. SHIPLEY,
Secretary.

MINUTES OF MEETING, MARCH 4, 1921.

Meeting called to order by the Chairman at 9:30 A. M., all members being present, except Messrs. Johnson of Steele, Hanson and Weld.

Minutes of previous meeting read and approved.

On motion of Mr. Nagel, seconded by Mr. Ulland, that the employment of Mr. H. M. Temple, of St. Paul, as consulting accountant, from February 4, 1921, to date, be confirmed the roll was called and all members present voted aye, and the motion was declared passed.

On motion of Mr. Nagel, seconded by Mr. Ulland, that the employment of Margaret Wynkoop, Mrs. C. W. Paulson, Loraine Drews and Catherine Morris, as stenographers, be hereby approved and confirmed. On roll call all members present voted aye and the motion was declared passed.

Mr. Ulland moved that the statement of the expenses incurred by this committee, as set forth in the attached payroll statement, showing salaries of employees, witness fees, and

mileage, and expenses incurred for supplies be and the same is hereby approved and authorized subject to the approval of the house and that the secretary and chairman certify same to the House of Representatives with their report.

Motion seconded by Mr. Shipley. On roll call all members present voted aye, and the motion was declared carried.

The report of the committee, with their conclusions therein contained, having been prepared and completed, and the members of the committee present having fully considered the same, Mr. Johnson of Ward moved that the report as prepared be adopted, and all members having signed the same, that the Chairman and Secretary certify the same to the House of Representatives, together with the transcript, exhibits and payroll.

Mr. Freeman seconded the motion, and on roll call all members present voted aye, and the motion was declared passed.

On motion of Mr. Freeman, seconded by Mr. Nagel, the committee adjourned.

D. E. SHIPLEY,
Secretary.

FRIDAY, MARCH 4, 1921

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REPORT OF
HOUSE AUDIT COMMITTEE

March 4, 1921

We, the undersigned, chairman and secretary respectively of the House Audit Committee, of the House of Representatives of the Seventeenth Legislative Assembly, do hereby certify that the report of your Committee, as certified to this House, consists of the following: The report of the Committee itself, together with the conclusions therein contained, the minutes of the meetings of the Committee; the transcript of the testimony offered before this committee as certified to by the reporter, being pages 1 to 1169 inclusive, and such exhibits as are now in the possession of this committee, which are not copied into the reporter's transcript, the other exhibits being original official documents which were returned to their proper custodians. Also a certified payroll of the employees hired and expenses incurred by your committee.

M. O. GRANGAARD,
Chairman.

D. E. SHIPLEY,
Secretary.

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REPORT OF THE HOUSE AUDIT COMMITTEE.

To the Honorable Speaker of the House of Representatives of the State of North Dakota:

Sir: The Special Committee appointed by the House of Representatives, pursuant to a resolution duly adopted on the 19th day of January, 1921, presents its report as follows:

INTRODUCTION

AUTHORIZATION.

The Resolution.

WHEREAS, The House is advised that the audit of the state Bank and State Industries, prepared by Bishop, Brissman & Co., under the provisions of the initlated law passed at the November, 1920, General Election, will shortly be available to the House; and

WHEREAS, Such report of such audit will necessarily be voluminous and comprised of hundreds of pages of printed matter and figures needing and requiring examination and verification; and,

WHEREAS, Many matters disclosed by such audit will undoubtedly require other and further information and data with respect thereto, to a clearer understanding and appreciation of the exact condition of such State Industries by the members of this House and the people of the State; and,

WHEREAS, It will be entirely impractical for the House as a body to make such further investigation as shall be necessary, and to procure such information and data as shall be desirable and required:

(1)

THEREFORE, BE IT RESOLVED, That the Speaker of the House appoint a special House Committee to consider such audit and to procure such further information and data, such committee to consist of nine members of this body; the said committee to be authorized and empowered to procure such legal assistance, such accounting experts, and such other expert and other aid and assistance as they shall deem necessary and advisable to the verification and checking of such audit, and to the procuring of any and all further information respecting the condition of our State Bank and other State Industries; that such committee shall have the power to summon witnesses and require their testimony under oath, if the committee so decide, take testimony of and require the giving of any information that will aid in their work by an official or employee of any department, institution or industry of the state, and from any official or citizen of the state, and shall have the power to require any and all books and records of any department, institution, industry or official of the state, or of any citizen of North Dakota, or of any corporation doing business within the state, to be produced before it for examination with respect to any matters concerning the State Bank and our state industries. Such committee to be further authorized to have printed such number of copies of such audit, if any, as they deem necessary for the use of members of the Legislative Assembly.

ORGANIZATION

Your Committee convened on the 20th day of January, 1921, and duly organized.

On the 26th day of January, 1921, your Committee employed counsel, a competent consulting accountant, reporters, stenographers, and such other employees as were deemed necessary, and procured quarters.

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In order to facilitate the investigation rules of procedure were duly prepared and adopted.

On the 2nd day of February, 1921, at 9:30 A. M., hearings were commenced at the County Court House of Burleigh County, North Dakota, and such hearings were continued each day thereafter, from 9:30 A. M. until 12:00 M., (with the exception of the 12th day of February, 1921), up to and including the 1st day of March, 1921.

All members of the Committee were present at each of said hearings, except Messrs. Johnson of Steele, Weld and Hanson, who withdrew on the 7th day of February, 1921, and thereafter were not present at said hearings.

The work of the Committee embraced the examination of a large volume of records and accounts, the examination of twenty-eight witnesses, and the consideration of 168 exhibits,

which are referenced in 1169 pages of testimony, all of which are submitted herewith as a part of this report.

A list of the witnesses examined is as follows:

(3)

WITNESSES.

W. A. Anderson	O. E. Lofthus
H. L. Altman	J. O. Lyngstad
J. W. Brinton	L. L. McAneney
B. F. Baker	Allan McManus
F. W. Cathro	J. H. Newton
Lee Cowell	Max O'Connell
S. P. Ellis	H. A. Paddock
G. A. Ebbert	John E. Staub
E. L. Foulks	B. H. Stary
John N. Hagan	John Steen
Thomas Hall	M. W. Thatcher
A. Johannsen	H. M. Temple
S. W. Johnson	J. R. Waters
E. G. Lee	L. E. Winters

An invitation was extended to the Hon. Lynn J. Frazier, Governor of the State of North Dakota, to appear before the Committee, if he so desired, and at his convenience, to make any statement he deemed expedient. Mr. William Lemke, Attorney General, was subpoenaed to appear before the Committee on the 17th day of February, 1921. However, the Governor did not see fit to accept the invitation, and Mr. Lemke ignored the subpoena.

Mr. E. R. Sinkler, attorney at law, of Minot, N. D., appeared at each of said hearings, claiming and purporting to represent the public employees called as witnesses and the Industrial Commission, and from time to time Mr. William Lemke, Attorney General, and Mr. H. A. Paddock, Secretary of the Industrial Commission, likewise appeared, purporting to represent the same persons.

(4)

POLICY OF EXAMINATION

A fair interpretation of the spirit of the resolution creating this Committee required that an open and fearless investigation, regardless of matters of a personal and partisan character, be made of the broad and underlying questions relating to the industries to be examined, and the conduct thereof, so that it might be accurately determined whether the same were operated upon an economic and business basis or for the purpose of furthering political and personal ends of the administrators thereof. With that sole object in view the examiners have diligently sought the facts relative to the creation and management and the results of the operation of such institutions.

AUDIT REPORTS.

The Audit Report made under and by virtue of the initiated measure adopted at the last General Election, and prepared by Bishop, Brissman & Co. of St. Paul, Minn., covering the Bank of North Dakota, the State Mill and Elevator Association, the Home Builders Association, the Workmen's Compensation Bureau, and the State Experimental Creamery of Werner, N.

D., were duly delivered to this Committee and used by it in
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its examination. The accuracy of the Audit Report of the Bank of North Dakota was stipulated in the record in the following language:

Mr. E. R. Sinkler, Mr. William Lemke, Mr. Francis Murphy, and Mr. John F. Sullivan, all agreed in the presence of the Committee, that the figures—everything in the Bishop, Brissman report except the commentaries and conclusions, are substantially correct. This for the purpose of saving time and difficulty of going to the Bank of North Dakota and making them produce papers and records there.—Transcript, Feb. 9, 1921, page 208.

ACKNOWLEDGMENTS

The Committee makes acknowledgment of the courtesy of the County of Burleigh for the use of the Court Room throughout the investigation.

The Committee expresses its appreciation for the valuable advice and assistance of the counsel employed by this Committee, Messrs. Francis Murphy of Minot, N. D., and John F. Sullivan, of Mandan, N. D., and the Committee thanks them for their impartiality, great industry, and faithful services rendered throughout the investigation.

To Mr. H. M. Temple, of St. Paul, consulting accountant, acknowledgment is made and thanks given for advice and counsel relative to matters involving highly technical skill in their
(6)

analysis and treatment.

To the reporter, stenographers, and other employees the Committee extends its commendation and gratitude for their great diligence and assistance rendered.

CONSIDERATION OF THE BANK OF NORTH DAKOTA — CAPITALIZATION.

The State Bank of North Dakota was created under and by virtue of Chapter 147, Session Laws of 1919, and which law provided for the general conduct and operation of the Bank proper, while Chapter 148 of the same Session Laws made provision to provide capital for the bank. The plan of capitalization contemplated that the state would issue its bonds in the sum of \$2,000,000; that these bonds would be sold and the avails thereof used as capital in the conduct of the bank. Chapter 151 created the Industrial Commission, so called, and Section 6 of this act provided that the Bank should be open to transact business whenever there shall be delivered to the Industrial Commission bonds in the sum of \$2,000,000, issued by the state as by law provided for such purpose.

It appears from the testimony that the \$2,000,000 worth of bonds were properly issued and delivered to the Industrial
(7)

Commission, Section 4 of Chapter 148, authorizing the Industrial Commission to act as agent for the State for the NEGOTIATION, SALE AND DELIVERY OF SUCH BONDS. It especially provided that it shall SELL them for cash in such manner and on such terms as in its sound discretion it shall deem advantageous to the State.

It appears from the testimony that of the \$2,000,000 of bonds the sum of \$48,500 thereof was sold by the officers of the Bank of North Dakota, and that no other portion of said bonds have ever been sold up to December 3, 1920.

SOURCE OF DEPOSITS

The statute creating the Bank of North Dakota (Section 7, Chapter 147, Laws of 1919), provides that "All state, county, township, municipal and school district funds, and funds of all penal, educational and industrial institutions, and all other public funds, shall be deposited in the Bank of North Dakota." The Bank of North Dakota is also authorized to receive private deposits.

Pursuant to the foregoing authorization the Industrial Commission on July 3, 1919, adopted a resolution (Order No. 5),

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directing that all public funds be deposited in the Bank of North Dakota.

(9)

The Audit Report (Decembred 3, 1920), discloses the following with reference to deposits:

Deposits.	
Individual Deposits,	Detail No. 14 \$, 20,781.34
Certificates of Deposits.....	Detail No. 15 ,169,923.02
Due Depository Banks.....	Detail No. 2 1,192,989.76
Public Treasurers Open Accounts, Detail No. 16	10,714,007.16
Public Treasurers Sinking Fund	
Accounts	Detail No. 16 3,201,222.12
	\$15,298,923.40

It will be observed that of the total \$15,298,923.40 all deposits of that date, \$15,108,219.04, was made up of the public funds.

(10)

MANAGEMENT AND DOMINATING INFLUENCES

The creative statute delegated to three elective officials, the Governor, Attorney General and Commissioner of Agriculture and Labor, acting as the Industrial Commission, the sole control of the Bank of North Dakota, and authorized such Industrial Commission to select and appoint a manager to act as its general agent, and such subordinate officers and employees as it deemed expedient.

It appears from the testimony that the first manager, Mr. J. R. Waters, was appointed in such manner as to justify the conclusions that he was selected in the first instance by A. C. Townley, and that the formal act of the Industrial Commission appointing him amounted to nothing more than a confirmation of such original selection.

The testimony further establishes that F. W. Cathro, originally appointed Director General, and now acting in the dual capacity of Manager and Director General, was selected and his appointment dictated and obtained by William Lemke and A. C. Townley.

A fair conclusion arising from the foregoing is that A. C. Townley and William Lemke exercised dominating and controlling influence over the original organization of the Bank

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and its subsequent operations. This conclusion is fully verified by the record in this examination, which discloses that the resignation of the first manager was due to his refusal to comply with the directions of the afore mentioned persons to divert the funds of the Bank of North Dakota to the Scandinavian-American Bank of Fargo. In this connection it is interesting to note that such diversion was later carried out, and at the time of last closing the said Scandinavian-Ameri-

can Bank of Fargo, in the month of February, 1921, it was indebted to the Bank of North Dakota in the sum of approximately \$450,000.00.

The controlling influence of the above named individuals over the affairs of the Bank of North Dakota is further demonstrated by the instances shown in the record annexed hereto, of the indirect loans of its funds to enterprises and concerns organized and supervised by A. C. Townley and William Lemke and their associates.

LEAGUE ENTERPRISES DIRECTLY OR INDIRECTLY CONTROLLED BY LEMKE AND TOWNLEY

The record of this examination clearly establishes that William Lemke and A. C. Townley controlled and exercised supervision over the activities of the following Non-Partisan League enterprises:

(12)

The National Non-Partisan League.
 The League Exchange
 The Consumers United Stores Company
 The Courier News Publishing Co. of Fargo.
 The Publishers National Service Bureau.
 The NonPartisan Publishing Company.
 The North Dakota Leader
 The Northwest Service Bureau
 The United States Sisal Trust
 The Scandinavian-American Bank of Fargo.

and many weekly newspapers throughout the state of North Dakota directly organized by William Lemke.

The evidence shows that the method employed by Lemke in the organization of the concerns above set out is to form corporations, using employees and organizers of the Non-Partisan League as dummy stockholders and directors.

An ingenious system was followed to interlock and co-ordinate many of these activities so as to retain the supreme control and to procure funds.

An illustration of the foregoing is to be found in the record where it appears that the League Exchange, a corporation organized by Lemke and Townley, acquired a controlling interest in the Scandinavian-American Bank of Fargo. This bank was then used extensively as a financial reservoir from which funds were obtained to finance, among other of the above con-

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cerns, the League Exchange, Consumers United Stores Company, and the United States Sisal Trust. In order to supply this reservoir with funds in the first instance large loans and re-deposits were required to be made by Lemke and Townley to the Scandinavian-American Bank of Fargo from the Bank of North Dakota.

DEPOSITS IN BANKS AFFILIATED WITH OR CONTROLLED BY THE NONPARTISAN LEAGUE

Ample evidence has been adduced to establish beyond controversy that large sums of public money were loaned to or deposited in banks throughout the State of North Dakota, whose owners are affiliated with the Non-Partisan League.

By way of illustration it may be pointed out that the evidence in this examination shows that on January 19, 1921, there were nineteen banks in Burleigh County. On that day the Banks of Burleigh County were indebted to the Bank of North Dakota for monies loaned or rediscounts in the sum of \$20,000. Of this amount \$15,000 was loaned to the Farmers

State Bank of Regan, which bank the State Examiner, Mr. O. E. Lofthus, testified was practically insolvent. In addition thereto the Bank of North Dakota had on such date re-deposited in the banks of said county the sum of \$325,837.35.

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Of this amount \$124,558.49 was deposited in the Bismarck Bank of Bismarck, N. D., \$63,725.73 in the Capitol Security Bank of Bismarck, and \$17,837.09 in the aforesaid Farmers State Bank of Regan, making a total of \$206,121.29 or approximately 75 per cent of the entire amount re-deposited in said county was deposited in the above named three banks, all of which were directly or indirectly affiliated with the League or the leaders thereof.

Again, on said date there were thirty-five banks in Cass County. The Bank of North Dakota had on that date in loans and re-discounts with the banks in said county the sum of \$181,189.81. Of this amount \$175,181.81 was loaned to the Scandinavian-American Bank of Fargo, and \$6,000.00 to the Prosper State Bank (controlled by the Scandinavian-American Bank), making a total of 100 per cent. Both of these banks were directly controlled by the Non-Partisan League.

At the same time the Bank of North Dakota had re-deposited with the banks in Cass County the sum of \$434,206.31, of which sum \$229,83.05 was deposited in the Scandinavian-American Bank of Fargo, and \$68,098.90 in the People's State Bank of Casselton, amounting in all to over 50 per cent in the two above mentioned controlled banks. In this connection it is

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well to note that both the Scandinavian-American Bank of Fargo and the Prosper State Bank are now closed.

The Bank of North Dakota had in loans or re-discounts the sum of \$81,857.50 with banks in Grand Forks County, which county had on the 19th day of January, 1921, in operation twenty-two banks. Of this amount \$40,000 was loaned to the People's State bank of Grand Forks, a bank directly connected with and organized by the leaders of the Nonpartisan League, the notes of many of whose stockholders were on the 3rd day of December, 1920, in the Bank of North Dakota as collateral. This bank has also been closed.

On the 19th day of January, 1921, the Bank of North Dakota had in loans and discounts in Pembina County the sum of \$17,785.97. There were nineteen banks in said county on that date. Of this amount \$11,793.60 was loaned to or held by the Security State Bank of Glasston. This bank was a small bank of about \$10,000.00 capital and which bank F. W. Cathro, the present Manager and Director General of the Bank of North Dakota, admitted on the witness stand, had re-discounted paper for the First National Bank of Bottineau, the capitalization of which was \$50,000.00, and in which he was largely in-

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terested. It is interesting to note here that the Security State Bank of Glasston is located in Pembina County, in the northeast corner of the state, and that the First National Bank of Bottineau is located in the City of Bottineau, many miles to the west.

Ransom County had eleven banks in operation on the 19th day of January, 1921. The Banks of this county were indebted to the Bank of North Dakota on that day for loans or re-discounts in the sum of \$73,878.72. Of this amount \$55,855.46 was due from the Ransom County Farmers Bank of Lisbon,

and \$16,023.26 from the Fort Ransom State Bank of Fort Ransom. Both of these banks were organized, controlled and owned by individuals directly connected and affiliated with the Non-Partisan League. In addition thereto the Bank of North Dakota had re-deposited in the banks of said county on said date the sum of \$107,207.77. Of this sum \$14,431.81 was deposited in the afore-mentioned Fort Ransom State Bank, and \$41,019.36 in the Ransom County Farmers Bank, and the sum of \$24,054.22 in the McLeod State Bank of McLeod in said county, in which last named bank the wife and brother-in-law of O. E. Lofthus, State Examiner, were interested.

In Traill County, which had ten banks on the 19th day of January, 1921, the Bank of North Dakota had in loans and

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discounts the sum of \$41,296.15. Of this amount there was due from the Peoples State Bank of Hatton the sum of \$26,296.15, and from the Peoples State Bank of Hillsboro the sum of \$15,000.00, making a total of \$41,396.15, or 100 per cent. Both of these banks were directly affiliated with the Non-Partisan League. The Bank of North Dakota had deposited in said County on said date, the sum of \$63,628.43 in the banks in Traill County. Of this sum \$23,596.41 was in the People's State Bank of Hatton, and \$24,820.81 in the Peoples State Bank of Hillsboro. The Peoples State Bank of Hatton is now closed.

It would unduly and unnecessarily encumber this report to set forth the numerous typical instances which can be found throughout the record showing that practically the same condition above illustrated exists in the majority of the counties of the state.

All of the foregoing data is taken directly and literally from the testimony given and produced before this Committee by F. W. Cathro, Manager and Director General of the Bank of North Dakota.

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ACCOMMODATION PAPER

In financing the various League concerns and the political campaigns conducted by the League, Messrs. Lemke and Townley perfected a scheme whereby they obtained notes from farmers throughout the state by way of accommodation, and in exchange for the individual notes of Townley and League corporations. In addition thereto the farmers were induced to give their post-dated checks for like purposes.

This accommodation paper was accumulated in large amounts, and a great flood of it was placed in the various banks in the state affiliated with the League as collateral to loans made to the League and its subordinate and kindred corporations.

The most striking and typical example of this practice is to be found in the record of the Scandinavian-American Bank of Fargo, where, the evidence discloses, many thousands of dollars of farmers accommodation notes and a large quantity and the amount of post-dated checks were held as collateral to excessive loans to the Consumers Stores Company and The League Exchange.

This practice is doubtless a contributing cause to the present condition of many affiliated League banks. Out of this

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situation will necessarily arise a multiplicity of law suits.

The farmers afore-mentioned, who have been persuaded to contribute their personal notes upon the representation that same were to be used only to "accommodate" the League and its associated concerns, will shortly be called upon to pay. The law of self-preservation and the original understanding, together with the fact that they received absolutely nothing from the proceeds of such notes, will compel them to refuse payment, and to stand suit. The deception thus practiced will then be brought home to the misguided individuals who thus pledged their credit, which means all of their property, including their farms.

INDIRECT LOANS BY THE BANK OF NORTH DAKOTA TO
LEMKE AND TOWNLEY ACTIVITIES

The above topic will be considered under the heading, "Scandinavian-American Bank of Fargo."

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TRANSFER OF PUBLIC FUNDS

Section 15 of Chapter 147, laws of 1919, known as "The Bank of North Dakota Act, provides as follows:

"The Bank of North Dakota may transfer funds to other departments, institutions, utilities, industries, enterprises or business projects of the State * * *."

As pointed out elsewhere the effect of this provision of the law is to delegate to the Bank of North Dakota, and the Industrial Commission which controls it, the highest and most jealously guarded powers, to-wit: the appropriation of monies raised by taxation. Under this provision this controlling commission may appropriate the monies in the Bank of North Dakota to any department of state, that it, in its discretion, may desire, by the simple expedient of the adopting of a rule or resolution. It may transfer to the Agricultural College, the Insane Asylum, the Attorney General, the Commissioner of Agriculture and Labor, the Home Builders Association, or any experimental station any sum it deems wise, regardless of specific appropriation therefor theretofore made by the Legislative Assembly. The statute carries no limitation whatsoever upon this vast delegation of power.

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By way of illustration, there was transferred by the Industrial Commission of the public funds in the Bank of North Dakota to the Mill and Elevator Association, on and up to the 3rd day of December, 1920, the sum of \$650,000.00; to the Home Builders Association the sum of \$225,000.00, and to the State Industrial Commission the sum of \$7,716.72. This last item, it appears, was the sum advanced by the Industrial Commission to one F. A. Pike, an attorney at law, for alleged legal services.

Further information were used in making transfers, and the discretion of the Industrial Commission appears to have been ex post facto.

This is best illustrated by the report of the Industrial Commission for the calendar year of 1920, filed with the Secretary of State of North Dakota in accordance with the provisions of Section 6, of Chapter 151 of the Laws of 1919.

In Exhibit II, entitled, "Mill and Elevator Association, General Fund, Year Ended December 31st," there appears an overdraft on the Bank of North Dakota in the sum of \$203,-

190.21. The explanation of this item attached to this exhibit is in the following language:

"The only other item which is not self-explanatory is Bank Overdraft, \$203,190.91, and the item of \$130,608.14, overdraft shown by the Bank of North Dakota. In other words, the overdraft shown by the Bank of North Dakota, plus the

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outstanding checks not yet presented for payment, equals the general fund of the Mill and Elevator Association. Referring to Exhibit VIII you will find in the assets of the Bank of North Dakota, Mill and Elevator Association overdraft, \$130,608.14. Under the law the Industrial Commission and the Bank of North Dakota are authorized to transfer funds to the state industries to be repaid to the Bank by such industries."

"In order that the Commission might at all times know the amounts that were being expended in the construction of the Grand Forks project, it was deemed advisable to carry the checks drawn by the Grand Forks, Fargo, and Drake businesses as overdrafts, and to have the Industrial Commission thereby kept informed as to the amounts being invested at Grand Forks. Then, at the end of the different periods, the Commission would authorize transfers and the execution of notes therefor. Since December 31st, the Commission has authorized a transfer to the Mill and Elevator Association, and such transfer has been made and note executed to the Bank of North Dakota for the sum of \$200,000.00 to take care of the overdraft shown in this exhibit."

Exhibit X of the above mentioned report is entitled, "Home Builders Association of N. D., Balance Sheet as of December 31, 1920." This balance sheet shows an overdraft in the Bank of North Dakota by the Home Builders Association of \$63,602.31. The explanation of this item, appearing in Exhibit X, is in the following language:

"The only liabilities that would appear to need comment is the overdraft in the Bank of North Dakota. The manner of accrual of this overdraft, and the reason for handling the account in such manner is the same as explained with reference to the Mill and Elevator Association overdraft in the commentary following Exhibit II. Prior to the date of this

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report the Industrial Commission has authorized the transfer of \$60,000 to take care of this item, which transfer has been made."

No comment on the above explanation should be required of this Committee. It is indeed singular that the Industrial Commission could not learn of the distribution of the disbursements of the Mill and Elevator Association between its three various activities without the use of the system of overdrafts above outlined.

As a result of this power there had been transferred in the Bank of North Dakota to public institutions on February 26, 1921, as shown by the daily trial balance sheet of the Bank of North Dakota produced by F. W. Cathro, Manager and Director General, the sum of \$1,185,000.00.

The plain and simple meaning of this is that the Industrial Commission, by the exercise of the power aforesaid has transferred and transformed \$1,185,000.00 of monies raised by taxation to maintain the schools and other institutions, into houses, mills and elevators.

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THE TAX PAYERS STATE INDUSTRIAL INVESTMENT
AND LIABILITY

The following is a list of the appropriations and bond issues authorized and guaranteed by the State to carry out the so-called industrial program, and includes the monies actually invested by way of public transfers:

"A. Industrial Commission—	
Chapter 151, Laws of 1919, Appropriated to carry out the provisions of the act.....	\$200,000.00
"B. Bank of North Dakota—	
Chapter 147, Laws of 1919, to carry out the provisions of the act.....	100,000.00
"C. Mill and Elevator Association—	
Mill tax previously collected.....	124,322.47
"D. Home Builders Association—	
Chapter 150, Laws of 1919, to carry out the provisions of the act.....	100,000.00
"E. Bonds—	
1. Bank series	2,000,000.00
Chapter 148, 1919, Appropriated \$10,000.00 to carry out the provisions of the Act.	
2. Mill and Elevator Association.....	5,000,000.00
Chapter 153, 1919. Appropriated \$10,000 to carry out the Mill and Elevator Bond Account.	
3. Real Estate Series—	
Chapter 153, 1919. Appropriated \$10,000,000.00 to carry out provisions of the Act.	
"F. Public Transfers—	
To State Industries, Feb. 26, 1921.....	1,185,000.00
Total	\$18,739,322.47

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A grand total of appropriations, bond issues, and transfers, to all of which are pledged good faith and credit of the State of North Dakota, to the amount of \$18,739,322.47.

This does not include the State Guaranty of Bank Deposits. The great number of banks which have become insolvent and closed clearly indicates that the State Guaranty Fund Commission will be required to raise vast sums of money in order to carry out the provisions of that particular Act.

(26)

BUSINESS METHODS DISCUSSED

(A)—SALE OF BONDS

Under the subject of capitalization of the Bank it was disclosed that up to December 3rd, 1920, that \$48,550.00 of the North Dakota State Bonds, "Bank Series," had been sold to the public, and it appears also that between December 3, 1920, and February 26 1921, additional bonds in the sum of \$3,550.00 had been sold to the public.

The methods employed to dispose of these bonds prior to and since the commencement of this investigation cannot be passed without comment.

The public press informs us that Governor Frazier, accompanied by representatives of the Bank of North Dakota, has visited Washington and conferred with labor leaders for the purpose of obtaining their interest and endeavoring to in-

duce labor organizations to invest in these bonds, without material success.

We also have the spectacle of having the good name of North Dakota held up to the ridicule of the nation by the alleged offer of a most notorious swindler, who at present is under jail sentence, for fraudulent use of the mail, offering his services in the sale of these bonds. Also the spectacle of

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circulars offering these bonds for sale, and spread broadcast by R. C. Kittel, a former resident of Casselton, recently an inmate of Leavenworth Penitentiary, and at present a resident of Chicago, Ill. According to the testimony before the Committee, it appears that Spurgeon O'Dell and J. J. Hastings have been active for the management of the Bank in the endeavor to dispose of these bonds.

The bonds of North Dakota have always been considered a very high-grade investment, but the public investing in this class of security appear to hesitate to place their money with the representatives of the State of North Dakota having charge of the sale of the bonds and the control of the avails thereof.

It is well to invite attention, also, to a few of the reasons why the investing public have failed to purchase North Dakota bonds, and they may be briefly summarized as follows:

1. Failure to provide and protect sinking and interest funds to these bond issues.

2. Granting abnormal powers to the Industrial Commission and Bank of North Dakota to transfer and divert monies to bond sinking and interest funds to other purposes.

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(B)—LOAN OF \$1,000,000.00

As heretofore shown there was no active demand for North Dakota State Bonds "Bank Series" and it appeared necessary, to those in control of the Bank, to negotiate a loan, and the Industrial Commission authorized the Bank management to make a loan of \$1,000,000.00, using as security to such loan \$1,200,000.00 of the "Bank Series" Bonds.

This loan was generally offered among the bankers and investors far and near, and was finally accepted by Mr. E. D. Hulbert, president of the Merchants Loan & Trust Co., of Chicago, Ill., under the representation to him that the bonds had been purchased by the Bank of North Dakota from the Industrial Commission.

It takes no stretch of the imagination to appreciate that the Bank of North Dakota had no monies with which to purchase bonds to the amount of \$2,000,000.00, and that the mere passing of worthless checks covering an alleged purchase of these bonds was a deception on a par with many other transactions brought out during the course of this investigation.

This loan was consummated July 12, 1920, which is the date of the note, and it matures March 15, 1921, and carried the

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following collateral contract:

"We have transferred and delivered to the Merchants Loan & Trust Company as collateral security for the payment of the above note, and any and all other liabilities, either direct or contingent of the undersigned to said bank, or to the legal holder and owner of said note, due, or to become due, or that may hereafter be contracted, the following mentioned property, the value of which is * * * *"

"And the undersigned hereby gives the payee of said note, and its assigns, authority to collect and to otherwise convert the said securities and to sell the said property or any part thereof, or any substitute therefore, and all additions thereto, on the maturity of the above note, or at any time thereafter or before, in the discretion of the legal owner or holder of said note at public or private sale, without advertising same or demanding payment or giving notice, with the right of said payee, or assigns to be the purchaser thereof when sale is made at any broker's board or at public sale."

"And it is further agreed that if the undersigned shall at any time fail to keep with the holder of said note a margin of security satisfactory to said holder, or in case of the insolvency of the undersigned in any manner evidenced, or in case any judgment is entered against the undersigned, then, and in any of said cases, the above note and accrued interest thereon shall at the option of the legal holder or owner of said note immediately become due and payable, and without any demand or notice, any funds which may be in the hands of the payee or holder of said note to the credit of the undersigned may immediately be applied to the payment of said note, and the securities so held as aforesaid may be collected, converted or sold as above provided, and upon any such collection, con-

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version or sale, to the payment of said note and any other or all liabilities as aforesaid, as said payee or assigns shall elect, returning the overplus to the undersigned. And in case the proceeds of said property shall not cover the principal, interest and expenses, the undersigned engage to pay the deficiency forthwith after such collection, conversion or sale, with interest as stated in the above note.

(Signed) BANK OF NORTH DAKOTA,

By.....
Manager and Director General."

It would appear from the foregoing that the Merchants Loan & Trust Co. have the undisputed right under their contract with the Bank of North Dakota to sell \$1,200,000.00 N. D. Bonds at public or private sale for any amount they see fit, apply the avails of sale on the note and then take a deficiency judgment for the shortage, and thereby the Bank of North Dakota would lose its \$1,200,000.00 of Bonds and still be in debt to the Trust Company.

Direct borrowing of Banking Capital on the basis of this transaction clearly indicates the gross incompetence and banking inexperience of those intrusted with the management of the Bank of North Dakota and the Industrial Commission, and explains to a very large measure why the investing public have refrained from purchasing North Dakota Bond Issues.

(31)

C—FALSE AND MISLEADING FINANCIAL STATEMENTS.

The Bank of North Dakota, early in its career, adopted a policy of issuing, about the middle of each month, so-called Bulletins, and the same were widely distributed.

In these bulletins was published a so-called "Condensed Statement of the Condition of the Bank of North Dakota," at or about the 15th of the month of issue.

Reference is made to Bulletin No. 8, Series of 1920, issued Aug. 16, 1920, containing a "Condensed Statement of the Condition of The Bank of North Dakota," at August 14, 1920. There is no indication in this statement that any of the Bond Assets of the Bank have been set aside as collateral to the Bills Payable Loan of \$1,000,000.00, nor is there any indication that the Bills Payable expressed in the statement as a liability of \$1,000,000.00 carries with it as collateral \$1,000,000.00 of North Dakota State Banks "Bank Series."

Each and every Bulletin issued after Aug. 16, 1920 fails, to give expression to the pledging of its assets as collateral to its debts.

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It is of special interest to also make note of the fact that while three to three and one-half pages of solid printing matter appears in each Bulletin, no reference is made therein to the pledging of the assets of the Bank to its debt of \$1,000,000.00.

This omission to state the truth concerning the bank's position is a very material evidence of the careless and lawless manner pursued in the conduct of the banking business, and indifference of the registered officers of the bank in their responsibilities to the public which made the bank possible.

D—DEPOSITS AND MONIES OUTSIDE THE STATE.

The evidence produced before the committee by the officers of the Bank of North Dakota establishes that the said Bank kept on deposit in banks outside of the state of North Dakota since November 15, 1919 to June 1, 1920, from \$1,000,000.00 to \$10,000,000.00. The redeposits were made in a gradually ascending scale from November 15, 1919—\$1,003,437.15, to March 31, 1920, \$10,280,149.08. And in a gradually descending scale from the latter date to June 1, 1920—\$1,116,549.90, and an av-

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erage of over \$5,000,000.00 during such period.

This is clearly contrary to the published policy of the Bank of North Dakota as stated in the circular issued by said Bank on May 12, 1919, as follows:

"To be helpful to and assist in the development of state and national banks and other financial institutions and corporations within the state," and

"To mobilize the assets of the whole state, and its entire financial worth, into one large central bank, cooperate with all the banks in the state."

Instead of mobilizing the assets of the state into one central bank in order to be helpful to financial institutions within the state, the administrators of the Bank of North Dakota sponged upon and absorbed a large proportion of the current assets of the state and used the same to assist banks and financial institutions outside of the state of North Dakota.

Manifestly, the primary purpose of making and maintaining this large deposit in banks outside of the state was to create confidence in the minds of the officers and trustees of the banks and financial institutions within the state in order that they might thereby be induced to increase their deposits with the Bank of North Dakota. This act is consistent with

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and in keeping with the policy of deception apparently practiced by the officers and those in control of the Bank of North Dakota throughout its career.

(35)

I.—REGISTERING STATE TREASURER'S CHECKS

The examiners find from the record that during the month of February, 1921, the account of the State Treasurer with the Bank of North Dakota amounted to approximately \$3,000,000.00. While this balance was maintained the State Treasurer drew checks upon the Bank of North Dakota against this account in various small amounts. These checks were refused payment by the Bank of North Dakota, and in lieu of payment and in the exercise of that "sound discretion" elsewhere referred to in this report, the checks were "registered" as presented for payment, not paid for lack of funds.

Illustrative case:

On February 14, 1921, the State Treasurer drew a check against the account of the State Treasurer in the Bank of North Dakota in the sum of \$500.00, payable to Van G. Schwan. This check was given in payment of a Soldier's Bonus. The check was duly presented to the Bank of North Dakota on the date on which it was drawn. Payment was refused, and the following legend was endorsed on the back thereof by a bank officer:

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"Presented for payment February 14, 1921. Not paid for lack of funds. Will draw interest at 6% per annum until called for payment."

Thus the versatile officials in charge of the Bank of North Dakota have coined a new species of obligation, hereinafter to be known as a "Registered Check."

In passing, it might be well to state that evidence shows that the State Treasurer, impelled no doubt by most worthy motives, paid this check out of currency remaining in his office.

In addition to the instance quoted above many State Treasurer's checks were presented to the Bank of North Dakota and protested for non-payment on account of alleged lack of funds.

A number of these checks have been sent in from outside of the state, and the impression has been allowed to go forth that the State Treasury is depleted, notwithstanding the large balance afore-mentioned.

The shamefulness of this situation is emphasized by the fact that the record shows that at the same time that the State Treasurer's checks were dishonored by the Bank of North Dakota, as aforestated, the Bank, at the instance of the Industrial Commission, was paying out hundreds of dol-

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lars to the employees of a certain committee, presumably engaged in investigating said Bank, and such Commission.

Such failure to pay current checks constitutes an act of insolvency. If any other bank adopted similar tactics it would at once be incumbent upon the State Examiner to close it without delay.

This condition of affairs justifies the conclusion that the Bank of North Dakota is not only insolvent, but is going through a process of involuntary liquidation and rapid disintegration.

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FAILURE TO REQUIRE AND MAINTAIN RESERVE

State and National banks are governed by a complete code of positive laws which safeguard their deposits. The banks

are required by law to keep on hand at all times in cash and in approved reserve-agents certain percentages of their demand and time deposits. This is known as the bank's reserve.

The Bank of North Dakota is not required by law to keep any reserve whatsoever.

The state law regulating reserve (1915 Session Laws) required every bank to have on hand in available funds an amount, which after deducting therefrom the amount due to other banks, shall equal 20% of its demand deposits and 10% of its time deposits. The law further provides that three-fifths of this amount may consist of balances due to the bank from good solvent state or national banks or trust companies, which

- (a) carries sufficient reserve
- (b) are located in commercial centers
- (c) which have been first approved by the State Banking Board, and two-fifths of such reserve which consists of actual cash on hand.

(39)

This is a salutary provision of law.

Because of the connection of the Bank of North Dakota with and its intimate relation to the public funds of the state it should have been controlled by a statute assuring not only the mobility and liquidity of its assets but also providing a fund sufficient to take care of the necessary withdrawals of public monies.

The testimony given by the witness, Thatcher, a League accountant, before the examiners discloses that if the 1915 reserve law had been made applicable to the Bank of North Dakota on the 3rd day of December, 1920, the date of the Audit Report, its cash should have been \$1,123,463.35, whereas in fact it was only \$46,767.63, that is to say, the Bank of North Dakota, upon the foregoing date was \$1,076,700.72 short of having a cash reserve. The reserve with approved agents as prescribed in the Act at the same time should have been \$1,685,202.51, whereas in fact it was shown by the Audit Report to be only \$520,396.55, a shortage of \$1,164,805.96, making a total shortage of reserve as defined by the 1915 Act of \$2,241,606.68.

The foregoing computation leaves out of account the requirements of the statute that "The amount due to other

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banks" must first be deducted.

It must be manifest that redeposits in country banks cannot be considered in computing reserve, and particularly is this true with respect to deposits in closed banks.

The situation obtaining in the Bank of North Dakota December 3, 1920, and since that date, clearly demonstrates the disastrous effect of the failure of the law to require the Bank of North Dakota to have a reserve and contributed in no small measure to the present deplorable condition of that institution.

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ABNORMAL EXPENSE ROLL.

In view of the fact that the Bank of North Dakota is, and has been, since its organization, and up to this time, simply an extra department of state, the existence of which has not been justified, either in theory or practice, and when it is consid-

ered that the expense of the conduct of the same must be charged as a direct loss to the taxpayers of the state, it is interesting to know just what this extra financial functionary is costing, in dollars and cents.

Referring to Exhibit 9 attached to the report of the Industrial Commission, dated February 1st, 1921, we find that the salaries paid in the year 1920 in the Bank of North Dakota alone, amounted to \$107,397.20. That 64 persons are at this time employed in the institution. That the range of salaries is from \$10,000.00 downward. That the rent of the building in which the bank is conducted, cost the tax payers of this state in the year 1920, the sum of \$8,973.33, while the item of postage alone, substantially exceeded the amount of the rent, and totaled \$17,431.75. Stationery and printing cost another \$13,342.16, the total of stationery, printing and postage equalled \$30,773.91. Considering the lack of limitations upon

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the activities of the official family in control of the bank, it may be a pertinent inquiry, as to whether or not any substantial portion of this expense was incurred in connection with political efforts expended by those in direct control. This particular expenditure may also explain the necessity for an unusual number of stenographers and clerks, and the foregoing observation may give some idea as to the duties imposed upon them. From the same source we find that the bank spent during the same period \$3,828.43 for advertising. The necessity for advertising the business of the Bank of North Dakota is not disclosed. It cost the taxpayers of the state \$9,316.24 to circulate Mr. Cathro's bank bulletins with no manner of determining what the cost of the preparation thereof may have been.

It is interesting to note the comparison between the expense and the total receipts. Exhibit 9 of the report of the Industrial Commission, shows that the bank has actually received in money during the year 1920, earnings of \$620,295.38. That it has paid out as interest charges \$522,346.71, leaving a balance as actually received as earnings, \$97,948.67. The bank has, however, actually paid out in expense, in addition to the interest paid out as above set out, a total of actual cash expense of \$190,130.09 or \$92,181.42 in excess of the

(13)

moneys actually received as earnings. To bring its credit balance to the right side of the ledger it was compelled to draw upon its interest earned but not collected, and therefore an item under that head was inserted in the statement, in the amount of \$214,064.59 and thereby after adding an item of inventory and supplies showed a balance of profit at \$135,998.50. The total revenue received including the item of interest earned but not collected is \$834,359.97. The interest paid out by the bank is shown as \$522,346.71, leaving a balance of \$302,013.26 as gross earnings. It is interesting to compare the total expense with the total gross earnings shown above. Of this item of gross earnings \$190,130.09 was applied directly to expense. In other words more than sixty per cent as hereinbefore set out and of which \$107,397.20 was expended of the total gross earnings went to expense of the character for salary. It would seem that it would require no argument to substantiate the statement that by comparison with the income and by analysis of the items thereof, the expense to say the least is abnormal.

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TYPE OF COLLATERAL HELD BY BANK OF NORTH
DAKOTA

The collateral held by the bank of North Dakota, on the date of the Audit Report, December 3, 1920, securing loans and certificates of deposit as shown by the schedule of such Audit Report, is amendable to severe criticism. The volume of collateral is such that it is impossible, within the time allowed, to cover it in detail. Suffice it to say that it consists of warehouse receipts for grain in storage and in granary, warehouse receipts on packing produce, such as meats and lard. No check has been made or attempt to ascertain the whereabouts of the grain or the products represented by such warehouse receipts.

Warrants of various types, including hail warrants, municipal warrants, and school warrants improperly distributed. Throughout the collateral deposited by banks within the state as security for loans made by such banks, appear paper of individuals acting for various League Concerns, the paper of the Equity Co-Operative Exchange, the Equity Co-Operative Packing Plant at Fargo, numerous country newspapers, members of the legislature, the Home Lumber Company, a questionable concern, stock in League banks, and a vast amount of past due paper.

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Such transactions as that had with B. H. Stary of Conway, whereby the Bank rediscounted the notes of the Conway Storage Company, in the sum of \$27,800 for the Michigan City Bank of Michigan City, is especially reprehensible. A similar transaction was had with the First Farmers Bank of Minot, where it was admitted on the witness stand by the manager of that bank that a purchase agreement was had with the officials of the Bank of North Dakota whereby the First Farmers Bank of Minot made a loan to the Equity Co-Operative Packing Plant of Fargo, with the understanding that the paper could immediately be rediscounted with the Bank of North Dakota. This understanding was fully carried out and, as admitted by such manager, amounted to a direct loan by the Bank of North Dakota to such Packing Company in violation of the law.

Transactions of this nature are typical and not exceptional.

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STATEMENT OF CONDITION, DECEMBER 3, 1920.

The date of the Audit Report of the Bank of North Dakota was December 3, 1920, and reference is made to the Committee's Exhibit 19, at pages 23 and 24, where is contained, in summarized form, a balance sheet, so called, of the Bank of North Dakota at said date.

It appears from the report and the testimony of witnesses that at the time of this examination twenty-two state banks, which were indebted to the Banks of North Dakota, had closed their doors, and the Audit Report made reference to the relations with these closed banks as well as the condition of certain other items of resources carried as assets in the Bank of North Dakota, and giving consideration to the various situations of the assets there was prepared and introduced in evidence a statement of the Bank of North Dakota based upon the Audit Report, and the reported conditions.

This revised statement was introduced in evidence as Committee's Exhibit 158.

Particular attention is invited to the conclusions reached from the revised statement, particularly that portion which indicated that of the recorded as liquid or current assets avail-

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able for meeting the current indebtedness of the Bank of North Dakota, there is shown the sum of \$9,600,000 as against \$15,602,000 of obligations, and that the remaining assets aggregating very close to \$8,000,000 thereof are described slow of realization, and in several instances doubtful of collection.

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The statement is submitted as follows:

REVISED STATEMENT—BANK OF NORTH DAKOTA
December 3, 1920—Based on Audit Report
RESOURCES

Cash	\$ 46,767.63	
Deposits Reserve	520,396.55	
Loans and Discounts immature	1,543,613.02	
Banks	567,164.18	
Re-Deposits Public Funds	6,616,488.75	
Items for collection	878,933.70	
U. S. Liberty Bonds (par)	2,000.00	
Total	\$9,608,194.65	
Items Past Due and Slow of Collection	\$3,898,439.27	
Farm Lands and Deposits	2,906,369.00	
Accrued Interest on Notes and Bonds	360,386.38	
Bonds of N. Dak. Bank Series—Free	751,450.00	
Supplies	13,885.33	
Fixtures and Automobiles	44,303.71	
Total	\$7,474,833.69	
Sinking Fund Investments	\$ 47,091.19	
Bonds of N. Dak Bank Series Pledged as Collateral to Bills Payable	\$1,200,000.00	

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REVISED STATEMENT—BANK OF NORTH DAKOTA
December 3, 1920—Based on Audit Report (Cont.)

LIABILITIES

Deposits	\$15,455,186.00	
Other liabilities	147,506.77	\$15,602,692.77
Sinking Fund Capital		47,991.13
Bills Payable (collateral N. Dak. Bonds)		1,000,000.00
Capital Fund (N. Dak. Bonds Bank)	2,000,000.00	
Supplies and Profits	180,335.57	2,180,335.57
	\$18,830,119.53	\$18,830,119.53

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Reference is made to Committee's Exhibit 19, being the
DECEMBER 3, 1920

Reference is made to Committee's Exhibit 19, being the

Audit Report at page 35, where is shown the income and expenses of the Bank from May 1, 1919, to December 3, 1920, inclusive.

The Interest Income of the Bank is there shown to be (Gross)	\$1,080,040.25
The Interest paid and accrued on Daily Balances, Public Treasuries, and Depositary Bank, Open Accounts, Sinking Fund Accounts, and Notes Payable in	667,957.10
Making the Net Interest Income of \$412,083.75. Other Income of the Bank is shown to be as follows:	
Exchange	\$ 188.72
Premiums on Bonds Sold	1,606.25
	1,794.97
Total Income from All Sources	\$ 413,873.73
The General Expense of conducting the Bank as shown by said statement, including salaries in the aggregate sum of \$142,898.15 is	233,543.15

Making the Net income to Surplus, as shown by the Statement, to be\$ 180,335.57

An examination of the general expenses reveals that \$9,845.57 has been taken as depreciation on Automobiles and Furniture and Fixtures, but that no provision has been made for losses on the loans and discounts.

The foregoing statement of income includes Accrued Interest Receivable and Coupons of Bonds of North Dakota carried as an asset in the aggregate sum of.....\$360,386.38.

Had those responsible for the conduct of the Bank followed the usual custom where small banking capital exists and refrained from establishing the accrued interest as an asset upon the books of the Bank, their statement would have shown a deficit of\$180,050.81.

This, exclusive of any amounts chargeable for losses on uncollectible accounts and loans, which added to the same would greatly increase the deficit.

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COMPARATIVE STATEMENT

December 3, 1920—February 26, 1921.

Mr. F. W. Cathro was requested to produce for the Committee a statement disclosing the condition of the Bank at a late date in February;

On the day of the final taking of testimony by the Committee (March 1, 1921) Mr. Cathro presented a statement which was alleged to represent the financial position of the Bank of North Dakota at February 26, 1921. This statement makes no segregation of the bank assets as between current and immature and past due, doubtful or due from suspended banks. And it will be observed from the testimony that some twelve additional banks have suspended payment and closed their doors since December 3, 1920, thereby creating total of over one million four hundred thousand (\$1,400,000.00) dollars due to the Bank of North Dakota that

is not available for its creditors, and the amount to be realized therefrom is problematical.

The statement from the Bank's records at December 3, 1920, and at February 26, 1921, have been set up comparatively, and it would appear therefrom.

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1st. That loans to State and State owned activities within the period increased some \$302,000.00, while sinking fund deposits have increased \$306,000.00.

2nd. That the withdrawals of public money within the period aggregates over \$5,000,000.00, and the realization from "Redeposits" have been \$2,800,000.00 and from "Items out for Collection" some \$1,500,000.00 and "Rediscounts" and other collections some \$700,000.00, a total of over \$5,000,000.00, thus disclosing that the more liquid assets are being rapidly exhausted and that no provision appears being made to care for \$1,000,000.00 note due March 15th, 1921, or for the replacement of monies loaned to suspended banks, and also tied up in long term farm loans. The possible losses from redeposits in suspended banks presents a problem difficult of estimate, and in any event it gives promise of much litigation, from the fact that the farmers' notes in many of the closed banks were "Accommodation" paper given in exchange for paper from Lemke and Townley corporations, which latter paper is held by the farmers and is of doubtful value.

COMPARATIVE STATEMENT
BANK OF NORTH DAKOTA

RESOURCES

December 3, 1920
February 26, 1921

	Dec. 3, 1920	Feb, 26, 1921	Increase	Decreased
Cash and Cash items.....	71,297.69	83,411.59	12,113.90	
Due from outside banks.....	520,396.55	490,636.84		29,760.71
Items for collection.....	1,870,706.64	277,817.36		1,592,888.82
Redeposits	7,040,899.19	4,225,696.54		2,815,203.65
Bills Rec., Rediscounts	2,802,369.70	2,455,605.75		346,763.95
Farm Loans	2,906,369.00	2,881,812.92		24,556.08
Fixtures, Autos, etc.....	58,189.04	52,054.95		6,134.09
Bonds of N. D. Free.....	751,450.00	747,900.00		3,550.00
Bonds of N. D. (Collat.).....	1,200,000.00	1,200,000.00		
Other Bonds, Free.....		14,645.80	14,645.80	
Liberty Bonds	2,000.00	2,000.00		
Sinking Fund Invested.....	47,091.19	47,091.19		
Accrued Interest	360,386.38	139,988.25		220,398.13
State and Public Corporations.....	882,716.72	1,185,000.00	302,283.28	
Warrants out for collection.....	316,247.43	283,347.05		32,900.38
	18,830,119.53	14,087,007.24		4,743,112.29

FRIDAY, MARCH 4, 1921

COMPARATIVE STATEMENT
BANK OF NORTH DAKOTA—(Continued.)

. LIABILITIES

	Dec. 3, 1920	Feby, 26, 1921	Increase	Decreased
Demand Deposits				
Individual	20,781.33	24,141.29	3,359.95	
Depositary Banks	1,349,252.36	602,747.00		746,504.37
Public Treasurers	7,278,268.98	3,496,501.00		3,781,767.92
Sinking Funds	47,091.19	47,091.19		
State Treasurer	3,300,834.36	2,887,044.00		413,790.36
Pub. Treas. Sinking Funds.....	3,201,222.12	3,507,628.29	306,406.17	
Bills Payable				
(Collateral)	1,000,000.00	1,000,000.00		
Certificates of Deposit.....	169,923.02	205,851.37	35,928.35	
Cashier's Checks	22,382.20	10,385.15		11,997.05
Appraisal Fees	8,743.64	5,263.73		3,479.91
Due State Institutions.....	134,903.82	95,335.01		39,568.81
Capital (state Bonds).....	2,000,000.00	2,000,000.00		
Surplus Reserve,				
suspense	180,335.57	184,809.26	573.69	
Legislative Reserve	24,108.87	24,108.87		
Interest Payable	92,272.06			92,272.06
	18,830,119.53	14,087,007.21		4,743,112.32

THEORY OF ORGANIZATION OF BANK OF NORTH DAKOTA

It is apparent that the primary object sought to be accomplished by the organization of the Bank of North Dakota was to assemble all of the available funds of the State of North Dakota and its various political subdivisions including all state, county, township, municipal and school district funds and funds of all penal, educational and industrial institutions, and all other public funds, into a channel that would make them subject to the absolute and unrestrained control of an elective body to be known as the State Industrial Commission. The power of this body in the matter of the use and control of such funds is to all practical purposes without limit.

When this act is read in connection with the other so called Program, acts of the same session of the Legislature, it becomes apparent that the Bank of North Dakota was intended to be the source from which was to be made available, the liquid cash capital for investment in such other state industries as the State Legislature had provided for and which it might subsequently see fit to authorize, without limit as to amount.

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Its powers also included in addition to the powers specifically granted by the act the right to do "Anything that any bank may lawfully do, except as herein restricted." In other words, the Bank of North Dakota not only become the depository for all public funds, but also the State of North Dakota declared its purpose to enter into the general banking business. This power, together with its right to redeposit public funds, its right to become the general public clearing house for the other banking institutions of the state, its wide discretion in the matter of redeposits, its unlimited power in the matter of the amount of loans it might make to individual banks and other agencies, and the terms and conditions of such loans, laid a foundation, from the standpoint of socialistic theory, for almost perfect immunity from organized attack.

To further intrench the original organization, political expediency apparently seemed to demand the appearance of a direct benefit to the farmer. That thought apparently inspired the farm loan provisions thereof. By these provisions it was apparently intended to attract to the Bank of North Dakota the same favorable comment that has been attributed

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to the Federal Farm Loan Bank. It was therefore provided that an amount up to 30% of its capital and 20% of its deposits might be loaned upon the security of first mortgages upon real estate. Additional funds for farm loans, it was provided, might be obtained from the sale of state bonds and thereby in theory making the Bank of North Dakota the fiscal agent of the farmers of the state and the State of North Dakota his guarantor for the payment of such loans. All of the political subdivisions of the state were to become the beneficiaries under the power of the bank to loan to such subdivisions such sums as the elective Industrial Commission might authorize. All of the people of the state, theoretically at least, do business with the banks of the state. By becoming depositories of funds from the Bank of North Dakota, and by being permitted to borrow money from the Bank of

North Dakota the banks and people of the state would become subservient to and dominated by the power in control of the bank. Adding to the influence thus engendered the active influence of the farmer, which, it was presumed would come to the support of the bank by virtue of the special authority to make direct farm loans, completes the picture of a finished

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socialistic dream of financial power, unhampered by legislative control and the requirements of practical business and political experience and judgment, and the safeguards which years of practical business experience had theretofore thrown about the uses of the public and private funds of this state.

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FALLACIES IN ORGANIZATION

The fallacies in the organization of the Bank of North Dakota and the fallacies of the theories that have been heretofore mentioned are apparent on the face of the statute under which it was brought into being and are impressed and emphasized as fallacies by the testimony that has been introduced in this investigation.

The official family in charge of the affairs of this Bank has not only exercised a substantial portion of the extraordinary and unusual powers granted to them in connection with Bank Act and under the acts ancillary thereto, but as is shown by the testimony, have least stretched the language of these acts, in their conduct of the affairs of the bank, and the Industrial Commission; language, which by casual ob- available for the preparation thereof. Your committee will the making of such acts.

To set out the fallacies in the organization of the Bank that are apparent from the face of the act and which up to this time have been shown by the evidence would require a statement beyond the scope contemplated by this report and take a period of time in the preparation in excess of that available for the preparation thereof. Your committee will

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content itself therefore, by a short reference to the more prominent fallacies in the organization which have been tabulated as follows:

A. The Bank was permitted to commence operation without one single cent of actual cash capital, and was authorized to open and was opened for business upon the delivery to the Industrial Commission of Bonds in the sum of \$2,000,-,000.00. The opening was not conditioned upon the sale of the bonds, upon the mere delivery thereof, to the Industrial Commission.

B. The operation, the control and in fact, the entire executive authority is by the act, and was in the conduct of the affairs of the Bank as shown by the evidence, placed in and exercised by three elective officers, who constitute the Industrial Commission, namely, the Governor, the Attorney General, and the Commissioner of Agriculture and Labor.

1. These three men are not regulated as to their conduct in connection with the bank by any legislative enactment whatsoever. The extent of their possible authority was fixed by the Commissioner of Agriculture and Labor in his sworn testimony as substantially without limit and both the testimony of Mr. Cathro and the testimony of Mr. Hagen sub-

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stantiate the statement that they claim to be permitted to do anything that may come within the heading of their "Sound Discretion."

The test which should be applied to determine the propriety of an act of the Legislative Assembly and its influence for good or evil, is, according to an eminent jurist, not confined to an inquiry as to what will probably be done under its authority, but the true test is what may be done under it by the "worst set of Grafters." This act which limits the executive activity only by the so-called "sound discretion" of such executive, is a doctrine so dangerous to the liberties of a free people that when its true purport is understood and its application considered in connection with the testimony offered at this investigation, it becomes absolutely appalling.

2. We find under the terms of the Acts applicable and under the testimony that the bank and the industries are controlled by elective officers, which simply means political officers, in a word, politicians. These politicians are given the management of a banking institution without limit of authority. The result as this investigation has shown, is the

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one to be expected from such a foundation. We have a political bank sacrificing practical banking to the cause of what the Industrial Commission believe to be good politics. Good politics has detracted from good banking, as good banking would detract from good politics, with the result that each has suppressed the other and caused the failure of both.

C. The act places no limitation whatsoever on the number of persons that may be employed, either by the industrial institutions, or the officers in charge of the operation of the bank. Nor is there any limitation upon the duties that may be prescribed for the persons so hired. The salaries of employees is in the same category as the other powers of the Industrial Commission, limited only by their so-called "sound discretion." Consider these facts in connection with the fact that the management and control of the bank is in the hands of a political board, which holds office only for the period of two years, and which must therefore during the period of its incumbency fortify itself against being substituted by others from its own division of public sentiment, and by its own conduct of the industrial affairs of the state, insure itself against being succeeded by those of an opposite

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political faith. Applying that idea to the above premise the startling expenditures in the matter of salary and expense and the inconsequential duties performed by a number such employees, together with the number of persons employed as shown by the evidence, is explained.

D. All persons hired by the Manager or Director General of the Bank may be removed by the Industrial Commission. This was intended undoubtedly to fortify the political power of the Industrial Commission. To the extent that it increases the power of the Commission, to the same extent necessarily does it detract from the power of the Manager and Director General, and thus it prevents the creation of an effective executive organization. Such a regulation also necessarily robs each employee of the incentive for original and constructive service. The fallacy of such a system becomes apparent from the mere statement thereof.

E. A \$50,000.00 bond is required on the Chief Executive of the Bank. In other words, a bond in the sum of \$50,000.00 executed by the Bonding Department of the State of North Dakota secures the State of North Dakota against loss of funds controlled by the Chief Executive of the Bank. Other
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employees are bonded in lesser amounts by the same system. The amount of the bonds of course is inadequate on its face. \$50,000.00 of liability under a bond can hardly be said to be adequate protection against loss through an officer who has direct charge of funds that have exceeded at times Thirty Million Dollars. The bonding system insofar as it applies to state funds, undoubtedly suggested by the same socialistic tendencies that created the bank idea, has brought us to the position of having the Bonding Department of the State of North Dakota bond the Executive Department of the State of North Dakota against loss to the State of North Dakota. In case of a breach of the conditions of the bond, monies in the Bonding Department of the State of North Dakota would be turned over to the Banking Department of the State of North Dakota to reimburse the Banking Department of the State of North Dakota against losses caused by misappropriation of the funds of the State of North Dakota. To say that such a system protects the state against loss would be to convict the proponent of such an idea of a lack of sanity.

F. The act contains absolutely no limitation of the conditions as to where redeposits may be made, nor as to the banks in which such redeposits.

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of public funds may be made, nor is there any legal qualification whatsoever to be met by a bank of the State of North Dakota in order to qualify as a depository for public funds. Again the "sound discretion" so-called, of the Industrial Commission alone controls. Under the law as it exists it is not even required that the bank be solvent to qualify as a depository.

That substantially all of the deposits in the Bank of North Dakota are the public funds of the State and the political subdivisions thereof. That the Bank of North Dakota has simply been an extra governmental function attached to the Executive Department of the State, and up to this time has failed to disclose one single benefit to be derived therefrom that could not be obtained with the machinery of the government that existed prior to its organization. It is costing the State, and every political subdivision thereof approximately two per cent on all of the public monies without any corresponding benefit, and in fact without any benefit whatsoever. If we were to assume that the Bank of North Dakota had properly administered the financial affairs of State and had made no loss whatsoever, a violent assumption under the facts, we would find the actual resultant loss to the State,

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and its political subdivisions, by the simple process of taking the difference between the rate of interest paid by the Bank of North Dakota and the rate of interest obtained by the Bank of North Dakota and applying such difference in rate to the entire amount of public funds. The amount thus obtained will give some idea as to what this experiment in socialism is costing each day that it exists.

The so-called profits of the bank figures and obtained on

the fallacious and impossible theory that every cent of outstanding obligation to it will be paid in full and without costs to the bank constitutes in fact but a statement of the amount of loss to the State and political subdivisions thereof, that is left after paying the expense of its operation. A profit to the bank automatically means a loss to the owner of the funds, the state and political subdivisions. The Bank of North Dakota cannot obtain for itself a greater rate of interest than the state and political subdivisions could obtain for themselves if the bank did not exist. The difference in rate therefore is profits to the bank and loss to the state, counties, etc.

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(g) Nor is there any limitation as to the amount of loans that may be made to any banking institution or political subdivision or industrial project, or any other person or corporation that may become the beneficiary of the political autocracy in control of the bank. There is nothing in the law that would prevent the Industrial Commission from loaning every dollar of the public funds to one single bank within the State or outside the State, nor prevent the loaning of the entire funds of the state and its political subdivision and in fact the entire funds in the bank, to any of the so-called state industries.

The result of this provision has been to permit of the re-deposit of public funds in the bank and the loaning of the funds of the bank with a highly organized disregard of business judgment and in fact with an apparent lack of ordinary integrity. The political complexion of the bank to be accommodated appears to have been the usual test applied in determining the question of accommodating a given bank. The Bank of North Dakota had accounts with and did business with 748 banks. The total amount of redeposits by the Bank of North Dakota in all the banks of the state, as shown by its statement of Feb. 26, 1921, is \$4,225,696.54. The total

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bills receivable, rediscounts is shown as \$2,455,605.75. The witness Cathro submitted on Feb. 26, 1921, a statement showing the distribution of redeposits and loans as of January 19th, 1921. From this statement it appears that in 37 of the banks of North Dakota, which appear as being now or at least as having been, of the same general political hue as the Industrial Commission are the holders of redeposits of the Bank of North Dakota, in sum of \$1,250,547.59 and loans in the sum of \$688,846.50, a total of \$1,939,394.04, an average in each of the 37 non-partisan or friendly banks of \$52,416.05. In round figures Three and Three-fourths Millions of liabilities to the Bank of North Dakota is divided among the remaining 711 banks of the State of North Dakota, or a general average liability of about \$5,000.00 from each so-called independent bank as compared to an average of \$52,000.00 from each Non-partisan League Bank.

(h) The mixture of political propaganda into so-called business legislation is emphasized by the provisions of this act referring to the sale of real estate mortgages. As above stated the bank may within the limits prescribed, make loans on real estate. It is also authorized to extend the time of payment "in case of crop failure which reduces the

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mortgagors crop income by one-half." By the terms of Section 19 the Bank is authorized to sell and assign such real estate mortgages as it may take. Ordinary business judgment would require an inducement to a purchaser of such real estate mortgages that would at least permit him to own and control the mortgage after he had purchased and paid for the same. In order to satisfy impractical political dreams of the framers of this law, however, an effort was made to permit the Bank of North Dakota to control the mortgage to some extent even after the sale and assignment thereof. To accomplish that result and to provide material for political oratory the possibility of turning over these mortgages through the Agency of the Bank of North Dakota was effectually foreclosed by the provisions of Section 19 of the act which provides "but if such assignment shall be made subject to the provisions concerning the extensions of time of payment on account of crop failures, as provided in Section 17 of this Act, and subsequent action of the Industrial Commission in that regard shall be binding upon the assignee of such mortgage." The Bank of North Dakota has on hand real estate mortgages, December 3, 1920, in the sum of \$2,906369.00.

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Not since its organization has it sold one single mortgage. In tabulating the reasons for lack of demand on the Bank of North Dakota for its real estate mortgages the provisions of the act referred to should be given a place.

(i) The fallacies of this organization would not be complete without references to the fact that the act provides that deposits by State Banks of the State of North Dakota in the Bank of North Dakota are deemed "available funds within the means of that term as used in Section 5170, of the Compiled Laws of 1913." In other words, all of the monies which the state banks of the State of North Dakota may deposit in the Bank of North Dakota are designated as the reserve of such state banks. (Sec. 11, Chapter 147, Laws of 1919.) Section 15 of such act provides that "The Bank of North Dakota may transfer funds to other departments, institutions, utilities, industries, enterprises, or business projects of the state which shall be returned with interest to the Bank." Note that there is no limitation upon the amount that may be transferred as disclosed in another portion of this report and with the result therefore that it is possible as is indicated by the testimony of Mr. Cathro, to invest the entire reserve of all of

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the state banking institutions of this State in a mill, elevator, or such other state industrial institution as the so-called "sound discretion" of the Industrial Commission might suggest. This section not only reflects against the bank's reserves of the state but against every legal obligation of the state itself and every political sub-division thereof that may deposit its funds in the Bank of North Dakota and against every banking institution that carries its reserves therein. This provision is discussed in more detail in another portion thereof.

(j) Nor is there any adequate provision for the examination of the Bank of North Dakota. To emphasize this fact compare the provisions of Subdivision 4 of Section 5146, Compiled Laws of 1913, with Section 23 of Chapter 147, Laws of 1919. The former constitutes the provisions of law with

reference to the examination of state banks. The latter the provisions relating to the Bank of North Dakota. To visualize this distinction we are setting out the provisions of Subdivision 4 above referred to and have underlined and italicized the provisions thereof that apply to the Bank of North Dakota as outlined by Mr. Lofthus in his testimony,

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page 369 et seq. of the transcript. The provisions of Subdivision 4 and the regulations of the Banking Department places upon the State Bank Examiner the duty and power in short to compel a state bank to comply with the law. As to the Bank of North Dakota such power in the Examiner is entirely lacking and even though he were inclined to require the power which he received his authority. The Governor as a member of the Industrial Commission, to comply with the law, he would be without legal authority to do so. In reading the following section bear in mind that the provisions of Section 23 are included in the part underlined and italicized:

"Section 5146. (4) The State Examiner shall under the direction and subject to the orders of the state banking board, exercise a constant supervision, either personal or through the deputy examiners hereinafter provided for, over the business and affairs of all financial corporations placed by this act within the jurisdiction of the state banking board and shall, personally or through the deputy examiners herein provided for visit at least twice each year, all of said corporations, inspecting and verifying the assets, and liabilities of each, and so far investigate the character and value of the assets of each such corporation as to ascertain with reasonable certainty that the values are correctly carried on its books. He shall further investigate the methods of operation and conduct of said corporations and their systems of accounting, to ascertain whether such methods are in accordance with the law and sound banking usage and PRINCIPLES, and report the Findings, conclu-

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sion and recommendations upon such examinations to the banking board and put into force and effect such orders and directions as it may make in reference thereto."

The foregoing but amplified the general scheme of the lack of control and limitation that characterized the entire scheme of construction and organization as outlined in this act.

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CONSIDERATION OF HOME BUILDING ASSOCIATION. AUTHORIZATION.

This feature of State Industrialism came into being by virtue of Chapter 150, Laws of 1919, and places al lof its activities in charge of the Industrial Commission.

It is of special interest at this time to make reference to certain mandatory limitations in the law with regards to certain matters as follows:

SECTION 4. Limits compensation of appointees and employees, to appropriation and earnings available within the year.

All employees to be bonded.

Managers Bond \$50,000.00.

SECTION 6. Limits expenditures for homes as follows:

City and Town Home Limit \$5,000.00.

Farm Homes Limit \$10,000.00.

Creates "Buying Leagues" on depositing of money by 10 or more depositors for purpose of acquiring a home.

SECTION 12. Authorizes that whenever a league has deposited a total of 20% of selling price of a home the Association shall purchase or build.

SECTION 14. Requires all monies to be deposited in
(77)

Bank of North Dakota. State Examiner required to personally visit Association, verify its assets and to report results to Commission and Legislative Assembly.

Appropriate \$10,000 to carry out act.

CHAPTER 24 SPECIAL SESSION 1919.

Provides for issuance of North Dakota State Bonds, Home Builders Services not exceeding \$2,000,000.00 and to be based on mortgages held by the Association Appropriations \$5,000.00 to carry out provisions of the act.

CHAPTER 29 SPECIAL SESSION 1919.

Provides that when a cash payment of 20% of the value of a home be made to the Association, the Association may either obtain title to property, or give contract for deed, or give deed the balance to be secured by purchase money mortgage.

Requires recording of contracts and deeds.

Provides amortization plan of monthly payments.

In addition there was appropriated under Chapter 150 the sum of \$100,000 to carry out the work of the Commission.

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ORGANIZATION.

According to report of Industrial Commission dated February 21, 1921, the act creating the Association became effective July 1, 1919, but due to fact that no funds were available for nearly a year to promulgate a building program, they failed to get started fully until 1920.

The personnel as evidenced by General Pay Roll for year 1920 discloses:

R. B. Blakemore, General Manager.....	\$ 5,000.00
W. Prater, Asst. Mgr.....	2,250.00
O. B. Towes, Asst. Mgr.....	750.00
J. Baker, Supt. of Construction.....	1,800.00
F. R. Pollard, Purchasing Agent.....	1,400.00
and 20 other clerks, stenographers, checkers, etc., the aggregate of salaries paid being...	\$21,996.18

The inference being that, as regards numbers of employees, there were possibilities of complete data and records of operation.

However reference to the Audit Report, Page 5, discloses that at December 3, 1920, the installation of adequate accounts and records had not been completed, although some had been authorized by the Industrial Commission April 7, 1920.

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At the same date (December 3, 1920) the disbursement in such records as were kept disclosed payments for records and accounting service as follows:

EQUITABLE AUDIT COMPANY,	
Auditing & System Work.....	\$1,375.16
ECONOMY SUPPLY COMPANY,	
Accounting & Bookkeeping form.....	2,718.94
Total.....	<u>\$4,094.10</u>

The Audit Report also states no cost system was maintained determining the true cost of individual buildings constructed, or in the process of construction.

The Audit Report also recites that with one exception, (John E. Adams of Bismarck) no contracts were found in files with individuals for whom homes had been built or were to be built. Mr. R. B. Blakemore, Manager, is quoted therein as stating that the form for such contracts had not yet been decided upon, and that the homes were sold on contract.

HOME BUYING PAYMENTS RECEIVED.

The Audit Report recites 185 Home buying deposits varying in amount from \$100 to \$4,725.00 and aggregating at December 3, 1920, the sum of \$51,281.06.

(S0)

HOUSES UNDER CONSTRUCTION

Audit Report Schedule 3 at Page 23 recites a list of houses under construction or completed as follows:

	No.	Number Occupied Prior to 12-3-20
Bismarck, No. 1	19	9
Bismarck, No 2.....	9	1
Fargo, No. 1.....	17	4
Fargo, No. 2	7	1
Mandan, No. 1	7	3
Underwood, No. 1	2	2
	<u>61</u>	<u>20</u>

It is interesting to note that the following state officers are directly interested in Home Building projects as follows:

- William Lemke, Attorney General.
- John N. Hagan, Commissioner of Agriculture.
- George Wallace, Tax Commissioner.
- J. B. Adams, Bookkeeper, Home Builders.
- R. B. Blakemore, Manager, Home Builders.

WILLIAM LEMKE PROJECT

It appears that home buying deposits, per Audit Report Dec. 3, 1920, have been made as follows:

Wm. Lemke	\$1,500.00
E. M. McClintoch, assigned to Wm. Lemke..	1,400.00
I. M. Lemke	1,000.00
	<u>\$3,900.00</u>

An affidavit filed with the committee during its investigations disclose estimates on the Lemke house as follows:

(S1)

Land		\$ 1,600.00
General Construction	\$14,800.00	
Plumbing and Heating	4,500.00	
Electric Contract	775.00	
Garage	1,200.00	
Hardware and Porch	625.00	
Grading Ground, etc.....	500.00	22,400.00
		<u>22,400.00</u>
		\$24,000.00

In this connection reference is made to the limitation on city home contracts to \$5,000.00.

There is no provision in the law for loans to build a house.

It would also appear that with regard to this project no attention seems to be paid to the requirement of the law relating to "Buying Leagues."

STATEMENT AT DECEMBER 31, 1920.

The Industrial Commission's report to the 1921 Legislature presents many interesting side lights on the operations of this adventure into State building Service.

It appears that Public Funds in the form of loans from the Bank of North Dakota have been diverted to this activity as follows:

Overdrafts at Bank	\$63,602.31
Bills Payable at Bank	225,000.00
	<u>288,602.31</u>

Total \$288,602.31

(82)

Attention is also invited to amount invested in houses under construction of \$278,152.23 and no detail or statement indicating the amount invested in project is submitted.

It would also prove of interest to have the Association indicate in detail the character and amount of cash loan represented under the title, "Home Buyers' Loans \$18,247.65.

The statement follows:

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STATEMENT.

BASED ON REPORT OF THE INDUSTRIAL COMMISSION
OF NORTH DAKOTA.

December 31, 1920.

RESOURCES.

Cash	\$ 5.22	\$
Accounts Receivable	4,973.28	
Home Buyers' Loans.....	18,247.65	23,226.15
		<u>23,226.15</u>
Equipment	2,320.10	
Traveling Expenses Advance	300.09	
Special Pay Roll Deposit	3,147.19	
Real Estate	2,000.00	
Furniture and Fixtures	3,669.79	
Materials (inventory)	90,778.59	380,327.90
Houses under Construction	278,152.23	380,327.90
		<u>380,327.90</u>
Deferred Charges, Detail 1.....		15,000.00

LIABILITIES

Accounts Payable	\$ 22,182.78	
Depositors Savings	2,092.47	
Pay Roll Payable	3,792.38	
Accrued Interest	\$ 1,960.20	
Overdrafts Bank of N. D.....	63,602.31	
Notes Payable Bank of N. D.	225,000.00	318,630.14
<hr/>		
State of North Dakota Appropriation	100,000.00	
Less Unexpended	76.09	99,923.91
<hr/>		
	\$418,554.05	\$418,554.05

(S4)

DETAIL 1

DEFERRED CHARGES FROM EXHIBIT II.

Administrative Salaries		
R. B. Blakemore.....	\$ 5,000.00	
W. J. Prater	2,000.00	7,000.00
<hr/>		
Printing and Stationery.....		2,500.00
Auditing & System Work.....		2,000.00
Blue Prints		1,000.00
Office Supplies		400.00
Mileage		300.00
Office Salaries		1,000.00
Rent		300.00
Traveling Expenses		500.00
<hr/>		
Amount of Statement.....		\$ 18,000.00

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CASH ON HAND \$5.22 DECEMBER 31, 1920

In the Audit Report of Dec. 3, 1920, discloses undeposited receipts as follows:

Geo. A. Totten, Sr., Cert. of Deposit.....	\$1,000.00
Geo. A. Totten, Jr., " " "	1,000.00
Sundry Small Items	22.00

Total.....\$2,022.00

There is no indication in the December 31, 1920, report that these items are carried as cash in hand or that the same are on hand as Certificates of Deposit. The Tottens have houses under construction in Fargo, Project No. 1, and it would appear that these certificates were received in lieu of cash.

INSURANCE ON BUILDING PROJECTS

North Dakota statutes require that all state property be covered by state insurance.

In this connection attention is invited to Audit Report Page 21, when under date November 27, 1920, \$414.14 is shown as paid for Insurance Premiums to North River Fire Insurance Company.

INVENTORY OF MATERIALS

In December 31, 1920, of Industrial Commission is shown a Materials Inventory aggregating \$90,738.59.

A review of this inventory on file in Secretary of State's

(S.)

office, as made by State Board of Audit on December 31, 1920, is by way of comparison most interesting. This inventory is as follows:

Fargo Yard	\$24,835.08
Hazen Yard	7,506.80
Grand Forks and Fargo	12,198.51
Mandan Yard	8,987.92
Bismarck Yard	26,014.28
Miscellaneous	590.00

Total.....\$80,132.59

These official inventories bear the approval of M. H. Chervick, District Superintendent of Builders Association.

The Inventories of Materials as shown in the financial statement of the Home Builders Association at December 31, 1920, is \$90,738.59.

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CONSIDERATION OF NORTH DAKOTA MILL AND ELEVATOR ASSOCIATION

AUTHORIZATION

This association is primarily authorized under Chapter 152 of the Session Laws of 1919. Under and by virtue of this law this association is connected with the Industrial Commission, being placed under the supervision of that organization.

Under Section 9 appropriation is made of all moneys raised by the mill tax for terminal elevators as provided in Section 2072 and 2073 and requires all moneys to be paid to the Manager of the Association and further requires that he shall place said moneys in the General Funds of the Association. Such moneys, together with any funds procured by the Industrial Commission through the sale of State Bonds shall be designated as the Capital of the North Dakota Mill and Elevator Association.

Chapter 153, Session Laws of 1919, provides that bonds of North Dakota, known as Mill and Elevator Series may be issued by mortgaging property acquired by the Association.

Provides appropriation of \$10,000. to carry out the provision of this act.

Requires bonds to be sold for cash at not less than par value.

Section 15 limits the amount of such bonds to the sum of \$5,000,000.00.

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CAPITALIZATION

The first contribution of capital to the Mill and Elevator Association appears to have been received from the State of North Dakota Terminal Elevator Fund in the sum of \$124,322.47.

In April, 1920, the Mill and Elevator Association filed a Trust Deed with the State Treasurer in the sum of \$120,351.45. There appears to have been an appraisal made pursuant to the order of the Industrial Commission and bonds were issued thereunder in the sum of \$130,300.00.

The records of the Industrial Commission show the amount of the bond sold, as well as do the records of the Elevator Association, particular reference thereof being made to "Ex-

hibit 3" of the report of the Industrial Commission, December 31st, 1920, such records indicating that the bonds executed aggregate\$120,300.00 and that the Treasury Bonds unsold and with the Bank of North Dakota aggregate 95,200.00

making net amount of bonds sold to public.....\$ 25,100.00

The inventory attached to the Trust Deed covering the bond issue, discloses as follows:

Personal property	\$ 64,724.00
Flour, grain stored and accounts receivable.....	20,000.00
Real Estate	35,627.45

Total\$120,351.45

(89)

The detail with respect to the Real Estate shows it to be divided as follows:

Real Property	\$ 350.00
Improvement, meaning buildings	14,632.45
Machinery	19,570.00
Miscellaneous equipment	1,425.00

\$ 35,977.45

Particular attention is invited to the fact that the value of the real property amounting to \$350.00 is not included in the inventory of real estate attached to the Trust Deed in the computation making up the item of \$120,351.45.

Attention is also invited to the fact that of the property attempted to be covered by these bonds \$84,724.00 thereof are representative of personal property, flour, stored grain and accounts receivable.

INSURANCE

Attention is also called to Section 3 of the Trust Deed whereby the Mill and Elevator Association agrees to insure property against damage and fire in the name of the State Treasurer as Trustee or to authorize him to do so. It would appear that no insurance policy covering this agreement was on file in the State Treasurer's office.

BORROWED CAPITAL

Additional capital seems to have been provided for the Elevator Association through the issuance of Interim Receipts issued account of bonds sold, but not yet delivered. This is in the sum of \$60,000.

(90)

Further capital was provided by notes payable to the Bank of North Dakota in the sum of \$650,000; also a bank overdraft at the Bank of North Dakota, the net amount of which was \$187,028.50, a total of \$837,028.50.

PERSONNEL

The activities of the Mill and Elevator Association are divided into three general subdivisions:

- A—Fargo Office.
- B—Grand Forks Mill.
- C—Drake Mill.

At December 31st, 1920, the Manager of the Association was Mr. J. A. McGovern, who maintained his headquarters at the Fargo office. At the Drake Mill, Mr. Harold Heimen-

dingler is recorded as being manager at a salary of \$160.00 per month. Mr. J. H. Miller and Mr. Bert E. Maxfield are recorded as being millers at the Drake Mill and salary averaging between \$226.00 to \$234.00 per month. Mr. W. B. Hibbard is also reported as manager of the Drake Mill receiving a salary of \$175.00 a month.

The pay roll at the Drake Mill is submitted as "Exhibit 6"
(91)

and indicates twenty-one persons served at the mill within the period January 1, 1920 to December 31, 1920.

The Grand Forks Construction work seemed to be under the supervision of Mr. H. O. Paulson, whose salary for the period was reported as being \$1974.91.

AUDIT REPORT OF DRAKE MILL.

The Audit Report endeavored to be made of the Drake Mill indicates at Page 6 that the Auditors were not accorded courtesies or conveniences in the examination of that property. It would appear that they endeavored to obtain information from Mr. McGovern's office at Fargo and were informed that the records had been turned over to the Equitable Audit Company the latter part of November and that the records were still in their possession.

Conference was had with Mr. Darling, a representative of the Equitable Audit Company, and he advised that a part of the records were in a suit case of his locked up in Fargo and that the remainder were in his possession at Bismarck; also that the records were in a confused condition and he had been engaged in endeavoring to straighten them out when he was called away from Fargo.

Inquiry was also made of the Manager of the Consumers United Stores Company at Fargo, to whom reference has been
(92)

given by Mr. McGovern's secretary, and which Company by the records of the Drake Mill were evidenced as being consignees of the major portion of the consigned flour of the Drake Mill. This conference was for the purpose of verifying the consignments of flour in their possession. Information with regard to the consignment was refused by the manager of the Consumers United Stores Company at Fargo.

It appears from the foregoing, the auditors having charge of the audit report were really denied information concerning the operations of the Association.

Later and during the work of the investigation of this committee a representative from the auditors was invited to come from St. Paul and complete the work on the Drake Mill, and in this work he was handicapped and hampered and it is to be regretted that the work was not able to be completed in time to submit the same prior to the adjournment of the legislature. Therefore, the information submitted as bearing upon the operations of the Mill and Elevator Association are required to be based on the reports of the Industrial Commission of North Dakota, as filed in the office of the Secretary of State.

INDUSTRIAL COMMISSION'S REPORT

"Exhibits 3, 4, 5, 6, 7" of the Industrial Commission repre-
(93)

sent the operations and conditions of the Mill and Elevator Association at December 31st, 1920. There was prepared and

submitted a consolidated statement of the Mill and Elevator Association at said date based upon said reports and exhibits and the same is submitted following:

(94)

**STATEMENT OF
MILL & ELEVATOR ASSOCIATION**

December 3, 1920.

Based on Report of the Industrial Commission of
North Dakota filed in office of Secretary of State.

RESOURCES:

Cash, Detail 1.....	\$ 648.42	
Mdsc. Inventories, Detail 2.....	61,176.49	
Accts. Receivable, Detail 3.....	10,082.58	
Equity-Co-Op. Exchange	2,432.12	74,350.61
	<hr/>	
Claims vs Soo Line.....	301.93	
Prepaid Fire Ins.....	1,777.61	
Plant & Equipment, Detail 4.....	950,067.88	952,147.42
	<hr/>	

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STATEMENT OF MILL & ELEVATOR ASSOCIATION (Cont.)

DECEMBER 31, 1920

Based on Report of Industrial Commission of North Dakota

FILED IN OFFICE OF SECRETARY OF STATE

LIABILITIES

Bills Payable, Bank of N. Dak	\$ 650,000.00	
Accounts Payable	2,328.30	
Interest Payable	10,494.16	
	<hr/>	
Bank of N. D. Overdraft 5	187,028.50	\$ 849,840.96
Bonds Executed	120,300.00	
Bonds in Treasury	95,200.00	
Bonds out		25,100.00
Interim Receipts issued account Bonds sold		60,000.00
State of N. D. term EL. FD.....		124,322.47
Deficit, Detail 6.....	32,756.40	
	<hr/>	
	\$1,059,263.43	\$1,059,263.43

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CASH BALANCE

Fargo Office	\$444.03
Drake Mill	194.39
Grand Forks Office	10.00
	<hr/>
Amt. to Statement	\$648.42

Detail 2.

MERCHANDISE INVENTORIES

Drake Mill—

Grain:

Wheat	4563.39	
Screenings	713.49	5,275.68

Grain Products:	
Bran	1,087.50
Cereals	54.50
Shorts	3,562.35
Flour	15,793.35
	<u>20,497.70</u>
Consigned Merchandise	29,861.72
	<u>55,635.30</u>
Total Grain and Grain Products	
Mill Supplies:	
Sacks	4,371.19
Supplies	1,000.00
Coal	170.00
	<u>5,541.19</u>
Amt. to Statement	61,176.49
	(97)

Detail 3.

ACCOUNTS RECEIVABLE

Drake Mill	28,688.54
	<u>28,688.54</u>

Detail 4

PLANT AND EQUIPMENT

Darke Mill	28,688.54
Grand Forks Mill	921,379.34
	<u>950,067.88</u>

Amt. to Statement	950,067.88
	(98)

Detail 5.

BANK OF NORTH DAKOTA OVERDRAFT

Fargo Office Overdraft	203,190.91
Less Drake Mill Balance	16,162.41
	<u>187,028.50</u>

Net Overdraft to Statement.....	187,028.50
---------------------------------	------------

Detail 6.

DEFICIT ACCOUNT

Drake Mill	17,668.31
Fargo Office Expense	15,088.09
	<u>32,756.40</u>

Amt. to Statement	32,756.40
	(99)

DISCUSSION OF STATEMENT:

It appears from the foregoing statement, and its supporting details that the ledger values of the Drake Mill plant and equipment was \$28,688.54 as compared with the estimated detail attached to the Trust Deed and hereinbefore referred to and stated as amounting to \$35,627.45.

Attention is also invited to the fact that the personal property of the Drake Mill aggregates \$74,359.61, as compared to the property pledged under the original bond issue as being \$84,724.00.

Reference is also made to the deficit from operation shown by the statement above, which amounts to \$32,756.40, of which the Drake Mill contributed \$17,668.31, and the Fargo Office \$15,088.09.

This deficit does not take into consideration the possible losses upon consigned merchandise inventoried at apparently high rates and prior to the reduction in price of wheat.

The deficit does not include the contingent loss on open trades at December 31st. This on something like 13,000 bushels of wheat sold for March delivery. See "Exhibit 4" Industrial Commission Report.

The Industrial Commission report on the Drake Mill sub-
(100)

mitted no details with regard to the Accounts Receivable, the aggregate being \$10,082.58, and there is no information obtainable as to whether or not these accounts are fully realizable.

GRAND FORKS CONSTRUCTION

"Exhibit 7" of the Industrial Commission Report submits the information with regard to the outlays for the construction of the Grand Forks Mill as follows:

Labor	\$250,483.83
Materials, net	515,430.95
Sundry Contracts	108,619.11
Advances on Materials	17,479.11
Spur Track	13,280.00
Advances, railroad fares, etc.,.....	478.91
Sundry Expenses	59.50
H. O. Paulson, Salary	1,974.91
H. O. Paulson, Expense Traveling.....	78.76
Interest paid	13,494.16

\$921,379.34

PRODUCTION OF DRAKE MILL

Reference is made to "Exhibit 5" of the Industrial Report, where it is stated:

"The Drake Mill, during 1920, while running manufacturing approximately 500 barrels of clear flour per month. Due to little or no demand for clear flour during the market collapse, the Drake mill was forced to carry on hand and on consignment about 2500 barrels of clear flour. This represents about
(101)

12,000 bushels of manufactured wheat. During this period stocks accumulated in all mills and immediately prices on clear flour fell much lower proportionately than prices on wheat and nearly every mill suffered heavy losses on stocks on hand. In the face of such a condition, hedging with options on wheat was insufficient protection since the price of clear flour fell more heavily than the price of wheat. Clear flour represents about twenty per cent of the flour output of the Drake Mill, so the losses resulting from the above condition affected about twenty per cent of the total flour production.

Between July 15th, 1920, and September 13th, 1920, no options were sold to cover wheat and flour on hand and no consignment resulting in a loss due to the fall in the price of wheat.

Attention is called to the small manufacturing profit upon the investment and the reasons therefor.

One of the contributing factors to this is the fact that the mill paid from nine to twelve cents above the market for local wheat receipts, local wheat receipts representing approximately forty-two per cent. of the total wheat ground. The pur-

pose of the purchase and operation of the Drake Mill was to learn whether wheat could be purchased for the Minneapolis
 . (102)

price less freight while others were deducting an additional nine to twelve cents per bushel for margin or profit and expenses and still operate the mill and produce a manufacturing profit.

COMMENTS:

It would appear from the foregoing that indifference and inexperience appear to contribute to the financial results as well as dealings made in unprotected contract relations.

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CONSIDERATION OF SCANDINAVIAN-AMERICAN BANK OF FARGO

CONTROL

From the evidence it appears that William Lemke and A. C. Townley, and their associates, gained control of the Scandinavian-American Bank through one of their corporations known as the League Exchange. This corporation acquired sufficient stock in said bank to dominate the institution.

MANAGEMENT

After securing control as aforesaid, the management of the bank was intrusted by Lemke and Townley to J. J. Hastings, who was selected originally as Vice President, H. J. Hagen as President, Spurgeon O'Dell, who was a director, and H. H. Aaker, of Grand Forks, who was a director, and others directly connected with League transactions.

THE GENERAL CONDUCT

Thereafter the general conduct of the bank may best be described as a conduit conveying and carrying the public funds from the Bank of North Dakota, in and through the Scandinavian-American Bank, into the Nonpartisan League and activities associated with the League. This is evidenced, as will later appear, by the rapid making of loans to the Nonpartisan League and associated corporations.

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This bank became intimately associated immediately with the following League banks, the stock in most of which was held by it as collateral to League Loans:

The Security State Bank of Courtenay.
 Peoples State Bank of Hillsboro.
 Peoples State Bank of Grand Forks.
 Peoples State Bank of Casselton.
 Prosper State Bank of Prosper.

EXAMINATION BY BANKING DEPARTMENTS.

In April, 1919, Deputy Examiner, P. E. Halldorsen, made an examination of the Scandinavian-American Bank and reported its condition as serious, its loans as excessive, and its connection with the League enterprises as intimate, to the State Banking Board. In September, 1919, Mr. Halldorsen again examined this bank and as of September 6th, 1919, reported, among other things, that the bank was carrying the following excessive loans:

Nonpartisan League	\$129,148.55
Consumers United Stores Company ...6.....	194,675.71
The League Exchange	66,182.24
The Publishers National Service Bureau.....	47,952.06

United States Sisal Trust	12,000.00
Danielson Brothers	22,782.16
A. M. Grosvenor	18,066.33
Hagerty Line	47,088.00
Porter Kimball Line	15,082.45
Knaack Line	23,000.00
P. J. Jahnke,	9,538.89

Making a total of\$585,416.39

The trial balance of that date shows that the total loans and discounts of this bank were \$1,144,910.15, so that more
(105)

50 per cent of the loans and discounts consisted of the foregoing League paper.

Mr. Haldorsen severely criticized the above loans, and among other things said:

"The total of past-due paper has nearly reached the \$200,000 mark. Heavy losses are unavoidable."

Again he said in his report; considering the Knaack deal:

"This deal I consider a twin brother to the Hagerty deal. As a matter of fact, Knaack used to be one of the principal members of the Hagerty ring of "high financiers." Knaack died recently and there appears a strong rumor that he committed suicide."

He further stated:

"At the present time the bank is carrying the league and other allied concerns for the sum of \$437,958.56. In this connection, it might be well to state that on August 15, 1919, the Scandinavian-American Bank had on deposit in the Bank of North Dakota \$10,628.95. This was increased up to September 2, 1919, \$250,- 076.76, and the amount of redeposit was thereafter maintained above the \$200,000 mark."

On September 27, 1919, Halldorsen made another examination of the Scandinavian-American Bank, with the result that the same was closed. In his report on this examination, dated September 27, 1919, he listed the following excess loans:

(106)

Consumers United Stores Company	\$170,000.00
National Nonpartisan League	148,824.26
League Exchange	66,182.28
Publishers National Service Bureau	47,950.06
H. D. Hagerty deal	47,088.98
Danielson Brothers	33,088.98
Knaack deal	23,000.00
The Valley Silo	22,200.00
M. J. Miller	20,861.50
A. M. Grosvenor	29,426.33
Porter Kimball Line	15,066.57
More Brothers Corporation,	13,462.50
William B. Shult	11,324.00
U. S. Sisal Trust	12,000.00
O. K. Hanson	16,847.89
P. R. Sherman, cashier	12,998.50
H. J. Hagen, president	10,069.97
E. J. Wheeler	9,159.78
M. G. Myhre	9,129.31
P. C. Jahnke	9,523.89

Total\$734,194.82

In addition to that he found that the Courier-News Co. had excessive loans in the amount of \$5,300.00.

The total of loans as shown by the trial balance of that date was \$1,203,488.86. The excess loans, above listed, amounted to 60 per cent of the total loans and discounts.

In this report Mr. Halldorsen gave a detailed description of the Industrial excess loans listed above. With reference to the Consumers United Stores Company, he says:

"This line of credit is extended through a system of individual loans to twenty-three individuals. The individual paper is given for accommodation purposes only and is secured by notes representing farmers liabilities."

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With reference to the Nonpartisan League loan in the sum of \$148,824.26 he says:

"The same condition attends the extension of this line as was explained in the Consumers United Stores Company line."

Mr. Halldorsen's final recommendation with reference to this bank was as follows in the report above referred to:

"Beyond any question of a doubt from the condition above described, and for the reasons contained in this report, we are of the opinion that the Scandinavian American Bank is insolvent."

As a result of this examination and the report and recommendation above mentioned the bank was closed. Immediately Messrs. Lemke and Townley caused an action to be commenced in the Supreme Court to re-open this institution, and in that action caused to be presented to the Supreme Court a purported report on the condition of said bank, as of October 2, 1919, prepared by one Thatcher, an accountant, who, the record shows had long been employed by the League and its allied concerns. Both Thatcher and Lofthus, the State Examiner, when testifying before this committee, in substance conceded the gross deception practiced by them upon the Supreme Court by their report. Their method of explaining and dealing with the Sisal Trust Loan is typical of such deception.

With reference to this loan Mr. Halldorsen, in his report of September 27, 1919, said:

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"This loan consists of three notes signed by the U. S. Sisal Trust, by J. R. Waters, President, and represents an obligation acquired by the bank from the above corporation, which is as yet without a license from the Blue Sky Board to do business in this state. It amounts to \$12,000 in all, is excessive, without collateral of any kind for security, and has no right to be in the bank at all, to say nothing of being excessive. This is one of the wildest pieces of banking displayed by our survey."

Thatcher, in his showing to the Supreme Court, said as follows:

"U. S. Sisal Trust, \$12,000.00. This loan should be removed."

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In his supplemental report to the Supreme Court filed October 22, 1919, Thatcher spoke of this loan as follows:

"The Sisal Trust loan is shown as outstanding and unpaid in the financial statement that is submitted.

These parties have, at just the hour this report is being made, paid their notes in full, \$11,000."

The fact appears to be that the loan was not paid, but that J. W. Brinton, who was then connected with the United States Sisal Trust, put up his personal check for approximately \$11,000 on the Mercantile State Bank of Minneapolis, in which bank Brinton then had no funds with which to meet the check in question. The check was accepted by Thatcher and Lofthus with the understanding that the same would be held until Brinton could collect enough money from farmers to deposit to cover. The check was in fact not paid until November 3, 1919. Both Lofthus and Thatcher substantially admitted the falsity of this representation when testifying before this Committee.

Lofthus declined to answer a question relative to the Sisal Trust transaction, on the ground that if he did so it might tend to incriminate him. Thatcher attempted to evade the question and shouldered the blame on Lofthus and others. That the deception was willful admits of no doubt.

The following analysis best illustrates the method adopted by Thatcher in the following report:

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SCANDINAVIAN-AMERICAN BANK

Fargo, N. D.
RESOURCES:

	9-27-19	10-14-19	Increase.	Decrease.
	Bank Examiner	Thatcher.		
Loans and Discounts	\$1,203,486.86	\$1,034,760.43	\$	\$168,726.43
Overdrafts	8,933.12	3,925.35		5,007.77
Bonds, Warrants, etc.,	56,863.73	66,623.73	9,760.00	
Banking House F. & F.	20,644.80	18,000.00		2,644.80
Due from Bank App'd Agts	200,300.24	287,228.47	86,928.23	
Other Real Estate		1,452.25	1,452.25	
Coll'n in Transit	6,630.61	2,929.72		3,700.89
Cash Items	20,344.47	987.04		19,357.43
Cash	26,249.32	18,310.56		7,938.76
Accrued Int. not on books		29,023.02	29,023.02	
	<u>\$1,543,453.15</u>	<u>\$1,463,240.57</u>		<u>\$ 80,212.58</u>

(111)

LIABILITIES

	9-27-19	10-14-19	Increase.	Decrease.
	Bank Examiner	Thatcher.		
Due Banks	\$ 616,571.89	\$ 602,687.61		\$ 13,884.28
Demand Deposits	380,146.55	298,552.00		81,594.55
Time Cts.	432,090.35	425,615.56		6,474.79
Savings Depts.	28,511.75	29,053.07		458.68
Certified Checks	704.39	614.65		89.74
Cashiers Checks	27,402.56	25,113.63		2,288.88
Cash Overage	140.13			140.13
Int. Payable (not on books).....		11,220.58	11,220.58	
Capital Stock	50,000.00	50,000.00		
Surplus	6,885.53	20,383.42	13,497.89	
Undivided Profits				
	<u>\$1,543,453.15</u>	<u>\$1,463,240.57</u>		<u>\$ 80,212.50</u>

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SCANDINAVIAN-AMERICAN BANK

Int. Increase	\$20,023.02	
Int. Decrease	<u>11,220.58</u>	
Net Int. Increase	17,802.44	
Surplus Increase	13,497.89	\$6,885.55
Net Loss	\$ 4,304.55	4,304.55
		<u>\$2,580.98</u>
Prev. Surplus.....	\$6,885.53	
Prev. Surplus.....	2,580.98	exclusivex of int. computation
Loss for Period.....	\$4,304.55	

(113)

But the most shameful attempt to deceive by false accounting was shown by Thatcher's method of figuring reserve as shown in his supplemental report. After considerable juggling of figures, he says in his report, with reference to the reserve:

"The reserve is \$142,500 over the requirements."

Upon examination before this Committee he admitted that the legal reserve of the Scandinavian-American Bank at that time was in fact \$243,942.84 less than no reserve at all.

In this connection it is interesting to note that, according to the report the Examiner made of this bank on April 22, 1920, a great amount of objectionable paper heretofore listed was still found in the bank. It is further worth noting that the bank is now closed and in the hands of a receiver.

Consideration is invited to this fact, that much of the paper criticized by Mr. Halldorsen, or the paper of individuals criticized by him in the Scandinavian-American Bank in September, 1919, was at the time of the Audit Report, December 3, 1920, found in the Bank of North Dakota as collateral to loans made by the Bank of North Dakota to the Scandinavian-American Bank. Among other paper found there was

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the paper of The Valley Silo Company, A. M. Grosvenor, the Porter Kimball line, H. J. Hagen, E. J. Wheeler, M. J. Myhre, P. C. Jahnke, H. Ellis, O. N. Hattlie.

As a typical and illustrative instance of the method of financing adopted by these gentlemen may be mentioned the Bering Sea Fisheries note. The Bering Sea Fisheries was a concern in Seattle, Washington, in which H. J. Hagen, president of the Scandinavian-American Bank, was reputed to be interested. This note of approximately \$5,000.00 first appeared in the People's State Bank of Casselton. Later this note, or a renewal thereof, was found among the assets of the Scandinavian-American Bank, and still later, on the 3rd of December, 1920, the date of the Audit Report, the Bering Sea Fisheries note of \$5,000.00 was found among the assets of the Bank of North Dakota as collateral to a loan to the Scandinavian-American Bank. Instances of this kind might be multiplied if time and space permitted. The record discloses a large volume of practically worthless paper passed on from the Scandinavian-American Bank of Fargo to the Bank of North Dakota as collateral to the extraordinary loan made by the Bank of North Dakota to the Scandinavian-American Bank.

COMMENTS

The whole history of the operation of the Scandinavian-
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American Bank, from the time the control thereof came into the hands of Messrs. Townley and Lemke, demonstrates a design on their part to use the bank for the purpose of financing League activities, and to use their influence with the administrators of the Bank of North Dakota to transfer to the Scandinavian American Bank large amounts of public funds for the purpose of aiding this nefarious financial scheme, the result being that on January 19, 1921, the Bank of North Dakota had on deposit with the Scandinavian American Bank the sum of \$229,883.05, and had loaned to the Scandinavian American Bank the additional sum of \$175,189.81, making a total liability due from the Scandinavian-American Bank to the Bank of North Dakota of \$405,072.86.

The transactions between these two institutions is so sordid and in such base violation to public trust that it is difficult for the committee to discuss the same with proper moderation.

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CONSIDERATION OF STATE EXPERIMENTAL
CREAMERY

AUTHORIZATION:

This activity is brought into life through Chapter 129 of the 1919 Session Laws, wherein the Commissioner of Agriculture is authorized to contract with any persons, partnership or corporation for the purpose of conducting and managing the operation of a creamery known as the "State Experimental Creamery."

Contract limit being—five years.

Requires Commissioner of Agriculture to keep a detailed record of all operations and to report the result of all activities or experiments to the association.

Section 2 requires concerns operating creameries, cheese factories, renovating or process factories, or condensaries within the State, or those outside on the first day of July, 1919, and every three months thereafter to report to the Commissioner the number of pounds of butter fat produced or received during the preceding three months, and further required that all such firms remit with such reports to the Commissioner 50c (fifty cents) for every one thousand pounds of butter fat so produced or received.

Section 3 requires the Commissioner to deposit taxes collected under the provisions of this act with State Treasurer,

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as a fund to be known as "Experimental Creamery Fund."

Section 3 limits the expenses incurred in conducting such creamery to the amounts collected and deposited in such fund.

REPORT OF EXPERIMENTAL CREAMERIES.

There was filed with the Secretary of State a statement purporting to be a report of the Experimental Creameries covering the period July 1st, 1919, to January 25th, 1921. This report indicated that total collection from sales and taxes aggregated \$17,592.60, and that the payments made from said collections aggregated \$8,819.47, and that at January 25th, 1921, there remained on hand and unexpended the sum of \$8,775.13.

Such report contained no inventory of supplies or equipment on hand at the date of the report.

The report indicated the source of the collection but gave no dates or particulars as to the amount realized from sales or taxes.

The report contained a list of warrants paid, giving the date, to whom paid, and the amount, and in a few instances was a brief expression as to the character of the payment.

SUMMARY OF CREAMERIES REPORT.

An analysis was made of the Creamery Report classifying
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the payments into wages where they were stated to be such and the other expenditures generally classified. Such analysis is submitted following:

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**SUMMARY REPORT
THE EXPERIMENTAL CREAMERY**

Summary of Warrants Paid June 4, 1920—Jan. 18, 1921.

Wages stated as such:

L. Heslerud, manager, Werner..	\$1,625.00	
J. H. Smith, buttermaker, Werner	479.78	\$2,104.78
<hr/>		
Jno. Dugstad, manager, Killdeer.....	\$ 875.00	
F. E. Hammel, manager, Dunn Center....	875.00	
Constance Phelen, stenographer.....	268.50	\$4,123.20
<hr/>		
Creamery Package & Mfg. Co.....		1,516.34
N. P. Ry., June 9, 1920.....		32.94
Berringer Auto & Supply Co., 9-23-20....		780.00
Sundry Payments		2,366.94
<hr/>		
		\$8,819.50
No details as to receipts from sales and taxes....		17,592.60
<hr/>		
Balance in fund		\$8,773.10

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REMARKS:

"A" An unlocated difference of 3c appears in report of Experimental Creamery.

The listing of Warrants foots \$8,819.50 instead of \$8,819.47.

"B" No inventory of property owned accompanies the report.

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COMMENTS

There is no indication that the Commissioner of Agriculture keeps a detailed record of all operations and there is no indication in the Experimental Report of any contracts made relative to conducting and managing the operations of the creamery. It is to be regretted that an important industry to the State and to the Farmers of the state should be so lightly considered and that there should be an utter failure to develop information, which would prove of interest and value concerning the Experimental development of creameries in the State of North Dakota

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CONSIDERATION OF THE WORKMEN'S
COMPENSATION BUREAU

THE LAW

Chapter 162 of the Laws of North Dakota of 1919, beginning at 258 thereof, contemplates "Creating the North Dakota Workmen's Compensation Fund for the benefit of Employees injured and the dependents of employees killed in hazardous employment; fixing the duties and liabilities of employees and employers; creating the Workmen's Compensation Bureau and prescribing its duties and powers; providing for expenditures hereunder and limiting thereof, and making appropriations therefor."

THE EXAMINATION

Without going into details of the insurance features of this act the work of the investigation by this Committee related exclusively to a review of the published report of the Bureau charged with the responsibility of the administration with this Fund. In this connection reference is made to public document No. 12, which is the First Annual Report of the Workmen's Compensation Bureau for the year ending June 30, 1920, and signed by

J. N. Hagan, Chairman,
S. S. McDonald, Commissioner
S. A. Olsness, Commissioner,
C. A. Marr, Secretary.

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THE STATEMENT

At page 5 of this report is submitted a General Statement concerning the North Dakota Compensation Fund as of July 1st, 1920, this report is represented as covering the twelve months period dating from July 1, 1919, to July 1, 1920, as to everything except administrative expenses, which covers the fifteen months period from April 5, 1919, to July 1, 1920.

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The statement is as follows:

	1920, Financial Statement		
RECEIPTS:			
Premium	\$	\$534,466.23	\$
Interst		4,751.93	539,218.16
DISBURSEMENTS:		69,368.01	
Claim payments		49,083.32	
Administrative expenses		2,439.87	
Refunds		691.89	\$121,603.09
Returned checks			;17,615.07
Excess of Income over Disbursements	425,837.41		
Cash in hand of State Treasurer	2,522.91		
Cash on deposit with Bismarck Bank	154.30		
Cash on hand		429,544.62	
Outstanding Warrants		11,929.55	\$417,615.07
Total estimated liabilities as of July 1, 1920, computed upon the basis of March 1, 1920, financial statement, (inclusive of unearned premium)		317,000.00	
Statutory surplus provided by law		52,106.88	
Estimated general surplus, computed on basis of March 1,.....		48,508.18 (124)	\$417,615.07

FRIDAY, MARCH 4, 1921

And in addition at page 6, of the report the Bureau are set out as addenda.

"A" detailed statement of Item under Headings of Administrative Expense as shown in Item No. "52"

Salary	\$31,674.09
Furniture and Fixtures	5,554.81
Office Supplies	1,824.20
Printing	5,353.95
Postage	2,489.72
Traveling	1,355.21
Telegraph and Telephone	206.25
Rent	1,300.00
Surety Bond	560.00
Freight, Express and Dray	148.54
Fire Insurance	70.63
Electric Light	85.22
Miscellaneous	280.71
	\$49,083.32

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In explanation of the statement the Commissioners make reference to the same as follows: "It is the function of the following, March 1, 1920, Financial Statement, to present the financial condition of the Fund, based upon elaborate and detailed computations. The above July 1, 1920, statement is only a general statement. But care has been taken to insert the few preceding paragraphs in order that the important items of deferred liabilities and unearned premiums not be lost sight of. In other words, after allowing for the two important items of deferred liabilities and unearned premium, the total surplus of the Fund, computed upon the basis of the March 1, 1920, Financial Statement, is approximately \$100,000, approximately \$50,000 of which constitutes the statutory surplus as provided by law."

CONNECTION WITH BANK OF NORTH DAKOTA

As no examination was made of the Bank of North Dakota June 30th, 1920, no comparison could be made to a reconciliation of the moneys reported on hand at said date by the Commissioners with the deposits in the Bank of North Dakota. However, and at December 3, 1920, the Audit Report being Exhibit 19, at Detail 161 thereof, disclosed that there was on deposit in the Bank of North Dakota on said December 3,

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the following monies of the Workmen's Compensation Bureau:

General Account	\$444,377.11
Sinking Fund Account	355,983.33

800,360.44

AUDIT REPORT

With regard to the examination required to be made under the provisions of the Initiative Law requiring the examination of State Industries, the examiners employed upon that work report the following:

"Agreeable with instructions, we made a preliminary survey of the books and records of the Workmen's Compensation Bureau of the State of North Dakota, covering the period from July 1, 1919, to December 14, 1920."

"owing to the large volume of transactions recorded, numbering approximately 15,000 items of cash receipts, and approximately 8,000 items of cash disbursements, and to the matter of filing duplicate receipts and vouchers, and to the fact that no ledger was maintained, we deemed it impossible to properly perform and complete an adequate examination with the limit of time imposed. We so advised the State Board of Audit, and were instructed to omit such examination."

COMMENTS

It is to be regretted that the report of the Bureau bears no
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evidence of having been audited and that no detail of salaries paid or list of property owned accompanied their report.

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CONCLUSION

These impractical theorists have launched the State into an orgy of financial excesses and delirium of socialistic experimentation, born in hate and nurtured in prejudice, the results of which are such that it will require years of conservative, practical administration of public affairs to eliminate the nefarious consequences resultant therefrom.

It is not for this Committee to pass upon the questions pertaining to the violations of the criminal laws of this State. The evidence taken at this investigation is submitted herewith and will, therefore, be available to the State Attorneys of the counties involved, and the questions involving the criminal features would be properly a subject for grand jury investigation therein.

These theorists have had a wonderful opportunity to demonstrate their use in practice in North Dakota, an opportunity to prove to the world their claim of far-reaching benefit and values of their contentions. What do the results show?

North Dakota is a pitiful object lesson to the world as to what greed, dishonesty and faithlessness to a great trust,

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combined with misguided theories of government, can accomplish.

The representatives in office of these proponents are not fighting lies. They would welcome lies. They are contending with the power of truth about themselves. The knowledge of their own weakness inspires their zeal to dispel the light of truth by a shade of hatred and prejudice, and attempt to shield their own transgressions by construing criticism of their own misconduct as attacks upon the constituency which they have claimed to represent.

The Committee recommends that the State confine its business activities to those matters which are, in their nature at least, quasi governmental in character, that it awake from its socialistic dream of empire, independent of its neighboring states; that it brand as "quack" the remedies for industrial injustice that have been recommended as the panacea for all ills, and confine itself to a specific remedy for each specific injustice that may become apparent in the body politic that it divorce itself from the false prophets whose leadership has ousted it from a place of honor among the states of the Union; that it, in its efforts to accom-

plish these results, a "major operation" is necessary, that
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it provide itself with the anaesthetic, submit to the operation with the certain knowledge that its youth and native strength and latent power of recuperation will soon fit it for the stimulant that will permit to recall its present pitiable plight as an experience, valuable only as an example to posterity.

Respectfully Submitted,

HOUSE AUDIT COMMITTEE

M. O. Grangard, Chairman,

D. E. Shipley, Secretary,

John T. Freeman,

Andrew Johnson,

Adam Nagel

C. A. Ulland.

Bismarck, N. D., March 4, 1921.

RECORD OF INVESTIGATION CONDUCTED BY AUDIT
COMMITTEE OF HOUSE OF REPRESENTATIVES OF
THE SEVENTEENTH LEGISLATIVE ASSEMBLY OF
THE STATE OF NORTH DAKOTA.

FEBRUARY 2, 1921.

The audit committee of the House of Representatives met at the courthouse in the city of Bismarck, Burleigh county, North Dakota, at 9:30 a. m. February 2, 1921. Meeting called to order by chairman. All members of committee present, together with the attorneys for the committee, Francis Murphy, Esq., and John F. Sullivan, Esq.

Mr. Murphy: I would ask that the reporter be instructed to procure a copy of the original resolution appointing this committee and incorporate it in the opening of the record.

"RESOLUTION."

WHEREAS, the House is advised that the audit of the state bank and state industries prepared by Bishop, Brissman & Co. under the provisions of the initiated law passed at the November, 1920, general election, will shortly be available to the House; and

WHEREAS, such report of such audit will necessarily be voluminous and comprised of hundreds of pages of printed matter and figures, needing and requiring examination and verification; and

WHEREAS, many matters disclosed by such audit will

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undoubtedly require other and further information and data with respect thereto, to a clearer understanding and appreciation of the exact condition of such industries by the members of this House and the people of the state; and

WHEREAS, it will be entirely impractical for the House as a body to make further investigations as shall be necessary and to procure such information and data as shall be desirable and required;

THEREFORE, BE IT RESOLVED, that the Speaker of the House appoint a special House committee to consider such audit and to procure such further information and data, such committee to consist of nine members of this body; the said committee to be authorized and empowered to procure such legal assistance, such accounting experts and such other expert and other aid and assistance as they shall deem necessary and advisable to the verification and checking of such audit and to the procuring of any and all further information respecting the condition of our state bank and other state industries; that such committee shall have the power to summon witnesses and require their testimony under oath, if the committee so decide, take testimony of and require the giving of any information that will aid them in

(2)

their work, by an official or employee of any department, institution, or industry of the state and from any official or citizens of the state, and shall have the power to require

any and all books and records of any department, institution, industry or official of the state, or of any citizen of North Dakota, or of any corporation doing business within the state, to be produced before it for examination with respect to any matters concerning the state bank and our state industries.

Such committee to be further authorized to have printed such number of copies of such audit, if any, as they deem necessary for the use of members of the Legislative Assembly.

Mr. Murphy: You will call Mr. W. A. Anderson.

W. A. Anderson, having been called as a witness, was duly sworn and testified as follows:

Mr. Wm. Lemke: Let the record show that the attorney general, representing the executive department of this state and the governor of this state and the witness, for the state of North Dakota, and for the executive department and the governor of this state.

Chairman: I will inform the gentleman that under the rules as adopted by this committee no witness can appear in any other manner than in person.

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Mr. Wm. Lemke: I wish to take an objection to that rule as unconstitutional, unlawful, arbitrary and not conducive to the best interests of this state, and, since this investigation is an attempt to usurp the executive power of this state, that I wish to reiterate that I am here as attorney general of this state representing the executive department of the state and that I insist upon the right of cross examining this witness and assist in every way possible to get the facts and the truth about these institutions that are to be investigated before the public.

Mr. Murphy: I understand the chairman has made the ruling and I assume you will abide by it. You have made all the record you want?

Mr. Lemke: Yes, I have made the record, and I shall protect the best interests of the state from time to time as I see fit and continue to keep making my record.

Mr. Murphy: Of course you ought to be permitted to make all the record you want right now, but we will request the committee not to permit continual interruptions for the purpose of making speeches into the record.

Mr. Lemke: At this time we ask to have the record show that we ask to have our stenographer so that a truthful and honest report of this proceeding may be had.

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Mr. Murphy: Of course that intimates that perhaps ours won't be.

Mr. Lemke: No, but there might be mistakes.

Mr. Murphy: But will say to the chairman that I don't know just exactly who Mr. Lemke represents when he uses the word "ours" but if he wants to procure a stenographer of his own and go to the expense of it, this is a public hearing and he has a perfect right to make transcripts of it, except when we go into executive session.

Examination of Mr. Anderson by Mr. Murphy:

Q. Your name is what? A. W. A. Anderson.

Q. What is your business? A. I am an attorney.

Q. At present what are you engaged in? A. Assistant attorney general of the state of North Dakota.

Q. Prior to that what was your business? A. Secretary of the Industrial Commission and attorney for the Bank of North Dakota.

Q. Mr. Anderson you were secretary of the Industrial Commission at the time of its organization? A. No sir.

J. Who was your predecessor? A. Mr. Oliver Morris.

Q. You know where Mr. Morris is? A. I don't.

Q. How long did you act as secretary of the commission?

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A. From October 1st, 1919 to January 1st, 1921.

Q. Do you recall at this time when the commission was originally organized? A. I do not.

Q. As secretary, I assume it was your duty to have the custody of all the books and papers and records of the commission? A. Yes sir.

Q. Do you recall at this time whether the commission kept a book known as a minute book? A. Yes sir.

Q. And there was entered in that minute book, I assume, the minutes of all the meetings of the commission? A. Yes sir.

Q. That book is in the custody of your successor? A. Yes sir.

Q. Who is your successor? A. Mr. H. A. Paddock.

Q. He is now secretary of the commission? A. I so understand.

Q. Mr. Anderson, there was kept also, a record, I assume, by this commission of all by-laws or rules adopted for the guidance of the various state industries among the records of the commission? A. Yes sir.

Q. Each separate rule or by-law or instruction that the commission adopted for the guidance of these institutions was kept there in the office of the secretary? A. Everything that the commission did was kept as a matter of record.

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Q. Were those rules printed or were they typewritten?

A. Everything was typewritten.

Q. And those also I assume would be in the possession of your successor, Mr. Paddock? A. I assume so.

Q. Have you in mind now any other or further records or books kept by the commission which have to do with what is known as the state industries? A. No sir.

Q. That about covers it? A. Yes sir.

Do you recall how often the commission would meet? A. Whenever there was business for them to do.

Q. Not regularly? A. No.

Q. I assume the commission also kept a book in which accounts of all moneys received and disbursed by it were placed? A. The only moneys disbursed by it were moneys that went through the state auditor's office.

Q. Through the state auditor's office? A. Yes sir.

Q. So it kept no separate book of account showing those things? A. No, excepting the minutes.

Q. As I understand the moneys were received in the form of appropriations? A. Yes sir.

Q. And the only record the commission had that would

show would be a minute record directing the expenditure

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of a certain portion of those appropriations? A. Yes sir.

Q. That is the fact, is it? A. Yes sir.

Q. How long have you been in North Dakota, Mr. Anderson? A. Since October 1st, 1919.

Q. That is when you commenced as secretary of the commission? A. Yes sir.

Q. And you continued down until January as secretary of the commission and attorney for the Bank of North Dakota? A. Yes sir.

Mr. Murphy: That is all for the present. We may want to recall you later, but you don't have to stay around in the court room. We will send for you if we want you.

H. A. PADDOCK, having been called as a witness, was duly sworn and testified as follows:

EXAMINATION BY MR. MURPHY:

Mr. Lemke: I wish to have the record show that I also appear for Mr. Paddock in the same relation as to Mr. Anderson.

Q. Your name is what, sir? A. H. A. Paddock.

Q. What is your business? A. I am secretary of the Industrial Commission.

Q. You are the successor of Mr. Anderson mentioned here? A. Yes sir.

Q. And how long since you have occupied that position?

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A. The date of my appointment was January 4th, I believe, and my qualification January 5th, if I remember correctly.

Q. 1921? A. Yes.

Q. Prior to that what were you engaged at? A. I was an attorney practicing law in the city of Fargo.

Q. Were you in any wise connected with the Consumers United Stores company? A. I was general counsel for the Consumers United Stores company.

Q. For about how long, Mr. Paddock? A. Well, I think about two years.

Q. Now Mr. Paddock, in your capacity as secretary of the Industrial Commission, I assume you are the custodian of its records? A. No, not all of them.

Q. What records are you the custodian of? A. I am only the custodian of the records of the business that passes through the office of the secretary directly.

Q. What business passes through the office of the secretary directly? A. All the correspondence which the secretary may or may not have with persons outside and with the members of the commission, and the records of the minutes of the commission, such vouchers as pass through there

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for their approval or rejection by the commission.

Q. You have then the minutes in your custody as secretary? A. The minutes are in my office in the Bank of North Dakota building in Bismarck.

Q. Will you produce those? A. I haven't them with me.

Q. Well, I assume you haven't, but will you produce

them? A. I have an order from the governor, that attorney general and the Commissioner of Agriculture and Labor, as members of the executive department, which was served upon me, ordering me not to produce any property, minutes, items, records or anything of the kind in my possession as an employee, but to permit such inspection as may be desired of them where they now are.

Q. In other words, I understand the position of the Industrial Commission is, under that order, that it will not submit for the examination of this committee any of its records? A. The order of the Industrial Commission speaks for itself and I can't tell you what it is.

Q. Have you that order here? A. Yes sir.

Q. Let's see it please. (Witness hands counsel document.)

EXHIBIT I.

Q. Mr. Paddock, this document which you have just handed me, and which is marked Committee's Exhibit 1, is the order that you have reference to on which you are acting?

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A. Let me see the exhibit and see how it is marked and I will tell you. (Counsel hands exhibit to witness.) This document marked Committee's Exhibit 1, C. C. W. and Ex. 1, C. C. W. is the one upon—

Q. Is the one upon which you were acting when you decline to produce the records of the Industrial Commission which happen to be in your possession? A. That is the order on which I am acting, yes sir.

Q. I note that this order intimates that if the records are produced the institutions would be compelled to suspend operation. Would you construe that to mean that if you brought the minute book here, the Industrial Commission would be forced to suspend its operation? A. The order leaves no option of construction.

Q. You construe it to mean then that the construction must come from the Industrial Commission? A. The order says that I shall not produce any of the documents listed or any of that property. It don't give me any option of interpreting it.

Q. Would you bring the minute book here and let us read that portion of it that is material and pertinent to this inquiry into the record? A. Mr. Murphy, the order orders me not to take it out of those institutions.

Q. Then I understand you decline to produce any of the

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records or books or papers in possession of the Industrial Commission pursuant to the subpoena served upon you? A. I cannot produce those without violating the order of the persons under whose control I am, and in whose possession that property is.

Q. And you will not do it? A. I cannot very well do it, no sir.

Q. And you will not do it? A. I say I cannot do it without violating that order and it is in their possession.

Q. I will ask you now, without construing this order, whether or not as a matter of fact the production of the minute book for the inspection of this committee in this proceeding and hearing would suspend the operation of the Industrial Commission or in any way interfere with it? A.

I am not prepared to pass an opinion upon the decision made by those in charge of the business.

Q. You misunderstand my question. I am not asking you to construe the order or decision of the commission. I am merely asking you from your own knowledge whether, as a matter of fact, the production of that minute book here would in any way suspend or interfere with the operation of the Industrial Commission? A. It might very seriously interfere with it for the reason that the Industrial Commission is at the present time holding very frequent meetings

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and it is necessary that they have that minute book to hold meetings whenever it becomes necessary to hold a meeting.

Q. They are holding one this morning? A. The Industrial Commission is not, so far as I know, this morning.

Q. Did they hold one yesterday morning? A. I couldn't tell you as to that. I believe they didn't. The record is the best evidence of when they held meetings.

Q. I assume it is. Well, as I gather it then, you decline to produce this book for the inspection of this committee?

A. That is not correct at all. The order is—

Q. Well, will you produce it? A. Just a second— The order is that I shall offer all the co-operation I can to this committee in inspecting the books where they belong in the institutions, and I am ready to do that.

Q. But you will not bring it here before the committee? A. I cannot do that because it is in the possession of the Industrial Commission and they have ordered me not to take it out of the institution in which it is.

Q. A subpoena was served on you Mr. Paddock requesting you to bring with you the records? There is a document here which is called subpoena which was handed to me by a man who said his name was Hendrickson.

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Q. What does it say? A. The document itself is the best evidence of what it says.

Q. All right let us take it and read it, if I can. It calls on you to bring all the books, records, statements of account, minutes and other record evidence as may disclose the transactions and proceedings of the Industrial Commission, does it not? A. That is a correct extract from the paper served upon me.

Q. I want to ask you one more question with reference to the minutes, and that is—I am asking you as a lawyer—I understand you are a lawyer—whether the records of the commission already had in the past, if they were produced here, that would in any wise interfere with the operations or cause the Industrial Commission to suspend or delay its operations, to give us the benefit of that knowledge? A. I am not prepared to pass an opinion upon the decision of the Industrial Commission. I can only obey their orders.

Q. I am not asking you for an opinion of their decision. I am asking you for your own opinion as to whether the production of the records of past transactions of the Industrial Commission, having no relation as to what they may be doing at present or in the future, but transactions past and closed, would in any way interfere with the operations of that commission? A. It might very seriously interfere.

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Q. How? A. For the reason that the only permanent

record of its action are the minutes and from them the future acts are governed by the previous action taken, and the record as showing how far they may have progressed in any matter they may have under consideration.

Q. Let us assume that the book is produced here and extracts pertinent to this inquiry are merely read into the record and the book not retained by this committee, but returned to you? A. I think the Industrial Commission would have no objection if the matter were put up to them to the record being brought here providing it was brought with the understanding that it would remain in the hands of the secretary and returned as soon as the copy is taken off. I say I assume they would have no objection. I have no authority to speak on their behalf.

Mr. Paddock, let me suggest, will you be kind enough to put that up to them and— A. If you will have the proposition submitted in writing I will present the proposition to them as soon as I can get them to convene.

Q. How long will that be? A. I cannot say as I must call upon the governor and attorney general and commissioner of agriculture and labor who have some ten boards

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to meet upon and whom I have to meet with whenever all three can get away at the same time.

Mr. Murphy: Mr. Chairman, I suggest, in order that no unfairness be disclosed and that we try to accommodate the executive officers of the state as much as possible that you direct the secretary of this committee to address a communication to Mr. Paddock, as secretary of the Industrial Commission, to communicate at once with the governor and attorney general and commissioner of agriculture as the Industrial Commission suggesting that the records and documents of the commission be produced here merely for the purpose of inspection and copies being made or read into evidence, with the understanding that the possession of the books, papers and documents are to be returned by the secretary or members of the commission, and that he give us his answer by 9:30 tomorrow morning.

Mr. Lemke: Isn't it one of your rules that all documents produced here will be made a part of the permanent record and retained by the committee. Now it is a matter of suggestion, and I would like to know whether that part is waived.

Mr. Murphy: We will not waive any rule but we will fix the rule so as to accommodate you people. We have no desire to retain your papers. All we want is to inspect the

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papers and make copies of what we need, and the rule will be taken care of so you will not be hampered, and I suggest, Mr. Chairman, that as we can't proceed except by beginning at the beginning that this letter request the gentleman to answer by 9:30 tomorrow and that this witness be excused until 9:30 tomorrow morning and we adjourn until that time.

Mr. Lemke: May I also suggest that the order of the Industrial Commission be introduced in evidence and made a part of the permanent record.

Mr. Murphy: We will use our own discretion in that matter. I haven't had an opportunity to examine it very fully and I will retain it as an exhibit and tomorrow morning will

bring it up here. I would suggest that the chairman notify all witnesses subpoenaed here for today that they will be excused until tomorrow morning at 9:30.

Chairman: All witnesses who have been subpoenaed here at 9:30 will report here tomorrow morning at 9:30.

Mr. Paddock: May I make a suggestion. I don't want to interrupt proceedings, but the witnesses you have subpoenaed here, the head of the Bank of North Dakota and the heads of two or three departments of the Bank of North Dakota—your action in that respect if you hold them here

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pending the testimony of other witnesses is hampering the operation of the bank.

Mr. Murphy: That is a very good suggestion, and it occurred to me last night and I will say to these gentlemen that we don't want to take their time, and if they will be kind enough, after being subpoenaed, to come upon telephone call that we will suggest to the chair that they be relieved of continuous attendance.

Mr. Paddock: I think they can answer best for themselves, but that will be perfectly satisfactory to us.

Motion made by Mr. Freeman and seconded by Mr. Nagel that the communication as suggested by Mr. Murphy be issued by the secretary to Mr. Paddock. Motion carried.

Chairman: We will then direct the secretary to transmit this communication to the secretary of the Industrial Commission.

Motion made by Mr. Johnson of Ward and seconded by Mr. Ulland that adjournment be taken until 9:30 a. m. February 3rd. Motion carried.

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FEBRUARY 3, 1921.

Pursuant to adjournment meeting called to order by the chairman at 9:30 a. m. February 3rd, 1921. Roll of committee called by secretary, all members being present, and all officials of the committee being present.

Record of minutes of previous meeting read by the secretary and approved.

Mr. Johnson of Steele: I notice in the records here that there is just a trifle more. Mr. Paddock was asked to give his answer at 9:30 tomorrow morning, but that is in the reporter's record, so I suppose it doesn't make any difference.

Chairman: Gentlemen, it has been suggested that we adopt a rule covering the failure to produce records. At the present time our rules cover only failure to appear and failure to testify. I take it that it will be necessary that we have some rule governing that particular procedure and a rule has been drawn and submitted as follows:

Rule 15½

In the event of the failure of any witness, duly subpoenaed, to appear and bring with him any books, papers, documents or records, and upon such fact being found by

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the committee, the chairman shall prepare a statement showing the following facts:

1. The issuance of the subpoena and the date thereof, together with a description of the books, papers, documents or records.

2. Service thereof upon such person, including the time and place of such service.

3. A statement of the time and place when and where such witness was by such subpoena directed to appear and produce such books, papers, documents or records.

4 The fact of his refusal to produce such books, papers documents and records.

Such statement shall be signed and certified by the chairman and attested by the secretary of the committee, and shall be filed with the Speaker of the House of Representatives of the state of North Dakota for such proceedings before said House for contempt as may be in accord with the rules of such House of Representatives."

Mr. Shipley moved the adoption of the rule 15 1-2 as read. Seconded by Mr. Freeman.

Roll being called Mr. Grangaard voted aye; Mr. Freeman voted aye; Mr. Weld, no; Mr. Hanson, no; Mr. Johnson of Steele, no; Mr. Nagel voted aye; Mr. Ulland voted aye, Johnson of Ward voted aye and Mr. Shipley voted aye, and the rule was declared adopted.

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H. A. PADDOCK, recalled as a witness, and having been therefore duly sworn, testified as follows:

EXAMINATION BY MR. MURPHY.

Q. Mr. Paddock, I want to ask you a preliminary question. How are the minutes of the commission kept, in a book or on separate sheets? A. They are kept in a bound book.

Q. Then I take it that when the minutes are originally made they are not entered directly into this bound book in long hand? A. The minutes are immediately written up after the close of the meeting and then are gone over at the following meeting by the members of the commission and approved or disapproved as written.

Q. Pardon me, I would like to direct your attention to the question. (Question repeated.) A. No, the only original minutes there are are the ones that are in the book.

Q. Notes are made, I take it, at the time of the meeting? A. Generally at the time of the meeting there is a completed record made, word for word, of the motion, and it is then written into the bound volume.

Q. That is what I wanted to get at. When the meeting is in session the secretary or whoever acts in that capacity

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makes the minutes of the motions or resolutions? A. Of course things are done in the usual manner.

Q. Of course, that is what I wanted to develop. So that the absence of that particular book from a meeting would not in any way interfere with the conduct of the meeting? A. Oh, yes, it would.

Q. You think it would? A. Yes.

Q. Have you got the minute book with you? A. In the first place, Mr.—

Q. Just answer the question? A. In the first place I was served—

Q. Wait a minute? A. Just a second—

Mr. Lemke: The witness may go ahead and answer the question in his own way.

Q. Have you got the minute book with you? A. I haven't it in my hands.

Q. Have you it in your possession in the court room?

A. I haven't it in my personal possession, no sir.

Q. Who has it? A. The situation is this—

Q. I ask that you answer the question. Mr. Chairman, the question is who has the minute book, and I submit that it should be answered. The witness should be required to answer the question.

Chairman: Please answer the question.

A. Mr. Chairman, this is a proceeding, according to your own rules not a trial, and you provide in your rules that this

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proceeding therefore will not be governed with the ordinary rules of a trial. Yesterday Mr. Murphy, your counsel addressed to me a certain statement, and it was the understanding that I had at the time I left this room that that statement was the basis on which I was asked to report here this morning. The notice served upon me did not in any way comply with that statement and I would like a copy or to have read the record of the motion which was made before your committee and which this statement says is a unanimously passed motion so that I may know whether or not this notice served upon me by your secretary is a true record of the motion unanimously passed by your committee. May I have that record—

Mr. Murphy: Mr. Chairman, this gentleman is called here as a witness. He ought not to be permitted to instruct this committee what it should do and should not do. It has been made very plain to him that the only thing we want him to do in the world is to bring public records before this committee, to-wit: the records of the Industrial Commission for the inspection and examination of this committee and I ask, Mr. Chairman, that the witness be instructed to answer the question and not make speeches upon the stand, so we may go forward with this examination.

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Mr. Paddock: I have already been informed by one member of your committee that he never voted for the resolution set forth in this notice served upon me, and I want it read for the purpose of ascertaining whether that statement is correct.

Mr. Johnson of Steele: I would ask that this be allowed:

Mr. Murphy: What is it you want read?

Mr. Paddock: I want the minutes of the resolution read upon which this notice served upon me by your Mr. Hendrickson was based.

Q. I would like to have you answer my question as to where the minute book is? A. Just a second, the chairman is here and this is the committee and I am asking for the privilege of having the minutes read.

Chairman: I consider the question asked by counsel relevant and I would ask that you answer the question.

Mr. Paddock: You refused to have this resolution read?

Chairman: That may be secondary at the present time. There is a question put to you as to where is this book, and any further consideration of these other matters may be left, until this question is answered.

Mr. Lemke: On behalf of the state, I ask in all fairness,
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and so this committee may appear to the public to act in perfect fairness, that we know whether or not that communication is the communication of this committee or whether it is from some interloper who doesn't represent the committee.

Mr. Murphy: I might say that it is the communication of this committee and signed by the secretary and you know it.

Mr. Witness, I would like to have you answer the question. You know perfectly well you are here as a witness and are required to do just one simple thing and that is to produce a public record, the minutes of the Industrial Commission for examination by the committee of the House of Representatives of this state and as a public officer it is your duty to do so. Now I want to see that record. Have you got it?

Mr. Johnson of Steele: There is a question here as to whether this gentleman was served with what was authorized by this committee.

Mr. Shipley: I will say for the information of the gentleman that he has been served and he was served with a communication which I signed as secretary of the committee.

Mr. Paddock: Mr. Secretary, are you willing to have the original motion read to ascertain whether it is a correct copy.

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Mr. Shipley: I am just one member of this committee.

Mr. Murphy: I suggest that we can't have order in this hearing unless you instruct this witness to answer the question and not permit the witness to dictate to the committee what it shall do or shall not do.

Chairman: The witness has been instructed to answer the question as asked by Mr. Murphy.

Mr. Johnson of Steele: I move you that the record of this meeting be read which covers that subpoena or that order.

Mr. Hanson: I second it.

Chairman: What particular part do you wish read Mr. Johnson?

Mr. Johnson of Steele: The suggestion of Mr. Murphy on page 16 at the top of the page.

Mr. Johnson of Ward: I move you that we proceed with getting an answer to the question asked, as that being the ruling of the chair, and if it is necessary to take up the reading of this communication that can be done after the question is answered:

Mr. Johnson of Steele: I call your attention to the motion and if you wish to vote it down vote it down.

Mr. Murphy: It is a remarkable proceeding if a witness

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can come in here and question the proceedings of this committee. We will never get anywhere if a witness can act as both lawyer and witness.

Mr. Paddock: Is that the reason you want to bar lawyers?

Mr. Murphy: We didn't bar you.

Mr. Paddock: You would like to.

Mr. Murphy: No, we are very glad to have you here. We subpoenaed you.

Chairman: There is a motion made by Mr. Johnson and seconded by Mr. Weld that that part of yesterday's proceedings with reference to the order to be directed to Mr. Paddock as secretary of the Industrial Commission be read at the present time.

The roll being called on the motion as put, Mr. Grangaard voted aye, Mr. Freeman voted no; Mr. Weld voted aye; Mr. Hanson voted aye; Mr. Johnson of Steele voted aye; Mr. Nagel voted no; Mr. Ulland voted no; Mr. Johnson of Ward voted no; Mr. Shipley voted no, and the motion was declared lost.

Chairman: The witness will answer the question as asked by counsel.

A. Yesterday your counsel requested me to present certain matters to the Industrial Commission for their consideration and return to you an answer this morning. I am prepared to comply with that request.

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Mr. Murphy: Please answer the question. A. Just a moment, Mr. Chairman.

Chairman: I have ruled on this question. These explanations of yours may be entered later on but at the present please answer the question that is before you. A. Begging your pardon, but I merely want to find out whether you want my reply to the request made by counsel yesterday, as to what the Industrial Commission will do with reference to his request.

Q. You can best comply by complying with the subpoena?

A. I understand you don't want the answer.

Q. I want you to answer my question? A. I will be glad to do it as soon as I have endeavored to comply with your request of yesterday.

Q. Are you going to obey the orders of the chairman of the committee and answer the question? A. If the reporter will please read the question I will be glad to answer it.

Mr. Murphy: Strike out the question.

I will repeat it so he won't have to look for it.

Q. Where are the minutes? A. They are in this room.

Q. Can you get them? A. Yes sir, I can get them.

Q. Please do so? A. The commission has authorized

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me to get them providing I retain possession of them as agreed by you yesterday.

Mr. Murphy: I will keep all of my agreements. Don't worry.

Mr. Paddock: I am glad to have that assurance.

Mr. Murphy: You have it.

Mr. Lemke: I want to instruct the witness again keep absolute possession of that book, I am doing this as attorney general of the state.

Mr. Murphy: Have that identified and marked for the purpose of the record.

Mr. Paddock: With the understanding that there may be substituted in lieu thereof a copy.

Mr. Murphy: We are perfectly willing to have that understood and to—

Mr. Paddock: And that it be retained in my possession while the copy is being made.

Mr. Murphy: We don't care about that if you want to hang around awhile it is being done.

EXHIBIT NO. 2.

Q. The book which the reporter has marked Committee's Exhibit No. 2 constitutes the minutes of the Industrial Commission of the state of North Dakota? A. They constituted the minutes of the Industrial Commission of the state of North Dakota delivered to me by Mr. Anderson and all of the minutes of the official acts of that commission since

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I received possession of the—

Q. Beginning when? A. I think the 5th or 6th of January.

Q. No, I mean when does the book commence? A. The date of the first minutes as shown by the minutes in the book on page 1, is March 5th, 1919.

Q. And what is the last date on which minutes appear? A. The last date is February 1st, 1921.

Q. Shown on what page? A. Page 125.

Q. And you state that that book then contains all the minutes of and record of the proceedings of the Industrial Commission between those two dates and inclusive of those two dates? A. I will state that it includes all minutes of the Industrial Commission's meetings held since I received possession about January 6th. As to the time prior to that I couldn't swear because I have no definite knowledge.

Q. Could you turn and show us the minutes with reference to the organization of the state industry known as the Bank of North Dakota? A. You want the first minutes with reference to the bank? Do you want the one with reference to the location of the bank?

Q. No, with reference to the organization? A. Here is the first minute with reference to the bank, so far as I am able to find. The first record I find is the appointment

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of the manager of the bank.

Q. That was on what date? A. It appears in the minutes of April 4, 1919.

Q. What page? A. Seven.

Q. Will you please read it? A. Mr. Hagen then made the following motion: "That J. R. Waters of Bismarck, present state bank examiner, is hereby appointed manager of the Bank of North Dakota, to be effective at once." Mr. Langer moved to amend the motion by substituting the name of Mr. Cathro of Bottineau for the name of Mr. Waters of Bismarck. There was no second to the amendment, and on roll call the original motion Mr. Hagen voted aye; Mr. Langer no, Mr. Frazier aye. The chairman declared the motion carried."

Q. Now where is it, if there is any motion or resolution of the commission with reference to the opening or organization of the bank proper other than the appointment or selection of officers employees? A. Here is in regard to the location. Do you want that—several cities?

Q. No, we don't care about that? A. Do you want the one in regard to the leasing?

Q. Yes. A. On page 8 of Exhibit 2. "Mr. Hagen then moved the adoption of the following resolution: 'Resolved by the Industrial Commission of North Dakota, that the chairman and secretary of the commission and manager of

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the bank are hereby directed to prepare, and when prepared and executed by the leasor, to submit to the commission, the draft of a lease of suitable property for the use of the Bank of North Dakota in the city of Bismarck, North Dakota, said lease to provide for the payment by the Industrial Commission of a rental not exceeding Three Hundred Dollars per month and to permit such alterations and repairs as may be necessary to enable the commission to make such property suitable for use and occupation by the Bank of North Dakota.' The motion was seconded by Mr. Langer, and on roll call all voted aye. The chairman pronounced the resolution adopted."

Q. What date is that? A. It appears in the minutes of April 4th, 1919.

Q. Have you got the lease with you? A. No.

Q. Is that in your possession? A. No sir.

Q. In whose possession is it? A. I cannot tell you I don't know.

Q. Do you know whether it is in the possession of the Industrial Commission or not? A. So far as I know it is not, except in so far as they have possession of all the property of the different institutions.

Q. Who would be likely to know about that? A. I presume some employee of the Bank of North Dakota to whom

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the lease is issued.

Q. Have you the resolution or motion, if there is any, which instructs the manager already appointed to proceed and organize and open the institution? A. Yes sir.

Q. Read it, giving the date of the meeting and the page number? A. From here down (indicating)

Q. Yes. A. There appears on page 14 of the minutes of the meeting of May 12, 1919, the following:

"Following the adoption of the statement as to the policy by the entire conference, Mr. Langer moved that the statement be adopted by the commission. Mr. Hagen seconded the motion and on roll call Mr. Frazier, Mr. Langer and Mr. Hagen all voted aye. The chairman declared the motion passed." The statement of policy adopted is as follows:

"The Policy of the Bank."

The purpose of establishing a policy for the Bank of North Dakota is three-fold:

1st: To provide for the operation of the bank in conformity with the plan proposed by the persons who enacted the law.

2nd: To fix in the minds of our citizens the exact purpose and scope of the bank's activities.

3rd: To establish the plan of operation along the lines of safe, economic banking practice.

Therefore the policy of the Bank of North Dakota is to be

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established essentially along the following lines:

1. To promote agriculture, commerce and industry.

2. To be helpful to and to assist in the development of

state and national banks and other financial institutions and public corporations within the state; to not in any manner destroy or be harmful to existing financial institutions.

3. To redeposit in the state, so far as is consistent with the operation of the bank such public funds as are at present employed in carrying on all farmers operations and business enterprises throughout the state, to the end that loans need not be called in in order to make a compliance with the transferring of such funds to the Bank of North Dakota, thereby effecting the working of any immediate hardship on any locality or counties.

4. To stabilize interest rates.

5. To base credit upon financial responsibility and integrity, irrespective of party affiliations; to ignore politics and recognize merit.

6. To mobilize the assets of the whole state and its entire financial worth into one central bank, co-operating with all the banks in the state, both state and national and

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all the public financial activities of the state and its individuals, thereby enlarging the powers and opportunities for the development of the whole state.

7. To become a state clearing house.

8. To meet the needs for and perform the functions of a general stock land bank.

9. To permit the records to be opened to the public inspection, subject, however, to the usual confidential relations existing between banks and customers."

Q. Calling your attention to page 15, under date of May 22, 1919, I ask you if there was not a motion made and carried by the Industrial Commission recommending the issuance of bonds of North Dakota, Bank Series, pursuant to House Bill 49? A. There is one appearing on pages 15 and 16 of the minutes of that day.

Q. I will ask you to read the motion made by Mr. Hagen on page 16 relative to that matter? A. In the minutes of the meeting of May 22, 1919?

Q. -Yes. A. Mr. Hagen then moved the adoption of the following resolution: "Be it Resolved by the Industrial Commission of North Dakota that the commission hereby recommends to the governor, in the matter of issuing bonds of the state of North Dakota to be known as Bonds of North Dakota, Bank Series, pursuant to the act of the 16th legis-

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lative Assembly, House Bill No. 49, approved February 25, 1919, that said bonds bear interest at the rate of five per cent per annum, and that the date of the maturity of said bonds and the denominations in which they shall be issued and the dates when payable should be as follows:

Bonds	Denominations	Payable	Total
1000	\$1000	1934	\$1,000,000
1000	500	1929	500,000
4000	100	1929	400,000
2000	50	1929	100,000

\$2,000,000

The motion was seconded by Mr. Langer and all voted aye. The chairman pronounced the motion carried."

Q. Will you examine the minutes now known as Com-

mittee's Exhibit 2, and find any resolution or motion of the Industrial Commission directing the hypothecation of the bonds of the Bank of North Dakota, Bank Series? A. You want the minutes of the meeting at which they authorized the borrowing of money on the bonds?

Q. Yes sir.

Mr. Lemke: May I suggest to you that these bonds were sold to the bank and there are two resolutions.

A. They were sold to the bank and there would be no record here.

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Q. Show us where there is any record, if you have it, that they were sold to the Bank of North Dakota?

Mr. Lemke: There were two resolutions in regard to that.

Mr. Murphy: Can you find them, Mr. Lemke?

Mr. Lemke: I am not familiar with it, but I know there were two resolutions.

Witness: On page 23 in Exhibit 2, under the minutes of July 31, 1919, appears the following:

"Mr. Hagen moved the adoption of the following resolution: 'Resolved by the Industrial Commission of North Dakota and that the Bank of North Dakota be and is hereby authorized in the discretion of and as may be determined by the director general of said bank, with any funds in the Bank of North Dakota, to purchase, at not less than par, the whole or any part of the bonds of the state of North Dakota, Bank Series, heretofore delivered to the Bank of North Dakota for negotiation and sale on the part of the Industrial Commission. And it is directed that the purchase moneys thereby procured shall be placed in the fund designated and to be known as the capital of the state bank as provided by law.' The motion was seconded by Mr. Langer. On roll call all members voted aye, and the chairman declared the motion carried."

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"Mr. Langer made the following motion: 'That the record show that the director general of the Bank of North Dakota has been directed to buy \$500,000 worth of bonds of the state of North Dakota, Bank Series, and that this \$500,000 has been duly paid by the director general of the Bank of North Dakota and has been delivered to the Bank of North Dakota to be placed on deposit as a part of the capital stock of the bank.' The motion was seconded by Mr. Hagen. On roll call all members voted aye, and the chairman declared the motion carried."

Q. Is there any other resolution that you know of with reference to these bonds of the bank? A. Do you mean with reference to their sale?

Q. The disposition of them, yes? A. In the minutes of the Industrial Commission of August 5, 1919, on page 24, in Exhibit 2 appears the following:

"Mr. Hagen moved that the record show, in accordance with the resolution passed on July 31st, 1919 that the director general of the Bank of North Dakota has paid to the Industrial Commission through the secretary the balance of \$1,500,000 for the purchase of the \$2,000,000 in bank bonds and that the secretary of the commission on behalf of the commission has paid over to the Bank of North

Dakota the balance of \$1,500,000 to be placed on deposit as a part of the capital stock of the bank, making the full total
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of \$2,000,000 which the commission has turned over to the bank to furnish its capital as required by law.' The motion was seconded by Mr. Langer and all voted aye. The chairman declared the motion passed."

Q. As I understand it, Mr. Paddock, there is no resolution or order appearing upon the minutes of the commission relative to the hypothecation of these bonds subsequently that you know of? A. I couldn't answer that because I can't carry in mind things that I just read once, Mr. Murphy.

Mr. Sullivan: What page was that on? A. It is in the record on page 24.

Q. I suppose that Mr. Anderson was, as he stated, secretary of the commission at that time? A. These minutes are signed by Lynn J. Frazier, chairman, and Oliver S. Morris, secretary. Appearing on page 91 of Exhibit 2, in the minutes of the Industrial Commission of July 15, 1920, is the following:

"The secretary presented a letter received from F. W. Cathro, manager and director general of the Bank of North Dakota, dated July 12th; from Chicago, advising that he had negotiated a loan with the Merchants Loan & Trust Company of Chicago, upon the reading of which Mr. Langer moved the adoption of the following resolution:

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'Whereas, the manager and director general of the Bank of North Dakota, Mr. F. W. Cathro, has negotiated a loan in behalf of said bank in the sum of one million dollars (\$1,000,000) with the Merchants Loan & Trust Company of Chicago, said loan becoming due on March 15, 1921, and bearing interest at the rate of seven per cent. per annum, said loan being secured by bonds of the State of North Dakota, Bank Series, in the amount of one million two hundred thousand dollars (\$1,200,000),

NOW, THEREFORE, BE IT RESOLVED, that the aforesaid action of the manager and director general of the Bank of North Dakota, Mr. F. W. Cathro, be and the same is hereby in all things fully ratified and confirmed.' The motion was seconded by Gov. Frazier and on roll call all of the members of the commission present voted in favor thereof. The chairman declared the motion carried and resolution duly adopted."

Q. I will ask you to read on page 102, as of December 3, 1920, Exhibit 2, beginning with the words "the secretary"?

A. "The secretary presented a bill from the Bank of North Dakota for \$7,716.72 to cover the payment of the said bank to Mr. F. A. Pike, as attorney, for services rendered in connection with the organization of the bank and the case of Green, et al vs. Frazier, et al, and in the case of Scott et al

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vs. Frazier et al. Mr. Hagan made a motion that the bill of the Bank of North Dakota for the funds so advanced to Mr. Pike be allowed in full. The motion was seconded by Governor Frazier and was duly carried."

Q. Now may I ask, Mr. Paddock, with reference to the loan concerning which the motion previously read, whether there

is in your possession as secretary of the commission, the letter referred to in the resolution from Mr. Cathro? A. I couldn't say as to that.

Q. Will you look over your files and let us know? A. I will endeavor to find if there is such a letter, but I couldn't guarantee in less than a week to go through all that correspondence and swear positively.

Q. Well, do the best you can? A. I will.

Q. Tell us if there is in the possession of the Industrial Commission, or rather yourself as secretary, any contract of any sort with the Merchants Loan & Trust Company of Chicago concerning the loan in question? A. I couldn't tell you as to that without looking through the files and then it would be the result of my search.

Q. Well, of course, that contract would be a matter of (41)

considerable importance and I assume it would not be very difficult for you to learn that, would it, Mr. Paddock? A. Well I could swear to the best of my knowledge after I had investigated that I hadn't been able to locate it by a cursory search, but you yourself Mr. Murphy, wouldn't swear positively.

Q. Not at this time. I am just asking you to make a search? A. I will make a search and try to find it and see if it is there.

Q. Now with reference to the bill of Mr. Pike, will you make a search and produce this bill if you can find it? A. This bill was not from Mr. Pike.

Q. The bill from the Bank of North Dakota? A. I will endeavor to see if I can find a copy of the statement from the Bank of North Dakota.

Q. Calling attention to the minutes appearing on Page 106, as of December 20, 1920, I will ask you to read the resolution introduced by Mr. Hagen? A. "Mr. Hagen introduced the following resolution and moved its adoption.

"WHEREAS, a large number of county and other treasurers have discontinued depositing their funds with the Bank of North Dakota and are instead making such deposits with local banks, doubtless for the purpose of relieving local financial conditions, but continue to issue checks against their balances in the Bank of North Dakota, and

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"WHEREAS, the local banks in these localities, as well as in other parts of the state find it impossible to meet the withdrawals by the Bank of North Dakota in sufficient volume to enable it to meet the checks of such treasurers; and

WHEREAS, certain other county and other treasurers are continuing to make their deposits with the Bank of North Dakota, and

WHEREAS, it appears that action must be taken to meet the emergency thereby created by the failure to sustain the balances with the Bank of North Dakota:

BE IT THEREFORE RESOLVED, that the Bank of North Dakota be and it is hereby instructed, until further order of this commission, to discontinue honoring checks drawn by such county and other treasurers who have discontinued the making of their deposits with the bank of North Dakota; and it is hereby

FURTHER ORDERED, that the Bank of North Dakota continue to observe the order of this commission dated Decem-

ber 3rd, 1920, prohibiting the transfer of funds from the Bank of North Dakota to other depositaries by treasurers.'

The motion was seconded by Governor Frazier and on roll call Governor Lynn J. Frazier and John N. Hagen voted aye, and William Langer voted no. The chairman declared the

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motion carried and the resolution duly adopted."

Q. Calling your attention to page 112, as of date January 12, 1921, I will ask you to read the motion by Mr. Hagen, commencing where my finger is here? A. This is page 112 of Exhibit 2. "Moved by Mr. Hagen, and seconded that the Equitable Audit Company be ordered to make such inspection and reconciliation of the books of the Bank of North Dakota as of January 5th, the date when the cash inventory was taken by them, as would enable them to determine the accuracy or inaccuracy of reports as to the bank's condition on December 3rd, 1920, with the least possible delay and expense.' The motion carried, both members voted in favor thereof and it was so declared."

Q. Do you know whether that was done or not? A. They were put to work on the job, yes.

Q. Have they finished the work yet? A. They have not made an audit report to the Industrial Commission as yet.

Mr. Paddock: I will say in regard to these records, that you can come up to my office and see these records any time you want to.

Mr. Lemke: May I suggest that you will even meet with them after office hours.

Q. Now Mr. Paddock, I understand you to state that Mr.

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Sullivan and myself or either one of us may come to your office and you will be glad to let us investigate the minutes in more detail and at our greater convenience? A. Yes, Mr. Murphy, the order of the commission permits me to do that any time in business hours, and I am willing to accommodate you at any time out of business hours.

Q. Then I assume we may take our stenographer and make such copies as we want? A. Yes.

Mr. Murphy: We may want to recall you with reference to other state industries but you are now excused, and we thank you very much.

F. W. CATHRO, called as a witness, was duly sworn, and testified as follows:

EXAMINATION BY MR. MURPHY:

Q. Mr. Lemke: Let the record show that I also appear as attorney on behalf of the State of North Dakota and for Mr. Cathro.

Q. Your name is F. W. Cathro? A. It is.

Q. Where is your residence? A. Bottineau, North Dakota.

Q. I take it you have lived there for some years? A. I have.

Q. Mr. Cathro, you were engaged in the banking business

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at Bottineau for quite a number of years? A. I was.

Q. Your bank is what? A. The First National Bank.

Q. Mr. McIntosh associated with you in that bank? A. He is.

Q. What are his initials? A. W. H.

Q. When did you become associated with the Bank of North Dakota, Mr. Cathro? A. April 9th, 1919.

Q. That is the date, I take it, of your appointment? A. It is.

Q. Now the bank was not organized at that time, was it? A. No.

Q. Could you tell us, Mr. Cathro, when the bank became organized as a going concern? A. The 28th of July, 1919.

Q. And between the date of your appointment, in April, 1919, to the 28th of July, 1919, I assume you were engaged in organizing the industry? A. I was.

Q. And Mr. J. R. Waters was also at that time known as manager of the bank? A. He was.

Q. And you were known officially under the title of director general of the bank? A. I was.

Q. Do you recall the date of Mr. Waters leaving the institution? A. It was around April 1st, possibly, April 1st, 1920—probably April 4th, 1920.

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Q. I assume there is some record in the bank that will disclose that? A. April 4, 1920.

Q. That is your best recollection? A. Yes.

Q. Have you some record of the Bank which will disclose it—the date of Mr. Waters resignation or will that appear upon the minutes of the Industrial Commission? A. It will appear upon the minutes of the Industrial Commission.

Q. But your recollection is that it was about April 4, 1920? A. Yes sir.

Q. And since that time you have been both manager and director general? A. Yes sir.

Q. And you still are? A. Yes.

Q. Now I am trying to get information as to the organization of the bank. You have the activities divided into different departments, have you? A. We have.

Q. What are the names of these departments? A. The Credits department.

Q. And may I ask who is the manager of the credits department? A. Mr. L. P. McAneny.

Q. What is his official title? A. Credits department director.

Q. And how long has he been such credits department director? A. Since about the time of the opening of the bank for business, probably a couple weeks before or after. Just about somewheres around in July, 1919.

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Q. And what is the next department? A. The farm loan department.

Q. And who is the manager or director of that? A. There is no manager or director of that department.

Q. No head of that department? A. No.

Q. Is there anyone who conducts its activities, any special person? A. There is a chief clerk in the department at present.

Q. And what is his name? A. L. L. Aughney.

Q. Let me ask you this question merely for a verification of my memory. Isn't Mr. McIntosh with that farm loan department? A. Not at the present time.

Q. But he formerly was? A. Yes.

Q. When did he leave that department? A. As I recall, about the first week in January, 1921.

Q. And he had been connected with it prior to that for about how long? A. In one capacity or another since about the 10th of September, 1919.

Q. He was a portion of the time manager, was he not? A. Director.

Q. Director of that department? A. Yes.

Q. Do you recall how long he acted as director of the farm loan department? A. Between the time of acting di-
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rector and actual director, probably a period of nine months.

Q. What is the next department, Mr. Cathro? A. Audits department.

Q. And who is manager or director of the audits department? A. Mr. A. Johannsen.

Q. A. Johannsen, is it not? A. Yes.

Q. And to digress a bit—just in a general way, tell us what are the duties of the director of credits? A. The director of credits is supposed to have supervision of the credits of the bank, to have control of the relations with banks.

Q. With country banks? A. Yes.

Q. Does he have to do with the redepositing of public funds in country banks? A. No, he has to do with the rediscounts and loans to banks and loans to individuals.

Q. Loans and rediscounts and loans to individuals? A. Practically has charge of what might be classed as the loan department of the bank.

Q. Who has charge of the redepositing of public funds in country banks? A. The audits department.

Q. The Audits Department controls that? A. Mr. Johannsen is the head of it.

Q. So it is fair to say that Mr. McAneny as director of credits handles the loan end of the bank? A. Yes.
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Q. Now Mr. Johannsen, as director of audits, I assume has charge of the keeping of the books of the bank? A. Yes.

Q. And also you say he has charge of the redeposits of public funds in the various state institutions? A. Yes, and of deposits coming into the bank.

Q. And of deposits coming into the state bank? A. Yes.

Q. I assume, however, in making these redeposits or disbursements he does it under the general supervision of yourself as director general and manager? A. I have the power of veto over the acts of any department.

Q. And also have the power of direction too, have you not? A. I have.

Q. Now have you one other department? A. Yes.

Q. What is it? A. The bond department is provided for.

Q. And you have a manager of that? A. We have not.

Q. Some person in direct charge of it? A. Well, practically all the work that has been done in that department thus far I have done it myself.

Q. The purpose of that department, as I understand it, Mr. Cathro, is in substance, to handle the bonds, various bond issues made by the state of North Dakota, and find a

sale for them and dispose of them if possible? A. And it contemplates also the handling of other bonds, bonds of municipalities, school districts and so on, when it becomes fully organized, but we have been delayed in organizing it.

Q. You have been delayed in the organization of that department? A. Yes.

Q. So it has been somewhat inactive? A. Yes.

Q. You have another department? A. Department of statistics and publicity.

Q. Department of statistics and publicity. And who is at the head of that department? A. That department is also not fully organized.

Q. So you perhaps have conducted the affairs of that yourself? A. I have looked after it in the main. We have an employee that we call the statistician of that department, Mr. Roylance, who does most of the work.

Q. And it is that department that issues bulletins and circulars which the bank has issued from time to time? A. That is part of the work of that department.

Q. These bulletins and circulars I take it are issued at certain regular intervals? A. Yes.

Q. Do you remember when you commenced the issuance of

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these bulletins and circulars? A. We began with the beginning of the bank.

Q. In the very beginning—that is in July, 1919? A. The bank was organized the 20th of July.

Q. The first one probably will be in August? A. Yes, the first one was in August.

Q. You made a practice of issuing them about the middle of the month? A. Yes.

Q. Now I assume you have printed copies of all the bulletins issued in that department and of circulars issued by that department relative to the bank's affairs, have you not? A. Yes sir.

Q. Would you be kind enough to bring those here for our inspection later on? A. I can produce all except one. One is out of print.

Witness now hands counsel Bulletin No. 1, Series of 1919; Bulletin No. 2, series of 1919, dated September 12, 1919; Bulletin No. 4, series of 1919, dated November 17th, 1919; Bulletin No. 5, series of 1919, dated December 16th; Bulletin No. 1, series of 1920, dated January 16th; Bulletin No. 2, series of 1920, Dated February 16th; Bulletin No. 3, series of 1920, dated March 16th; Bulletin No. 4, series of 1920, dated April 16th; Bulletin No. 5, series of 1920, dated May 17th; Bulletin No. 6, series of 1920, dated June 16th; Bulletin No. 7, series of 1920, dated July 16th; Bulletin No. 8, series

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of 1920, dated August 16th; Bulletin No. 9, series of 1920, dated September 16th; Bulletin No. 10, series of 1920, dated October 16th; Bulletin No. 11, series of 1920, dated November 15th; Bulletin No. 12, series of 1920, dated December 15th; Bulletin No. 1, series of 1921, dated January 15th.

Q. These bulletins which I have just described, Mr. Cathro, are the official publications of the Bank of North Dakota? A. They are.

EXHIBIT NO. 3.

EXHIBIT NO. 4.

Q. They all have gone over your signature as director general? A. Yes.

Q. The bulletins which I have just described are correctly described as papers or bulletins you just handed me and known as Exhibit 4? A. They are.

Q. I will show you Exhibit 3, and ask you if that is a pamphlet or collection of circulars officially gotten out by the Bank of North Dakota under your direction? A. It is.

Q. As of what date? A. February 2, 1920.

Q. Issued to the public generally, both the bulletins shown in Exhibit 4 and the circulars shown in Exhibit 3? A. Yes.

Q. Now Mr. Cathro I will ask you this question. Is it not a fact in the progress of the business of the bank that a daily trial balance is made each day and mimeographed? A. Yes.

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Q. That is, as I understand it, at the close of each day's business, it is the custom of your bank to make a daily trial balance showing on the one hand all of the resources in considerable detail and on the other hand all of the liabilities? A. It is.

Q. And including in that all of the interest accrued and earned and all of the interest payable on the part of the bank? A. It is.

Q. And the interest is figured up daily, both coming in and going out? A. It is.

Q. And you make quite a number of these daily trial balances? A. No.

Q. About how many do you make each day, mimeographed copies, I mean? A. Not over a couple, two or three probably.

Q. And they are filed there in the bank? A. Only one copy, that I know of, is being filed.

Q. What is done with the other copies? A. The only permanent file is the one that is passed to my desk.

Q. To your personal desk? A. Yes.

Q. So that you are then in personal custody of the permanent file of the daily trial balances? A. Yes.

Q. Now, I will ask you if you will be kind enough to produce for the examination of this committee—if you will make a note of what I want—the daily trial balance of the bank as of December 3, 1920, and the daily trial balance of the bank

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as of February 1, 1921, and the daily trial balance as of April 1, 1920, could you do that, Mr. Cathro, without too much inconvenience? A. I can do that. What disposition will be made of these? Will they be returned to me?

Q. Certainly, they will be returned to you. A. In other words, I have got to make copies, I do not want to break my file.

Mr. Lemke: You understand, with the consent of the Industrial Commission, which they, undoubtedly, will give you.

Q. You make that reservation? A. Yes.

Q. However, you and I can agree on this, that it won't disturb the functions of the bank at all for us to look the trial balances over, will it? A. I feel disposed to offer every courtesy that is possible, without interfering with the activity of the bank.

Q. And it would not impede the operation of the bank if these three trial balances are brought down here for the examination of the committee? A. No.

Mr. Lemke: I might say that you will be shown the same courtesy as in the matter of the Industrial Commission minutes, you can go over and examine it.

Mr. Murphy: Well, I might say that the committee is conducting the examination and not counsel and they might want them here.

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Q. Now, Mr. Cathro, when this bank opened, July 28th, 1919, what was its capital? A. It had no capital.

Q. When, if at any time, did it acquire any capital? A. What is that?

Q. When did it acquire capital? A. Some two or three weeks later, probably, later than that date.

Q. So then it operated from the date of its opening, July 28th, for a period of two or three weeks without capital? A. Well, I don't think it was quite that long, possibly, but a few days, at least.

Q. When it did acquire capital, what was that capital? A. Cash.

Q. Cash—money? A. Yes, sir, or its equivalent.

Q. Well, let us distinguish, if we can, between cash or its equivalent? Was it actual cash money or was it something representing money? A. It was a check.

Q. From whom? A. From myself, as manager of the bank.

Q. To whom? A. The Industrial Commission.

Q. The capital consisted of a check from Mr. F. W. Cathro as director general of the bank to the Industrial Commission of the State of North Dakota, did it? A. Yes.

Q. What was done with that check? A. Well, in place of cashing the check, as they could have done, they endorsed it

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and returned it to the Bank of North Dakota.

Q. Now that check was drawn upon the funds of what institution? A. Drawn on the Bank of North Dakota.

Q. Drawn by you, as director general, upon the Bank of North Dakota, and made payable to the Industrial Commission? A. Yes.

Q. The Industrial Commission endorsed it and returned and deposited it in the Bank of North Dakota? A. Yes.

Q. Now, upon what fund, if any, was that check drawn in the Bank of North Dakota? A. The same as any check, any investment of any bank for any purpose, is drawn.

Q. Just on the general fund? A. From the accumulated funds within the bank. The funds have lost their identity when they passed over the bank counter and become merged in the common fund.

Q. In the general fund? A. Yes, sir.

Q. That is true, and this check was drawn on the general fund? A. Yes.

Q. And the funds that were in that general fund were almost entirely moneys of the public subdivisions of the state, were they not? A. When the bank received those deposits from the treasurers over the state and we agreed to pay in-

terest, the Bank found itself obligated to earn some interest.

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Q. No, you don't answer my question. A. I think that will answer it.

Q. My question is, that this check you say was drawn upon the general fund of the bank, which consisted of the deposits from all sources that had come into the bank, that is correct, isn't it? A. No, that is not correct.

Q. That is not correct? Well, upon what fund was it drawn? A. It wasn't drawn on any funds, checks are never drawn that way.

Q. Well, have you got the check? A. I presume it is in the bank, I don't know.

Q. Will you make a note, and produce it if, as I assume, it won't interfere with your operations? A. Checks are never drawn on funds in the bank.

Q. No, I understand that. It was drawn on the bank just like any other check? A. Yes.

Q. And no actual money ever changed hands between the Bank of North Dakota and the Industrial Commission in that transaction? A. Well, that question is misleading.

Q. Well, I am asking you the question and if it misleads you in any way, you can qualify it in any way you wish. Does any actual money pass except by means of a debit and credit entry upon the books of the bank and perhaps the books of the Commission if they have any? A. Every check that passes from one man to another, transfers funds,

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whether he takes it to the teller's wicket and draws the cash or whether he deposits it.

Q. We are entirely in accord on that, but what I want to have you admit, if you will, that by this device of drawing the check no actual outside money was brought into the bank, outside of the funds that were already there and deposited by depositors? A. No, there was no additional money brought in.

Q. Now, isn't it a fact that the capital consisted entirely, as a basis for it, of the \$2,000,000 bonds, bank series, issued by the state therefore? A. No.

Q. Hadn't you acquired those bonds yet at that time? A. Yes.

Q. Where were they? A. They were in our possession, the possession of the bank.

Q. Did they appear among the assets or liabilities of the bank anywhere at that time? A. At what time, do you refer to?

Q. Well, we are speaking now as of the time when you first acquired a capital; two or three weeks after you opened up? A. They had appeared on the assets of the bank in the meantime.

Q. That is between the time you opened up and the time you acquired capital? A. The time that we bought the bonds, they appeared among our assets.

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Q. Your statement—the first one which I have here—shows—purports to carry a statement at the close of business on September 12th, in Bulletin No. 2, series of 1919. I read that correctly do I not? A. Yes.

Q. It shows upon its face a capital of two million dollars, does it not? A. Yes.

Q. Now, will you state to us of what that capital consisted? A. It consisted of money delivered to the Bank of North Dakota by the Industrial Commission.

Q. Actual money? A. Represented by a check.

Q. But the bonds were, as a matter of fact, the basis of the capital at all times? A. There were two separate transactions. You can't confuse them. You must not combine them. They were two separate transactions.

Q. Give them to us? A. In the first place the Bank of North Dakota, bought the bonds the same as if they bought a bill receivable, a U. S. Treasury Certificate of Indebtedness, Liberty bonds, or the like.

Q. What with? A. With the same kind of money we buy a rediscount, a farm loan, a U. S. treasury certificate of indebtedness, a school warrant or any other asset of the bank, the same kind of money.

Q. What kind of money is that? A. The same money that all banks loan.

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Q. What money is it? A. Money that is in the bank and has accumulated there through all the deposits of the combined depositors.

Q. Proceed with the explanation? A. After that transaction was completed, and the bonds bought and paid for from the Industrial Commission, based on the assets of the bank, then subsequent to that time the Industrial Commission delivered to us the check on the Bank of North Dakota, in effect saying here is your capital, credit this up to capital account.

Q. Delivered the bonds? A. No.

Q. Delivered the checks? A. Yes.

Q. Drawn on what? A. The Bank of North Dakota.

Q. When did the bonds enter the Bank of North Dakota as the property of the bank? A. At the time the bank issued its check to the Industrial Commission and received the resolution of the Industrial Commission that they received our offer to buy the bonds at par.

Q. Can you give us any idea as to when that was? A. Well, it was somewhere about the first or second of August, some early day in August.

Q. 1919? A. 1919.

Q. You will pardon me if I appear confused, because I think your recollection will bear me out that the law under which the bank was organized, as I recollect it, provides that the minute the bonds are delivered, they become the

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capital and are known as the capital of the bank. You are aware of that fact, are you not? A. As I recall it now, I haven't looked for sometime. I think there is some provision made for delivering the bonds to the bank.

Q. And to be known and designated as the capital? A. Well, that wasn't the transaction that was followed in this case.

Q. That wasn't followed, did I understand you to say that? A. No.

Q. The bonds thereafter, never did represent capital at all? A. They were purchased direct.

Q. They were purchased direct and became the property of the bank? A. Under the provision of law which allows the bank to purchase any bonds with any funds in its possession.

Q. I understand—and the entire capital of, two million dollars is represented by the check the Industrial Commission gave you instead of the bonds? A. Yes.

Q. The bonds are then carried offsetting this capital in your resources? A. Yes, sir.

Q. And I am correct in my statement that that transaction whether in the form of checks and a transfer of debit and credits on your accounts of the bank, as between the bank, and the Industrial Commission, or whether it was in the form of bonds brought no additional money into the Bank? A.

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That is correct.

Q. All of the moneys that were in the bank came to it at that time and subsequently in the form of deposits of one kind or another or interests earned? That is true, isn't it?

A. Well, that is not exactly correct.

Q. Well, wherein is it incorrect? A. It is very rarely that the deposits in the bank are increased by virtue of actual money. I don't suppose it has happened a dozen times, maybe a hundred times, since we organized that deposits were increased by a deposit of actual money. They are always increased by deposits of checks. In this case, it was by these checks.

Q. I think we are speaking at cross fires. I am not speaking of actual money or evidence of money. I want to make this point, that all of the funds in the bank, whether in the form of checks or some other form, all of its funds are derived from the deposits some form or another? A. Yes.

Q. Now, let me ask you this question, if it is not true that as a result of the transaction between the Bank and the Industrial Commission that two million dollars of deposits in that bank were transferred into capital? A. No.

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Q. They were not? A. No.

Q. Was anything transferred into capital? A. Yes.

Q. What? A. The check of the Industrial Commission given on the Bank of North Dakota.

Q. Credited to capital account? A. Yes.

Q. What was your counter entry there? Where did you get the money. What account did you charge the check to? When you credit up capital, where did you put your debit entry? A. The debit is the paid check.

Q. The paid check? A. Yes.

Q. Haven't you any debit entry on the books of the bank, counter entry to that two million capital? A. Not except the paid check.

Q. Mr. Lemke: May I suggest the books are the best evidence of this, and I would suggest that you will be given full access to the books and that you go down to the bank and specify just what you want, and I have no doubt Mr. Cathro will permit it.

Mr. Murphy: I am very glad to do that. I am very glad

of the suggestion that the books are the best evidence, and if you will permit us to go in and see those original entries—

Mr. Cathro: No objection at all.

Mr. Murphy: You are very generous.

Mr. Lemke: I hope that the generosity will continue so that later on we will be permitted to cross examine the witness:

Mr. Murphy: That is a matter for the committee who em-
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ployed me, but it is an elementary rule that a man ought not to cross examine his own witness.

Q. I don't believe we understand each other, or perhaps we understand each other too well. I don't know which, nevertheless we are not getting together. A. Well, the point is this, you are off on the wrong tangent.

Q. Well, perhaps, I am. Put me right. A. You borrow some money at a bank and you deposit that money to your own credit in the bank.

Q. Yes. A. And you thereby increase the volume of business.

Q. The volume of business or footings? A. Absolutely, but there has been no actual money added to the bank's assets.

Q. Exactly. Now we are agreed on that, but what I want to get at is this, the check that was drawn for two million dollars which you say when it was delivered to you as director general, was credited to the capital account, must have been debited to some other account, must it not, there must have been something on which that check was drawn. As a matter of fact, you just transferred it from the deposits and you offset it by putting in two million dollars worth of bonds as a resource? A. When the transactions for the purchase of bonds were effected, two checks were drawn on the Bank of North Dakota cashier's checks, so called, one

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for five hundred thousand dollars and one for one million five hundred thousand dollars.

Q. To buy the bonds with? A. Yes. The first five hundred thousand dollar check was sent up to the Industrial Commission by a messenger, with the statement that we would take five hundred thousand dollars of bonds in the Bank of North Dakota. They kept the check and we immediately charged up the bonds as an asset, and then credited on our books, as outstanding the cashier's check that was retained for some period of time by the Industrial Commission—it makes no difference how long—it is a separate transaction. After that they returned that check to us and we credit capital and we charged Cashier's Checks.

Q. And the same transaction took place with reference to the larger transaction, the one million five hundred thousand dollar deal? A. Yes.

Q. And that is another way of it? A. Yes.

Q. And at the same time you—? A. We took the two million dollars worth of bonds.

Q. And they became part of your resources to offset this two million dollars worth of capital. A. Now, that is confusing. The bonds became part of the resources the same as

farm loans and loans to banks, they have no connection with capital whatever; they were bought and paid for.

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Q. Now, while we are on the subject of bonds, Mr. Cathro, I, in reading from the minutes of the Industrial Commission, notice that you went to Chicago and arranged to hypothecate a million dollars worth of these bonds, or rather to make a million dollar loan for the bank. You did that? A. I did.

Q. About when was that? A. About July 9th, 1919.

Q. That was shortly before the bank opened, was it? A. July 1920, I mean.

Q. You think about July 9, 1920? A. Yes.

Q. I show you Bulletin No. 6, of the 1920 series, dated June 16th, and ask you if you were not carrying at that time as deposits in excess of twenty million dollars? A. Yes.

Q. I show you Bulletin No. 7, series of 1920, July 16th, and ask that if the bank was not carrying at that time deposits in excess of seventeen millions? A. It was.

Q. You understand that is a date shortly before and date shortly after you made these loans? A. Yes.

Recess taken for ten minutes, after which time hearing resumed, with all parties present.

Q. Mr. Cathro, if I can again direct your attention to this bond transaction, not the hypothecation, but the original purchase, I want to read to you Section 6, of Chapter 147 of the Laws of 1919: being the act creating the Bank of North Da-

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kota: it reads as follows. "Section 6. The Bank shall be opened and shall proceed to transact business whenever there shall be delivered to the Industrial Commission bonds in the sum of two million dollars issued by the State as may be provided by law for such purpose. The funds procured by the negotiation and sale of such bonds is hereby designated and shall be known as the capital of said bank." You are familiar with said section? A. Yes, sir.

Q. And in this transaction that you have testified to, you were endeavoring to comply with that feature of the statute, were you not? A. Not exactly. You haven't read all the law.

Q. Well, I am speaking of that section. A. There is another section that must be taken in connection with it.

Q. Well, the other refers to the power of the bank to purchase these bonds? A. Exactly.

Q. Well, then, with reference to those two sections, that is correct, isn't it? A. Yes.

Q. Now, I don't want to misquote you in any way, if I do, you will correct me. The transaction in substance was this, the State of North Dakota issued bonds, bank series, in the sum of two million dollars and deposited those bonds with the Industrial Commission. Subsequently, the Bank of North Dakota, acting through you, issued two cashier's checks, one for Five hundred thousand dollars and the other for one million five hundred thousand dollars, and with those

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two checks purchased these two million dollars worth of bonds from the Industrial Commission. That is correct, as far as I go? A. I think so.

Q. And the two million dollars of bonds were then taken to the Bank of North Dakota, and were placed among its as-

sets as a resource of the bank? That is correct as far as I go? A. Well, substantially correct.

Q. And then subsequently the Industrial Commission returned to the bank those two checks? A. Yes.

Q. But the account of the Industrial Commission returned to the bank those two checks? A. Yes.

Q. But the account of the Industrial Commission upon the books of the bank were not credited with the checks when they deposited them? A. Well, that is a question I would not be prepared to answer.

Q. You would prefer us to look at the books, would you? A. My preference would be for you to look at the books, yes, sir.

Q. Well, your position is that you do not want to answer it now because your recollection might be incorrect and you would prefer that we look at the books, is that correct? A. Yes, sir.

Q. All right, we will be very glad to do so. Now, we will get ourselves back to the hypothecation. You went to Chicago and arranged with this institution—what is the name of it? A. The Farmers Loan and Trust Company of Chicago, the biggest bank in Chicago.

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Q. As a result, you borrowed one million dollars and you hypothecated—put up as security for that loan with that concern—bonds of the Bank of North Dakota—these same bonds we have been talking about in the sum of one million two hundred thousand dollars? A. Yes.

Q. And you agreed to pay for that loan of one million dollars to the Trust Company of Chicago seven per cent interest per annum? A. Yes.

Q. Did you have a written agreement with them outlining your transaction? A. No.

Q. Of any kind? A. No—not as—no.

Q. In the form of correspondence? A. No.

Q. No contract? A. What do you mean by contract?

Q. Well, any writing that passed between the Bank of North Dakota and the Trust Company of Chicago which prescribed the terms of that loan. A. Well, the note prescribed the terms, the same as any other note.

Q. That was the only thing you gave, the promissory note of the Bank of North Dakota, secured by the one million two hundred thousand dollars worth of bonds? A. Yes.

Q. Have you a copy in the bank of that note? A. Possibly, I don't know.

Q. If you have, I assume you will produce it, will you make a note of that please? Do you recall the terms of the note now? A. I do.

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Q. Does it mention the collateral upon its face? A. Yes.

Q. Mentions it specifically? A. Yes.

Q. Are there any provisions for the foreclosure of the lien acquired by the deposit of that collateral upon failure to pay at maturity? A. It is just the ordinary printed collateral note that contains powers of sale in case of failure to redeem at time of maturity.

Q. It also contains a provision that foreclosure may be had upon default in interest payments? A. Yes.

Q. Interest payments are annually or semi-annually? A. My recollection is that we have paid the interest quarterly.

Q. And this note falls due on the third day of March, next? A. What?

Q. March 3, 1921? A. March 15th.

Q. 1921. Is that correct? A. Yes.

Q. About six weeks from now? A. Yes.

Q. Now you are familiar, of course, with the law under which the bank was organized and its powers prescribed? A. Yes.

Q. Will you be kind enough to point out to this committee—and for that purpose I now hand you the Act—the portion of the Act authorizing the hypothecation of the bonds of the Bank of North Dakota? A. The middle of Section 2.

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Q. The middle sentence of Section 2? Will you show me with a pencil mark where it begins and where it ends? (Witness does so).

Q. "The business of the bank, in addition to other matters herein specified, may include anything that any bank may lawfully do, except as herein restricted;"—that is the provision, is it? A. That is one provision.

Q. That is the provision on which you base your authority to hypothecate the bonds described in Chapter 147? A. Yes.

Q. Now, I want to speak briefly with reference to the appropriation. There was a hundred thousand dollars appropriated, was there not, for the use of this bank? A. Yes.

Q. And you actually used about twenty-four thousand dollars of that appropriation? A. That is correct.

Q. And that was used for organization purposes? A. Yes.

Q. And you later set aside a reserve to take care of that? A. Yes.

Q. Now, Mr. Cathro, we propose, if we may, to examine you later in detail as to the resources appearing upon the daily trial balances of the dates to which your attention has been directed—you have notes of those—in detail, and also to examine you with reference to the liabilities which appear there on those dates, and I will ask you whether in the sys-

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tem of keeping books, loose leaf ledgers are used over there so that leaves may be extracted without being necessary to have the whole book? A. Well, some are and some are not. There are a lot of different forms used. It takes a lot of it, and some are bound and some are loose leaf.

Q. Do you recall whether the individual deposit ledger is loose leaf, that is for instance, if some bank or some county treasurer around here had an account in your bank as an individual bank or individual treasurer were those carried as loose leaf accounts? A. Those are loose leaf.

Q. So if we wanted to examine the affairs of any particular bank, this entire account could be extracted without affecting the rest of the bank? That is correct? A. Yes.

Q. You keep no general journal, I understand? A. A general ledger.

Q. Well, I am not speaking of ledger, I am speaking of a general book of original entries. A. No.

Q. You never kept any such thing? A. No.

Q. The postings were made from slips of the individual transactions right into the general ledger? A. Yes, sir.

Q. That is correct? A. Yes, sir.

Q. And you also keep what is known as a transit sheet, do you not? A. A what?

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Q. A transit sheet? A. Well a control sheet is what you have reference to, I suppose.

Q. Well, it is practically a duplicate of your general ledger, day by day, so you check one against the other A. A portion of it.

Q. It doesn't refer to these farm loans? A. No.

Q. Aside from that, that is what it is? A. Yes, sir.

Q. Now, may I ask if Mr. Sullivan and myself, together with a stenographer, may call upon you sometime today at your convenience, when it will not interrupt your bank, during this afternoon or evening for the purpose of making an inspection of these books, so we may become more familiar with them and accelerate this proceeding. Will you kindly inquire of the members of the commission and let us know at once whether that will be convenient? A. I will do so.

Q. And we would like to have you come again tomorrow morning, Mr. Cathro, because we are just fairly started with your examination.

Motion made by Mr. Johnson of Steele, and seconded by Mr. Freeman, that an adjournment be taken until 9:30 A. M. February 4th. Motion carried.

End of February 3rd.

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FEBRUARY 4, 1921.

Meeting called to order by the chairman. Roll of committee called, and all reported present, together with the attorneys, marshal and reporter.

Minutes of meeting of February 3rd, 1921, read by the secretary and approved.

F. W. CATHRO, recalled as a witness, and testified as follows:

EXAMINATION BY MR. MURPHY.

Q. Since visiting with you yesterday afternoon, and after sleeping on it last night I think perhaps we have gotten this

purchase of the bonds or capital idea a little more squarely in our head, and I want to develop it briefly this morning. I take it you have with you the original drafts? A. Yes, sir, I have.

Q. May I have them identified for the purpose of reading marshal and reporter.

Drafts marked exhibits 5 and 6 for purpose of identification.

Q. Now, Mr. Cathro, on the 31st day of July, the record here shows, from the minutes of the Industrial Commission, read by Mr. Paddock the other day, that the Commission directed you, as the director general, to buy five hundred thousand dollars worth of the bank bonds. You recall such transaction? A. Yes.

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Q. And that appears on Page 38 of the minutes, I think of the commission, and later on, on August 4th, they made a similar direction with reference to the purchase of one million five hundred thousand dollars worth of bonds. You remember that? A. Yes.

Q. Now pursuant to those directions of the 31st day of July, the records of the bank show this, in substance, happened, did it not: drafts numbered 7, 8, 9, 10 and 11—five drafts for five hundred thousand dollars each were drawn? A. Yes.

Q. Making two million five hundred thousand dollars. That is correct, isn't it? A. Yes.

Q. As shown on your draft register? A. Yes.

Q. And the last four drafts, numbers 8, 9, 10 and 11 were cancelled and marked as void? A. Yes.

Q. Now on that date you retained the first draft, number 7 for \$500,000 and had that sent by messenger or otherwise to the Industrial Commission. A. Yes.

Q. Now will you consult your daily trial balance as of July 31st, and tell us what the footings were in the bank on that day? A. \$1,292,374.02.

Q. And that included in the footings the sum of \$500,000 without any notation in front of it? A. Yes.

Q. And that means this draft? A. Yes. That is taken

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care of the next day, on the next day's business. It shows a credit entry.

Q. But you deduct from the \$1,292,374.02, the \$500,000 to get the true resources if you don't include this draft? A. If I don't include the draft, yes.

Q. Now the draft in question is the one marked as Exhibit 6, is it not? A. Yes.

Exhibit No. 6.)

Mr. Murphy: Reading into the record, the draft, Exhibit 6 is as follows:

No. 7. "The Bank of North Dakota.
Bismarck, North Dakota.
July 31, 1919. \$500,000.00
Pay Five Hundred Thousand and no-100 Dollars to the
order of the Industrial Commission of North Dakota.
(Signed) A. C. BRAINERD, Teller.

Countersigned:

F. W. Cathro, Director General.

5% Bonds, Bank Series.

Nos. M-1 to M-500, \$500,000.

TO THE BANK OF NORTH DAKOTA, Bismarck, North Dakota.

Endorsed on the back thereof: "Pay to the order of the Bank of North Dakota.

The Industrial Commission,
Lynn J. Frazier, Governor.
Wm. Langer, Attorney General.
J. N. Hagan, Commissioner of
Agriculture and Labor."

With a perforated stamp "Paid 8-1-19."

Q. And the draft of August 4th, for \$1,500,000 is the draft
(Exhibit No. 5)

now marked Exhibit 5, here? A. Yes.

Mr. Murphy: I now read Exhibit 5 into the record:
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"THE BANK OF NORTH DAKOTA

Bismarck, North Dakota. \$1,500,000.

N. 15

August 4, 1919.

PAY One Million Five Hundred Thousand and no-100 Dollars to the order of the Industrial Commission of North Dakota.

(Signed) A. C. Brainerd, Teller.

Countersigned:

F. W. Cathro, Director General.

To the Bank of North Dakota, Bismarck, North Dakota. 5% Bonds, Bank Series, Nos. M-501 to M-1000, \$500,000. D-1 to D-1000, \$500,000. C-1 to C-4000, \$400,000. 1 to 2000, \$100,000."

Endorsed on the back thereof:

"Pay to the order of the Bank of North Dakota.

Industrial Commission of North Dakota,
By Oliver S. Morris."

With the perforated stamp "Paid 8-4-19."

Q. Now, Mr. Cathro, the fact is, is it not, that the bonds were actually in the physical possession of the Bank before this transfer was made? A. Yes.

Q. You had them down there physically but they didn't appear upon the books at that time? A. No.

Q. And these two drafts, Exhibits 5 and 6, that we have now referred to, were the drafts of the Bank of North Dakota, drawn on the bank, payable to the Industrial Commission? A. Yes.

Q. Then on the 1st day of August, Draft No. 7, which is Exhibit 6 here, for \$500,000, was returned by the Industrial
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Commission to the bank and cancelled? A. Yes.

Q. By merely marking it cancelled or checking it off the draft register as appears there in your register? A. Well, that is not exactly right.

Q. Well, that is substantially correct? A. That is the process of cancellation, that part of it.

Q. And the perforated stamp "Paid" was put on it on that date? A. Yes.

Q. And on the 4th day of August, draft No. 15, being Exhibit 5 here, for \$1,500,000 was returned in like manner by the Commission to the bank and marked paid by the perfor-

ation and checked off the draft register? A. Well, that is not all the transaction, but as far as it goes that is correct.

Chairman: May I ask one question. Are these designated as drafts or cashier's checks?

Mr. Murphy: My information I obtained yesterday afternoon was that they are drafts. A. They are cashier's checks. Mr. Murphy:

Q. There is a register marked "Draft Register" which they are carried in at that time? A. Yes.

Q. That is why I referred to them as drafts. They are on their face cashier's checks, although they were carried on the draft register? A. Yes.

Mr. Murphy: I return these to you now, Mr. Cathro.

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Q. Then at that time the capital account was then opened, was it not, a capital account with \$2,000,000.? A. After August 4th, yes.

Q. Or to put it the other way around, the bonds were placed among the assets and resources, and the resources credited up with that amount of \$2,000,000 of bonds of August 4th? A. After this transaction was closed.

Q. You recall that entry, do you not, that we looked over yesterday afternoon? A. Charged, not credited.

Q. Charged—I beg your pardon. And capital was credited with \$2,000,000 at the same time? A. Not the same time, no.

Q. Well, how long a time elapsed? A. When this cashier's check for \$500,000.00 was issued this debit slip was made at the same time.

Q. Yes—let me see it please. At the time it was issued you made a debit slip reading as follows, —which is this a debit or credit? A. Debit.

Mr. Murphy, reading:

"BANK OF NORTH DAKOTA

July 31, 1919.

Draft No. 7, \$500,000, 5% Bonds, Bank Series, Nos. M-1 to M-500 inc."

Q. To what was that entry debited, to what account on your books? A. Bonds.

Q. And the same transaction was made upon the issuance of the \$1,500,000 check? A. Yes sir.

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Q. Then what entry did you credit when they were returned—Bonds? A. As these cashier's checks left our possession it appeared, just as it does on the fact, without any notation on the back, at the time these debits were made as to Bonds.

Q. Yes sir. A. And subsequently this cashier's check was returned to us with this endorsement on the back, and it becomes a different instrument at that time, and when this account is charged (indicating) this account is credited.

Q. Let me see if I get this straight. That when Exhibit 6, the draft for \$500,000, was issued you debited the account

(Exhibit No. 7)

of bonds as shown by Exhibit 7, being the debit slip, for \$500,000? A. Yes sir.

Q. And when it was returned you credited the account of

(Exhibit No. 8)

capital stock, as shown by Exhibit 8, in the sum of \$500,000?

A. Yes.

Q. That is correct, is it? A. Yes.

Q. So that when the draft went out, or the cashier's check, it was charged to bonds, and when it came back in it was credited to capital stock? A. Yes.

Q. And the same transaction took place with reference to the draft, Exhibit 5, \$1,500,000? A. Yes.

Q. The transaction is precisely the same with reference to the draft, Exhibit 5, \$1,500,000? A. Yes, the transaction is the same.

Q. So it came down to this, that the bonds as a matter of

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fact were the only thing of substance that stood back of the entry, capital stock, upon your books? A. No.

Q. You think the drafts, Exhibits 5 and 6, that you brought here and that have been read into the record are the things that represented capital stock in that bank? A. As I explained yesterday, there were two separate and distinct transactions. The bonds were a purchase, an absolute outright purchase on the part of the bank, the same as every other purchase made by the bank and from the same funds as the farm loans are purchased, same as the rediscounts are purchased, the same as United States Treasury Certificates of Indebtedness are purchased, the same as Liberty Bonds are purchased, likewise the Bank of North Dakota bonds were purchased in the same manner and went on the books in the same manner. The other is an entirely different transaction.

Q. As I get you, your point is this: that when the bank issued the draft and purchased the bonds that completed that transaction? A. Yes sir.

Q. And when the Industrial Commission came back and presented these drafts to you for cancellation that was another transaction? A. Well, call it a cancellation. I don't want to admit that it is for cancellation.

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Q. They were cancelled? A. Yes, but not presented for cancellation.

Q. Well, no credit was given to the Industrial Commission on your books? A. Oh, yes.

Q. Where? A. Capital stock.

Q. That is the credit that was given to the Industrial Commission, was it? A. Yes.

Q. How do you account for the fact, if your explanation is correct, that you do not have a three-cornered entry, leaving you long or short \$2,000,000? A. Why I don't understand where there is any entry short.

Q. If there was no counter-entry to bonds, which came in as property and were dumped in as assets? A. The cashier's check was outstanding.

Q. When the cashier's checks came in you say you credited them up to capital stock? A. Exactly.

Q. And you have already dumped into your assets \$2,000,000 of bonds. Where is the counter-entry?

Mr. Lemke: The law authorized you to do that and you followed the law, didn't you?

Mr. Murphy: I suggest that I am examining this witness,

and if Mr. Lemke wants to be a witness we will put him on the stand.

Mr. Lemke: I suggest that you ought to know the law.

Mr. Murphy: Well, I don't want to be interrupted, Mr.

(S3)

Chairman, in the examination of this witness.

Mr. Chairman: I might suggest that the official personnel of this investigation is the committee, the counsel, the official reporter, and the witnesses, and the others appearing in this room are in the nature of interested hearers. We are glad to have you here. We hope that you will continue to come, but we ask at your hands, all of you, the same courteous consideration which it is the intention of this committee to dispense. We feel that the gentleman will accord to us that privilege.

Mr. Murphy: (To Mr. Lemke) We don't want any more interruptions from you, sir.

Mr. Lemke: Will you permit me to examine this witness when you get through.

Mr. Murphy: No, I won't. That is up to the committee, but I don't think they will.

Q. Now getting off that subject— A. Now before I proceed, is it understood that I cannot have counsel here with me?

Q. It is understood the rule, of course, is that no one can be represented by counsel. Now if there is any further answer that you wish to make I say to you right now you are at liberty to go ahead and make it. If there is any further statement you wish to make relative to this transaction you are at liberty to do so before we leave the subject or if it

(S4)

occurs to you later if you wish to come back and make any additions, amendments or changes in your testimony you want to feel perfectly at liberty to do so. A. I feel as though I ought to make a demand now that I be permitted to have counsel with me.

Q. The rules don't permit that, and I think you knew that when you came here in the first place.

Mr. Lemke: I wish to state with all courtesy to the committee that as Attorney General of this state, I am going to see that the constitution and laws of this state are not violated and I shall persist, when I feel that the best interests of the state require it, in suggesting to this witness, who works for the Executive Department of this state, his rights, duties and privileges.

Q. Is there any further statement or amendment you want to make to your testimony at this time Mr. Cathro. We will be very glad to receive it in the record? A. I think my rights ought to be protected, and I feel as though it is my province to demand that I be represented by counsel at this hearing.

Q. That demand is answered by the rules to which I directed your attention, and I submit, in all fairness, Mr. Ca-

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thro, you are a man, as you stated to us, of long experience in banking and bookkeeping and it certainly can't be possible that a mere lawyer can lead you astray on those subjects, and I can't see the need of counsel, can you? Now we will get off that subject if you are through with it and go to the one about the loan that was made in Chicago. Have you with

you, Mr. Cathro, a copy of the note which you told us yesterday was the basis of that loan? A. Before we leave that subject, I think that your questions have been somewhat misleading, and you are trying to leave the impression that there has been something short in the bookkeeping, some entry omitted. When these cashier's checks are issued there must be some opposing entry, some corresponding debit to offset this credit. The credit appears on the draft register or cashier's check register as cashier's check or draft outstanding. The corresponding entry on the other side of the books is bonds bought. No further entry is needed. It enters into the trial balance as a result of those entries. Then when the other transaction came on the Industrial Commission came down to the Bank and had their check paid—not cancelled, but paid, and the corresponding entry in the payment of that draft was the crediting of capital stock, two entries there, one credit and one debit, and no other entries that I can con-

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ceive of are necessary to show either of those two separate transactions.

Q. All right, sir. You state that there actually appears upon the books of the bank at the time of the issuance of the two drafts a credit to bonds bought? A. Yes.

Q. That on the issuance of the draft you had an opposing entry showing bonds bought? A. The credit is the outstanding check.

Q. I understand, but at the same time you issued your check you had an opposing entry on the book showing bonds bought? A. Yes.

Q. In each instance? A. Yes.

Q. And when the checks were returned that you then credited your check account to the outstanding account? A. Debited it.

Q. Debited it, rather, and credited capital? A. Yes.

Q. Now let us go to the other transaction, if you feel that you have made a sufficient explanation. Have you that copy of that note? A. Yes sir.

Q. I will ask you if Exhibit 9, which you have just handed me is an exact copy of the note given by the Bank of North Dakota to the Merchants Loan & Trust Company of Chicago, same and except that the signatures of the Manager and Director General are absent and the description of the property hypothecated is not in there. A. Yes.

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Q. And the property which was actually hypothecated, the \$1,200,000. worth of bonds we referred to yesterday, should be in there? A. Yes.

Q. Aside from that it is the same. A. Yes.

Mr. Sullivan reads note into the records as follows:

(Exhibit No. 9)

"1,000,000.

July 12, 1920.

On March 15, 1921, after date, we promise to pay to the order of the Merchants Loan & Trust Company, at its office in Chicago, One Million Dollars for value received, with interest at the rate of seven per cent per annum after date, payable quarterly.

(Signed) BANK OF NORTH DAKOTA,
By: Manager and Director General.

"We have transferred and delivered to the Merchants Loan & Trust Company, as collateral security for the payment of

the above note, and any and all other liabilities, either direct or contingent of the undersigned to said bank or to the legal holder and owner of said note, due or to become due, or that may hereafter be contracted, the following mentioned property, the value of which is ——”

Q. \$1,200,000 would be in the original contract? A. I don't recall whether it was left blank or whether it was put in there with the description of the property.

Q. Then here followed the description of the bonds in the sum of \$1,200,000 of the Bank Series of the Bank of North Dakota? A. Substantially, I don't.

Mr. Sullivan continues reading:

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“And the undersigned hereby gives the payee of said note and its assigns authority to collect and to otherwise convert the said securities and to sell the said property or any part thereof or any substitute therefor and all additions thereto on the maturity of the above note or at any time thereafter or before, in the discretion of the legal owner or holder of said note at public or private sale, without advertising same or demanding payment or giving notice, with the right of said payee or assigns to be the purchaser thereof when sale is made at any broker's board or at public sale.

And it is further agreed that if the undersigned shall at any time fail to keep with the holder of said note a margin of security satisfactory to said holder, or in case of the insolvency of the undersigned, in any manner evidenced, or in case any judgment is entered against the undersigned, then, and in any of said cases, the above note and accrued interest thereon shall, at the option of the legal holder or owner of said note, immediately become due and payable and, without any demand or notice, any funds which may be in the hands of the payee or holder of said note to the credit of the undersigned may immediately be applied to the payment of said note, and the securities so held as aforesaid may be collect-

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ed, converted or sold as above provided, and upon any such collection, conversion or sale, after deducting all costs and expenses, the holder of said note is authorized to apply any proceeds of said collection, conversion or sale to the payment of said note and any other or all liabilities as aforesaid, as said payee or assigns shall elect, returning the overplus to the undersigned. And in case the proceeds of said property shall not cover the principal, interest and expenses, the undersigned engage to pay the deficiency forthwith after such collection, conversion or sale, with interest as stated in the above note.

(Signed) BANK OF NORTH DAKOTA,
By: Manager and Director General.”

By Mr. Murphy:

Q. As I understand it, the note of which Exhibit 9 is a copy is the only contract existing between the Bank of North Dakota and the Merchants Loan & Trust Company of Chicago with reference to that transaction? A. The only contract. There is some correspondence of course.

Q. Now Mr. Cathro, if you will now refer to your daily trial balance, the bank's daily trial balance at the close of business as of December 3rd, 1920, and February 1, 1921. I now show you two carbon copies of these which were pre-

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sented to me yesterday afternoon, and ask you if they are not correct copies of the ones which you have in your hands. I show you Exhibits 10 and 11, which are copies of the daily trial balance of the Bank of North Dakota at the close of business December 3, 1920, and February 1, 1921, given me in the bank yesterday afternoon, and ask you if they show a true and correct trial balance as of those dates: A. These copies which I have?

Q. Yes, December 3, 1920, and February 1, 1921? A. Yes.

(Exhibit No. 10)

(Exhibit No. 11)

Mr. Murphy: We offer Exhibits 10 and 11, as a part of these proceedings in evidence.

Q. Now, referring to the liabilities upon the date, December 3rd, can you tell us by a little computation the amount of money on deposit on that date by public institutions of the State of North Dakota? A. \$13,956,565.01.

Q. And the footings of that date were altogether \$18,681,956.04. A. Yes.

Q. That included, of course, the capital of \$2,000,000 that we have referred to heretofore. A. Yes sir.

Q. Now coming up to your resources, you will note an entry there "Bills Receivable, Rediscounts and Public Transfers, \$3,635,342.37." Now the bills receivable referred to there are entirely, are they not, loans made to country banks

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upon their notes or certificates of deposit? A. They include also any loans that there might be on storage tickets or warehouse receipts.

Q. Warehouse receipts? A. Yes.

Q. But it is fair to say, is it, that they constitute a very small proportion of the bills receivable, the storage tickets? A. Not very large.

Q. The great bulk of them consist of the notes of C. D.'s of country banks? A. Yes.

Q. Upon loans made direct to those banks? A. Yes.

Q. And the rediscounts consist of notes purchased by your bank or rediscounted by country banks with your bank? A. Yes.

Q. And have you any recollection now as to what they amount to? The total at that time—I suppose your mind can't keep that detail? A. No, the total of all amounts is included in here.

Q. You didn't work it out in detail? A. No.

Q. We would get that from your books, however, I take it, the exact detail as to the rediscounts? A. Yes.

Q. And the public transfers means the moneys loaned by your bank to public institutions? A. Yes.

Q. Such as the Mill and Elevator Association, the Home Building Association or any other public institution? A. Yes.

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Q. Now may I ask when you make what you call a transfer of funds of the bank to a state industry like the Mill and Elevator Association what method is employed in doing so? Let me put it this way, perhaps, to make myself clearer. I assume you are conversant with the report filed on the 1st of February by the Industrial Commission with the Secretary of State? To some extent at least? A. To some extent, yes.

Q. You know that on that report is showed an overdraft of the Mill and Elevator Association of somewhere around \$200,000, and the report indicated that that overdraft had been taken up by a transfer of funds of that Association? A. Yes.

Q. Now what I want to get at is the method employed when you transferred the funds in this bank to one of these public institutions. Do you understand my question, Mr. Cathro: It is what the method is that is employed in transferring money in the bank to the funds of one of the public institutions like the Mill and Elevator Association. How do you do it, what starts the thing in motion for the transfer? A. I think the best evidence of a matter of that kind would be the books themselves.

Q. Very well, would you suggest to us where we could find that in the book. Just to refresh your recollection let me ask you if this is not the method employed: that the In-

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dustrial Commission makes an order to you to transfer so much funds to the account of, say, the Mill and Elevator Association? A. Yes. We get the order from the Industrial Commission. I thought you were asking about the book-keeping?

Q. No, I was referring to the general practice. The Industrial Commission adopts an order directing you to transfer so much funds to the Mill and Elevator Association, to the Home Builders Association or whatever it may be? A. Yes.

Q. And you do that upon that order? A. Yes.

Q. I assume that the operation of the books is merely a matter of bookkeeping? A. Yes.

Q. You take so much out and credit it to the fund of whichever institution you are directed to do? A. Yes, that is the point I supposed you were asking about.

Q. Well, you are not prepared to say whether that is done or not, whether it is just a matter of bookkeeping in the first instance of crediting up some account and debiting some other account? A. I very rarely see any of the books.

Q. You prefer to have us inquire of the director of audits about that? A. Yes.

Q. Can you tell us this: What evidence of indebtedness is kept in the bank showing these transfers and showing the amounts due from these public institutions. Have you any

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memorandum signed by the manager of the public institution, or a note, or any other evidence of indebtedness that you carry in your pouch anywhere. A. I believe there is evidence of such, but it doesn't come to my attention. I rarely see them.

Q. You rarely see them so you are not prepared to state what form they are in? A. No.

Q. I presume Mr. Johannsen, the director of audits could tell us that without a doubt? A. Mr. McAneney.

Q. Now directing your attention again—and of course the amount of that debt that had been transferred to the public institutions we will have to get from the books, because it is all gathered together here under these three heads? A. Yes.

Q. Now calling your attention to the question of resources,

there is an item of redeposit of public funds of \$7,040,899.19. See if I am reading this correctly? A. Yes.

Q. Now just what does that mean—re-deposit of public funds? A. This was money that was carried in local banks throughout the state of North Dakota in the name of the bank of North Dakota.

Q. Let me see if I understand it correctly. These public funds, of course, constitute the bulk of the deposits in the
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bank of North Dakota, do they not? A. Yes.

Q. The bank of North Dakota then redeposits a portion of these funds in different banks throughout the state of North Dakota in its name—that is the Bank of North Dakota becomes a depositor in various banks throughout the state? A. When the Bank of North Dakota was organized a large proportion of these funds were in these banks and the bank of North Dakota adopted a policy of redepositing in these same banks. In other words a check by a local treasurer or county treasurer was sent to the Bank of North Dakota, and that identical check was returned to those banks for deposit in place of being retained by the Bank of North Dakota. Those banks at that time were unable to pay the money to the Bank of North Dakota. They had it at that time but they couldn't let go of it. They couldn't meet their obligations and pay it to the bank, consequently in order not to embarrass those banks, it has been there ever since in a good many cases and we have been unable to get it out.

Q. As far as the books are concerned the public funds actually belong in the Bank of North Dakota but they are by if redeposited in the fashion you have indicated? A. Yes.

Q. Now of course upon these funds you pay two per cent.
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to the counties or cities or public institutions, do you not? A. We do.

Q. And you charge the repositary bank four per cent. A. Yes.

Q. Now, as I understand you, you say that was your policy throughout, that you redeposited the exact amount in the bank as was taken out of it and deposited with you? A. No not the exact amount.

Q. Well, a similar amount? A. Our position always was in the main—we never assumed that we could sustain an exact balance—but in the main we would try to retain redeposits in local banks about in proportion to the amount that came from those localities.

Q. So that the distribution would be substantially the same as it was before the organization of the Bank of North Dakota? A. Yes.

Q. You think that is a correct statement? A. Approximately so, that is the general plan we tried to follow.

Q. Is that true as to counties or districts of localities, or has there been some change in the distribution of public funds since the organization of the bank and the adoption of this method of redepositing—substantially, I mean? A. Well, portions of the state that were not in urgent need of money—from those portions we withdraw some of their funds and
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put them into sections of the state where there was more urgent need.

Q. Would you specify a little bit there and give the portions of the state from which you withdraw a portion of the funds and the portions of the state which in your judgment were more in need of the money? Give us some idea how you altered the distribution of balances there, if you can, at this time? A. Well, I suppose the same principle is adopted by any bank to discover the needs of the locality, and when the needs are presented to take care of them.

Q. I am not inquiring as to the principle. I am inquiring as to the application of it. What particular place did you apply the principle to? A. We drew some money from the eastern portion of the state and sent it to the western portion for redeposit.

Q. Now would you say, as a matter of fact, that in any given locality of the state, if it isn't a fact that your bank has absorbed this public money from all of the banks of a certain given locality and then redeposited a great proportion of it in one bank and very little in the others? A. No, there was no attempt at favoritism.

Q. Have you now in mind the situation in the city of Fargo, the proportionate deposits of one bank as against the aggregate deposits of all the rest of them. Have you ever had

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occasion to investigate that? A. Yes.

Q. What would you say about that? A. This is just by way of illustration—just exactly what I said a few minutes ago—to repeat it—that we found a great deal of money—we found money in the banks, in some banks, a great deal of money. That under our general plan of agreeing to leave the money where we found it as largely as possible. That that money was redeposited where the treasurers checks came in on us, redeposited in the same bank and in some cases there was considerable balance, something, we are not responsible for. We never placed the money there as far as the deposits were concerned. We found it there and left it there. Now that existed in some parts of the state.

Q. Now just to carry my illustration a little bit further so that we can make ourselves clear, do you know at this time on the 3rd of December the amount of money that was redeposited in the Scandinavian American Bank at Fargo. Just by way of illustration, of your point, could you tell us? A. I don't want to be a party willingly to divulging the relations of banks, the condition of banks. If this committee feels disposed to go into that subject and stir up the matter of the banks over the state at the present time in this critical condition existing at the present time, you may cause the suspension or breaking of a whole lot of banks in North Dakota. Now

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it is a delicate subject to approach and I don't want willingly to offer any information in regard to any institution if thereby we are going to embarrass the financial situation in the state.

Q. Of course, the committee, I take it, does not wish to injure anybody's bank or any banks at all, and you must realize that there is not anything that the committee can do in that respect. Now with reference to that particular bank I

am inquiring about just now, because the matter has already been made a matter of publicity and spread through the press— A. I have nothing to conceal as to the particular bank, but if you start on this one it throws the bars down to open up the proposition throughout the whole state, and you are going to run into a whole lot of trouble and danger.

Q. Well, possibly there are not many others that are in similar condition to this one.

Mr. Chairman: May I suggest that at the present time, if you desire to examine this witness, and the witness so desires we might go into executive session.

Mr. Murphy: Well, if you don't wish the matter to be made public, I think the committee will accord you that privilege of testifying in executive session.

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Mr. Cathro: I have nothing to cover up. What I am interested in is the financial situation in the state of North Dakota.

Mr. Chairman: The point is well taken, and if we went into executive session would you feel disposed to answer these questions.

Mr. Cathro: I don't want to say anything that would cause things to be stirred up or cause runs on the bank.

Mr. Lemke: May I suggest that the committee look at the record and in that way form their own conclusions.

Mr. Murphy: May I suggest that it is very essential that the testimony in this case be brought here and put into this record under oath.

Mr. Lemke: I would suggest that you take it from the records.

Mr. Murphy: We are referred to the records constantly now, and the other day when we were asking for them we were told we couldn't have them.

Mr. Lemke: You were notified at all times that you could look at the records and we have shown you every courtesy and it has been met with nothing but insults.

Mr. Sullivan: What are you talking about? Is that possible.

Mr. Murphy: (To Mr. Lemke) I am not talking to you. I

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don't recognize you in this proceeding.

Mr. Chairman: Well, would you prefer an executive session while this matter was under discussion?

Mr. Johnson of Steele: Mr. Chairman, we are unable to hear what you are talking about.

Mr. Chairman: I am trying to ascertain from the witness if he would feel more disposed to answer these questions regarding these redeposits if we went into executive session.

Mr. Cathro: I have already requested the press of all factions to lay off on these bank troubles, and in order to be consistent I cannot willingly offer information here that would be spread over the state in these critical times. I want to see the policy adopted that will serve to allay any suspicion of any weakness any place, and I hope that this committee will permit nothing to interfere with it. As to the executive session, I am not in a position to ask it. I want my attorneys to remain with me. If that is granted an executive session will be perfectly satisfactory to me.

Mr. Murphy: You recognize under the rules we can't do that. We can't recognize any attorneys.

Mr. Lemke: It is unconstitutional.

Mr. Murphy: The constitution is a very lawful document to those who think they can use it, but they don't care much

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about it when it gets in their road.

Q. You stated that the principle adopted was to redeposit in banks as nearly as you could the amount taken from them of public funds. Now I ask you if that same policy was adopted with reference to the Scandinavian American Bank of Fargo? A. It was.

Q. So you desire this committee to understand that whatever amount appears to have been on redeposit with the Scandinavian American Bank as of December 3, 1920, was approximately the amount that bank had carried of public funds prior thereto, do you?

Mr. Lemke: I might advise you, Mr. Cathro, you have a perfect right to insist that the records are the best evidence.

Mr. Cathro: That was the point I was going to make.

Mr. Murphy: Very well, Mr. Cathro, how long will it take you to go over to the bank and get these records. I am informed by Mr. Johannsen that it is in loose leaf. Will you please go to the bank and bring us the loose leaf ledger, individual deposits record of the Scandinavian American Bank of Fargo showing all the redeposits and at the same time bring us the loose leaf redeposit record of all the other banks from the city of Fargo for the purpose of comparison and illustrating the point you have just made there and we will

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use the records.

A. That is exactly the thing I have been warning you against.

Q. What is that? A. If those figures are read into the record you have got the very things I have been cautioning you against.

Q. Now here is what we want. We don't want anything except the redeposit records. Your director of audits informed me yesterday in your office that you have an individual ledger showing redeposit record of each individual bank in the state. Now all that thing will show is the amount of sums deposited by you in those banks, and nothing else. It can't injure anybody. Now you have referred us to the record and your—the gentleman who sits here and says he is your counsel has done it repeatedly. Now we accept your reference and ask you to produce the record, and I ask that the committee give Mr. Cathro the length of time that he thinks will be necessary to produce it.

Mr. Shipley: I move that we recess a sufficient length of time to allow Mr. Cathro to produce the records as requested by counsel.

Mr. Johnson of Ward: I would suggest that we have some definite time, say five or ten minutes.

Mr. Shipley: How long would it take you, Mr. Cathro?

(104)

Mr. Cathro: Well, I can give you substantially the figures at the present time.

Mr. Murphy: Your counsel, the gentleman who sits here as your counsel, and yourself have referred us to the record. Now we would prefer to have the record so when we go into it we will not be again referred to the record. You say it is the best evidence and I agree with you, it is the best evidence.

On motion of Mr. Shipley, seconded by Mr. Freeman, recess taken at 10:45 a. m.

Meeting called to order by the chairman at 11:45 a. m., all members of the committee, officials of the committee, and the witness, Mr. Cathro, present. Examination of Mr. Cathro resumed:

BY MR. MURPHY:

Q. Mr. Cathro, just before recess you were requested—it was at about a quarter of eleven—you were requested to produce in accordance with the suggestion of yourself and the suggestion of Mr. Lemke, as the best evidence, the ledger account, individual account of the Scandinavian American Bank of Fargo, showing the redeposits of public funds in that bank by the Bank of North Dakota, and also the individual ledger accounts. A. Just a moment. You granted me permission to add to my statement, and this morning—

(105)

Q. As soon as I get through you may add anything you wish to the statement— and also individual ledger accounts of other banks in Fargo, of the same nature, for the purpose of establishing, if it can be done, the policy which you have outlined in your testimony with reference to the redeposit of public funds, and I now ask you at a quarter of twelve if you have the accounts which were asked of you. Will you kindly answer that question whether you have them now or are ready to produce them? A. Can't I add this testimony that I want to add to what came before.

Q. I don't understand you? A. When we were considering this note you asked if I had a contract.

Q. I will take that up later. A. I would like to put it in now if I can.

Q. Can't you answer this question first and I will see that you go into it? A. This was offered on your suggestion that I would be permitted to add anything to my testimony that I wished.

Q. What number is the exhibit? A. No. 9.

Q. You desire to make some explanation as to Exhibit No. 9? A. Yes, sir.

Q. You may do so. A. You asked if I had any contract, and I stated I had correspondence and my attorney advises me that that would be considered as a contract and I would like to submit that at this time.

(106)

Q. It is your desire to have that correspondence read into the record? A. Yes.

Q. Have you got it here? A. Yes. (Witness hands counsel paper).

Q. Is this all of the correspondence? A. Yes.

Mr. Murphy: Now at the request of the witness, Mr. Cathro, we offer in evidence Exhibit 12, being a copy of a letter dated July 12, 1920, from F. W. Cathro, to L. P. McAneney, written in Chicago, Exhibit 13 being a telegram dated July 20th, from E. D. Hulbert, President, to the Bank of

North Dakota; Exhibit 14, being a telegram, dated July 20, 1920, from the Bank of North Dakota, to E. D. Hulbert, President, Merchants Loan and Trust Company, Chicago; Exhibit 15, being a copy of a letter dated July 20th, 1920, from E. D. Hulbert, to the Bank of North Dakota; Exhibit 16, being a copy of a telegram, dated July 21st, 1920, from E. D. Hulbert, to the Bank of North Dakota; Exhibit 17, being a copy of a letter dated July 21, 1920, from F. G. Nelson, Vice President, to the Bank of North Dakota, assurances being given by the witness that these copies are correct copies of the originals in possession of the bank.

Q. Now, Mr. Cathro, who accompanied you to Chicago?

Mr. Lemke: Mr. Murphy, may I suggest at this time that these letters be copied into the record?

(107)

Mr. Murphy: I have offered these copies in evidence. I wanted to save time. They go into the record exactly the same as if read now and they will be there a part of the record and written out in full. It saves a great deal of time reading the letters. It is very convenient of you to have the copies here.

Mr. Cathro: That was your suggestion that I be permitted to do so but I supposed they would go in the same as the other stuff.

Mr. Murphy: In view of the fact that we have the copies, I thought it wasn't necessary to read them because they become part of the record.

Q. Who was with you at Chicago at the time you went down to make arrangement for these bonds? A. Mr. Lemke.

Q. Now, Mr. Reporter, please repeat the question. (Question read by reporter). A. Now, for the benefit of the committee, that this thing is before, in accordance with the courtesies we agreed to extend you, I think it is my right to have these read into the record.

Mr. Murphy: I haven't the slightest objection. It is just a question of time. I suggest, however, that I have an engagement at twelve o'clock, and this is done with the understanding that we are going to adjourn at that time.

(108)

(Exhibit No. 12)

COPY
MORRISON HOTEL
and Terrace Garden
Clark and Madison Sts.,

Chicago, Ill., July 12, 1920.

Mr. L. P. McAneney,
Bismarck, N. D.

Dear Sir: Please clip coupons from \$990,000 of the \$1,000 bonds, \$90,000 of the \$50 bonds and \$120,000 of the \$100 bonds, making a total of \$1,200,000. I would suggest selecting the latest numbers so as to retain the earlier serial numbers on hand. Get the bunch ready for shipment, presumably by express, either express or registered mail. My idea is to retain the earlier odd numbers on hand. However, use your judgment about that. Ship to Merchants Loan and Trust Company, Chicago, and value the shipment at say \$20,000 to \$25,000.

I am leaving tomorrow noon for New York. I think we will be at the Pennsylvania Hotel.

Think the \$1,000,000 should be handled as reserve—don't believe you want to shoot it all to pieces by putting it out on loans, but you have the \$1,000,000 to take care of urgent demands, but will doubtless have to keep drawing enough money in from banks to cover the treasurer's checks.

We are getting some encouragement, but these things go slowly.

Very truly yours,

F. W. CATHRO.

(108-A)

(Exhibit No. 13)

WESTERN UNION
TELEGRAM

MS D 48 1 EX Chicago Ill., July 20, 1920.

To Bank of N. D.

Bismarck, N. D.

Referring to pending loan the opinion of our attorneys is that neither Industrial Commission or Bank has any power to pledge these bonds for a loan unless the bank has actually purchased the bonds of the Industrial Commission. Please advise us whether such purchase has been made.

E. D. HULBERT, President.
3:10 PM

(Exhibit No. 14)

WESTERN UNION
TELEGRAM

Bismarck, North Dakota, July 20, 1920.

E. D. Hulbert, President,

Merchants Loan & Trust Company,
Chicago, Illinois.

Bonds were purchased from Industrial Commission in two lots July 31—five hundred thousand. August 5, 1919, one million five hundred thousand.

The Bank of North Dakota. Charge the Bank of North Dakota.

(108-B)

(Exhibit No. 15)

COPY

THE MERCHANTS LOAN AND TRUST COMPANY,

Chicago, Illinois, July 20, 1920.

Bank of North Dakota, Bismarck, North Dakota.

Gentlemen: Referring to the million dollar loan which we are negotiating with you, the papers were all referred to Wood and Oakley yesterday and they advised us that the bonds were a valid obligation of the State of North Dakota only after they had been sold. Our own attorneys confirmed this opinion, but pointed out that there was a provision in the law that the bonds might be purchased by the bank out of its funds, and that when this has been done, the bank could pledge the bonds the same as they could any other assets. We therefore wired you as follows:

"Referring to pending loans the opinion of our attorneys is that neither industrial commission or bank has any power to pledge these bonds for a loan unless the bank has actually

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purchased the bonds of the Industrial Commission. Please advise whether such purchase has been made."

If the bank has not already purchased the bonds of the Industrial Commission, it would seem to be a very simple transaction to do it now.

EDH-es
Very truly yours,
E. D. HULBERT, President.
(108-C)

(Exhibit No. 16)

WESTERN UNION
TELEGRAM

MT. Chicago, Ills., July 9 44 AM 21 1920.

To Bank of North Dakota,
Bismarck, North Dakota.

ABACO INTERLINE TODAY DIRENESS
(We credit you today 1,000,000)

E. D. HULBERT.

(Exhibit No. 17.)

THE MERCHANTS LOAN & TRUST COMPANY

Chicago, July 21, 1920.

Bank of North Dakota,
Bismarck, North Dakota.

Gentlemen: Confirming our telegram of even date we have today credited your account \$1,000,000, proceeds of your note for this amount due March 15, 1921, running with interest at 7%, payable quarterly. We have charged your account \$200, to cover the cost of revenue stamps which we have affixed to the note.

Among the \$1,200,000, North Dakota 5% bonds which we hold as collateral, we find the following which are registered in your name.

Nos. 12, 13, 14, 47 for \$1,000 each.

We will therefore thank you to forward us assignments in blank to cover these bonds.

SB-BD
Yours very truly,
F. G. NELSON, Vice President.
(108-D)

Mr. Weld: If it is relevant that that be in there as to the time. It was quarter past eleven when we recessed.

Mr. Chairman: It was ten forty-five when the recess was taken, and eleven forty-five when we reconvened.

Q. How far is it from here over to the bank where these records are kept? A. Now if the committee please—

Q. Now, couldn't I have an answer, please?

Mr. Chairman: Answer the question, please. A. I have been a very willing witness, I think. I have used my utmost endeavors to try to furnish you with the information you desire, and to do so with the least friction and delay possible, I have tried to be and I know I have been courteous all through these proceedings. I wish the committee could realize the importance of the question you are asking. The banks throughout the state are built on confidence. If you destroy that confidence, you are going to destroy the banks. Now, our efforts at all times through these several months last past, have been to sustain confidence in these banks. If you start in on one proposition, you open up the whole proposition and I be-

lieve you fail to realize the seriousness of this proposition at this time. That is about the only one thing in the bank that ought to be kept especially confidential. We tried to give all

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the information we can as it was asked for from time to time along all other lines where business is not in the same way was based on confidence and confidential relations. It is not the matter of the confidential relation of the Bank of North Dakota with those banks so much as the confidential relations of their business. How long would any bank last in North Dakota, for instance, that receives one-half or one-tenth of the attacks the Bank of North Dakota has? The Bank of North Dakota has paid out over twenty million dollars more in the last nine months than it has received.

Q. Now, Just a moment. I am perfectly willing to extend any courtesy to you, but I suggest it is unfair for you to come in here now and cover the entire policy of the bank in explanation of why you will not produce the exhibits we have asked you for. A. I insist that I ought to have the privilege of presenting the matter to the committee.

Q. If you will limit yourself to the precise things before you, I think, perhaps, we are willing, but we don't want to cover the whole policy of the bank on this question. A. As I understand, I am only covering one point and that is the attacks on the confidence of the bank.

(110)

Q. Well, I think you have covered that now. Now you understand that this is a committee of the House of Representatives inquiring into a public institution and its affairs. And the only thing that I have asked you, as indicated by the question, is as to the account of the Bank in Fargo and the other banks to carry out and demonstrate the policy which you have stated this morning was the policy of the Bank under your control. Now, I want to ask you the question if you will or will not produce these exhibits. A. I am trying to get to the committee the fact that the matter of taking in one bank opens up all banks and that is a very serious thing to do. Now, if I have failed to impress the committee with the importance of my presentation on that matter I have at least done the proper thing in bringing it to their attention.

Q. You did the best you could anyhow. A. I want the committee to understand the seriousness of this situation. Now as to any one particular bank that makes no difference to me individually or to the Bank of North Dakota.

Q. I understand that. A. But the whole problem is opened up, and if I have got this thoroughly impressed upon the committee, that is the point I am trying to make right now.

Q. I think the committee has the point, and we all catch

(111)

it. Now, I want to know if you will answer my question please? A. I will ask Mr. Lemke if I have authority to produce those figures from the Industrial Commission.

Q. I would suggest to you that my question is directed to you, Mr. Cathro, and personally I haven't any interest in Mr. Lemke's views. A. He is a member of the Industrial Com-

mission and I have to get the consent from the Industrial Commission under that resolution adopted the other day.

Q. What did you say? A. He is a member of the Industrial Commission and I have to get the consent from the Industrial Commission under that resolution adopted the other day and read into the record.

Q. Do you want to confer with the Industrial Commission before you care to answer that? Of course, we wont work this afternoon and if you would prefer to have time this afternoon to confer with the Industrial Commission, we are perfectly willing. A. I think I might get permission right now, possibly.

Q. Is this gentleman the Industrial Commission, or just one? A. He speaks for them, doubtless.

Q. Well, if he will say yes or no, we will have him—

Mr. Lemke: I have never yet in the history of my life had an attorney put a gag on me and he will not today.

(112)

Mr. Murphy: The witness is asked this question as a representative of the Industrial Commission as to whether he has authority to do that, or not. And it may be answered yes or no, and I object to the gentleman making speeches into this record as to what has occurred in the past and will occur in the future.

Mr. Johnson of Steele: I understand this committee was appointed here to investigate the audit of Bishop, Brisman & Company.

Chairman: Just a minute. There is a question before the witness, and before the committee enters into an argument of this, we would like that disposed of.

Mr. Murphy: I would like to proceed in an orderly manner and the committee can meet afterwards and dispose of its policy as it sees fit, but it appears that the gentleman doesn't care to give you his answer right now and I don't want to put him in an embarrassing position by reason of the fact that the commission has given such orders and I would suggest that he consult the commission this afternoon and let us know tomorrow morning at 9:30 whether he will do so or not.

Mr. Cathro: That will be all right.

Q. And now answer this one other question, and that is how far is it from the courthouse to the Bank of North Dakota?

(113)

Mr. Johnson of Steele: Mr. Murphy, I have a motion that I want to make here as a member of this committee, and I feel that I have a right to make that motion now.

Mr. Chairman: There is unfinished business before the committee. There is one question that has not been answered, and as soon as that is answered you will be recognized.

Mr. Johnson of Steele: The question of making a motion and the question of whether these gentlemen who are our hired servants, as attorneys, whether their wishes should be sustained, or whether mine as the matter of making this motion, I ask the chair to rule on.

Mr. Murphy: I will say that there will be no conflict between you and me, Mr. Johnson, on that point. All I ask is

Just to let me ask this little simple question as to how far it is from the courthouse to the bank.

Mr. Johnson: You had asked it several times.

Mr. Murphy: That is so, but it is just a question of distance from here over to the bank and if you can tell us please, Mr. Cathro, we will be very glad. How many blocks is it? A. Four or five blocks.

Mr. Johnson of Steele: I would like to make this motion at this time that Rule 9 be amended and reenacted to read that any witness called before the committee shall be al-

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lowed to be represented by the attorney general or any other attorney he may see fit to employ. Mr. Hanson seconds the motion.

Roll being called on the motion as made, the members of the committee voted as follows:

Grangaard, no; Freeman, no; Weld, aye; Hanson, aye; Johnson of Steele, aye; Nagel, no; Ulland, no; Johnson of Ward, no; Shipley, no; and the motion was declared lost.

On motion of Mr. Freeman, seconded by Mr. Johnson of Ward, committee adjourned until 9:30 February 5, 1921.

End of February 4th.

(115)

FEBRUARY 5TH, 1921

Meeting called to order by the chairman at 9:50 A. M., all members of the committee being present together with the attorneys and reporter.

Minutes of previous meeting read by the secretary and approved.

Mr. Lemke: As attorney general of the state, and as attorney for Mr. Cathro, and a member of the Industrial Commission, I would request that the committee adjourn until Monday.

Mr. Grangaard: Would you state the time, Monday.

Mr. Lemke: Say, 9:30.

Mr. Johnson of Steele: I move you to that effect, Mr. Chairman. Mr. Weld seconds motion.

Mr. Grangaard: It is moved that in compliance with the request of Mr. Lemke, attorney general for the state of North Dakota and a member of the Industrial Commission that this committee do now adjourn until 9:30 Monday morning.

Roll being called upon the motion all members voting aye, the motion was declared carried and adjournment was taken until 9:30 a. m. Monday, February 7th, 1921.

(115½)

FEBRUARY 7, 1921

Meeting called to order by the Chairman at 9:30 a. m., all members of the committee, attorneys and reporter being present.

Minutes of previous meeting read by the secretary and approved.

Mr. Johnson of Steele: I have a resolution that I would ask to have read into the proceedings: (Reads resolution as follows):

"WHEREAS, It is the desire and wish of the minority members of this committee to obtain and have a fair, full and

honest investigation of the audit which has been presented to the House of Representatives by Bishop, Brissman Company; and

WHEREAS, two attorneys have been selected by the majority of the said committee for the purpose of studying the said audit and examining witnesses and introducing evidence thereon in order to explain and make clear to the public said audit; and

WHEREAS, it is recognized as essential in the investigation of any matter in courts of justice and other investigation that both sides of a controversy be fully presented by extending the right of cross-examination and that through cross-examination only can the truth be ascertained in any matter under consideration; and

(116)

WHEREAS, it appears from the proceedings thus far had in this investigation that the majority of this committee are fully represented by able counsel who are conducting said investigation; and

WHEREAS, it is deemed advisable by the minority members of this committee that they be represented by counsel who are able to make a study of and investigate said audit and who are able to propound questions to the witness produced in a legal manner and who are able to fully present the truth of said audit to the people of the state of North Dakota by cross-examination of the various witnesses and by introducing evidence covering and explaining matters either forgotten or intentionally omitted by the attorneys for the majority of said committee.

THEREFORE, it is hereby moved that the minority members of this committee be permitted to employ such counsel as they see fit to act in conjunction with all of the other members of said committee and their counsel to the end that an honest and fair investigation of the North Dakota State Industry may be had."

Mr. Hanson seconds the motion.

The roll being called on the motion as read, members of the committee voted as follows:

Grangaard, no; Freeman, no; Weld, aye; Hanson, aye;

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Johnson of Steele, aye; Nagel, no; Ulland, no; Johnson of Ward, no; Shipley, no. And the motion was declared lost.

Mr. Johnson of Steele requested a reading by the secretary of the list of persons employed by the committee, which list was read by the secretary.

After discussion, Messrs. Johnson of Steele, Hanson and Weld announced that they would and did withdraw from further participation in the hearings of the committee.

Mr. Shipley: There being a majority of the investigating committee present, I move that we proceed with the investigation. Seconded by Mr. Freeman. Motion carried, all members of committee present voting aye.

(118)

F. W. CATHRO, recalled as a witness, and having been theretofore duly sworn, testified as follows:

EXAMINATION BY MR. MURPHY:

Q. Mr. Cathro, at the last hearing you were asked to produce, for the purpose of this record, certain papers of the

Bank of North Dakota of which you are director general, and at the request of a member of the Industrial Commission sitting here an adjournment was taken over Saturday. I want to say to you this: So much has been said in reference to counsel being here that we do not want any confusion and I will state that the rule adopted by this committee forbids counsel only from participating in the examination, but that you as a witness or any other witness who sees fit may have all the counsel they wish here to advise them as to their rights when it comes to answering questions. You understand that, do you? A. Just repeat that question please.

Q. You as a witness, or any other witness, may have all the lawyers you desire for the purpose of advising you as a witness as to your rights when you are asked to answer a question. The rule prohibits lawyers only from participating in the examination. You understand that at this time you have a right to counsel to advise you as to any question that is asked you here as to whether it is answered or not? A.

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No, I did not so understand it.

Q. Well, you understand it now, do you, Mr. Cathro? You will be advised, and I will say now that if you wish to advise with counsel all you have to do is to express such a desire. It is a fact, is it not, that Mr. Lemke and Mr. Sinkler have been in the court room at all times during your examination? A. Yes sir.

Q. And they are your counsel? A. Yes, and Mr. Pad-dock.

Q. The three of them have been here constantly during your examination and they represent you as your counsel? A. I want them to appear here as my counsel.

Q. And you have had an opportunity since the time that the request was made at the last hearing to consult with them, with reference to producing the records asked for, have you not? A. I have had the opportunity.

Q. And you have consulted with them, have you not? A. Yes.

Q. Now I will ask you if you will produce the records asked at the last hearing last Friday? A. The previous question you asked me—or shortly before that last question was as to the policy of the bank in the matter of redeposit of public funds and I made the statement substantially in the form that public funds were redeposited in the main in the

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localities from which they originated. I did not make the statement that that was implicitly followed because it would be impractical to follow that to the last detail. But in the main that was the general policy and that called forth the question from you as to our relation to the Scandinavian bank. I appealed to the committee against going into that question. Not that I had anything to conceal in regard to the Scandinavian American Bank, but that the opening of that question opened up the whole question of the confidential relations of banks throughout the state, all state and national banks. I presented an appeal as strong as I could to the committee to recede from that position on the ground that it would disturb confidence in a great many banks to have their affairs opened up, not only with the Bank of North Da-

kota but with all other banks at these critical times. Sometimes it might not be so disastrous. In substantiation of my position I want to recite an incident that happened in Minneapolis along early in November, as I recall it, at the time a call was made by the state examiner for the reports from banks.

Q. Just a moment, Mr. Cathro. I don't want to appear discourteous to you, but your position in that matter has

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been made very clear last Friday. You are repeating it practically in substance what you said then. Now it is unfair to this committee and to everyone connected with it, and discourteous to me who have been trying to be courteous to you, to persist in it. Now we want to go forward with this examination. The delays have been due to yourself and to Mr. Paddock, as the witnesses who have called here. Now will you kindly produce the record that we asked for.

Mr. Lemke: I want to suggest to you, since you are not allowed counsel by this committee, that you have a right to explain fully and show the various connections with every transaction and every question that is asked you, in your own language and in your own way.

Q. Will you please produce the records, Mr. Cathro, that I have asked for and after you have produced them, if you desire to make any explanation with reference to them you will be accorded that privilege fully? A. I have been informed or gather from the records I have seen that this committee has been appointed for the purpose of examination, that this is an examination and not a trial.

Q. That is what we are trying to do and we want you to furnish public records and not give opinions on any

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subject? A. I feel that I can present the facts in regard to this examination that are of value and of benefit to you.

Q. Now you must readily understand the statements you make are largely matters of opinion on your part. What the committee is after are the cold figures appearing on the books of the bank of North Dakota, and let the people of North Dakota form their own opinions and conclusions. Now if you will kindly produce those records that were requested of you last Friday—and I ask the Chairman to instruct the witness to produce them at this time. A. Thus far I have expressed but one opinion and that is the opinion that the character of your investigation will cause serious damage to the banks. That is an opinion. The rest I have stated are facts.

Q. I understand that and we understand your opinion in the matter and respect your right to have that opinion, but we ask you now to let us proceed with the examination without any further discussion of it and let us have the records? A. I am as anxious as anyone in this court room that the examination of this bank should be made fairly and honestly and show all the transactions that are there.

Q. Do I understand it to be an imputation that we don't

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desire the same thing? We would like to have you produce in this room all of the books of the bank and I agree to

introduce into this record every single book and paper you have got in the bank as of December 3rd or any other date that you want to suggest. Every one of them will be introduced and copied into this record. If you will just do that you will facilitate this examination greatly. A. We have extended every courtesy and every opportunity, not only to yourself, but to the auditors that were sent in to examine the bank. We have exposed every paper and every book. We have tried to conceal nothing, and so far as the examination is concerned we are absolutely willing that a thorough examination be held at any time.

Q. Well, let us go forward with it then? A. But the character of your question is not along the line of an examination but along the line of a trial in my judgment.

Q. Of course you will concede the right to me to conduct this examination as my judgment dictates. I may be mistaken, but I am doing the best I know how and you will help me a great deal if you will produce the records asked for and answer the question. Now please do so. I ask that the gentleman be instructed to do so.

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Mr. Shipley: I move that the witness be instructed to answer the question.

Mr. Freeman: Second the motion.

Motion carried, all members of the committee present voting aye.

Mr. Grangaard: Mr. Cathro, please answer counsel's question.

Q. Will you produce the records requested of you Friday, to-wit: the redeposit individual record of the Scandinavia American Bank of Fargo and all the other banks in the city of Fargo? A. I am instructed to refrain from taking from said institution any items or property belonging thereto. I am further instructed to permit any person, duly authorized by resolution duly passed in either House of the Seventeenth Legislative Assembly or persons delegated by such resolutions, carrying proper credentials under such authorization, to examine and inspect any of the above mentioned items or property under my control.

Q. That is your answer, is it, to my request that you produce the records requested of you last Friday, and that is your sole answer, is it? A. I have not made any refusal to produce anything.

Q. Will you produce right now before this committee at its hearing the records I am asking of you? A. What is that?

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Q. Will you produce these records I have asked of you repeatedly? A. My instructions of the Industrial Commission are not to deliver the records.

Q. Then you won't do it. You are going to follow the instructions of the Industrial Commission, and not the demands of this Committee? Is that correct? A. I am not taking a personal stand on the matter.

Q. I understand, but you are on the stand as a person and you as a person must answer my question. Have you those records with you? A. I have not.

Q. You didn't bring them here this morning and produce them? Are they in the court room? A. I don't know if there are any such records in the Court room.

Q. You didn't bring any here of that nature? A. I did not.

Q. So we understand one another thoroughly do we not? That you are going to follow instructions given you by the Industrial Commission and disregard the instructions of this committee to produce those records at this time. Is that correct? A. I have read you the instructions I have received.

Q. And that is your answer to my request and the request of this committee. Is that correct? A. That is the answer.

Q. And that is the only answer we get? A. That is the answer I give you.

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Mr. Murphy: I have no further desire to examine this witness at this time. I would suggest to this committee that the witness having declined to obey a lawful and proper order of the committee that proper action should be taken to certify him up to the House of Representatives for contempt of this committee and contempt of the House.

Mr. Grangaard: I will entertain a motion at this time to invoke Rule 15½ that Mr. Cathro be certified to the House of Representatives as being in contempt of this committee and of the House.

Mr. Freeman: I will make such a motion.

Mr. Shipley: I second the motion.

On roll call all members of the committee, excepting Johnson of Steele, Hanson and Weld, who had previously withdrawn, voted aye, and the motion was declared carried.

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On motion of Mr. Johnson of Ward, seconded by Mr. Ulland, recess was taken for ten minutes to call Mr. Johansen from the bank.

Meeting convened at 10:45 a. m., with all members of the committee, excepting Johnson of Steele, Hanson and Weld, all attorneys and reporter present.

A. JOHANNSEN having been called as a witness by the committee, was duly sworn, and testified as follows:

EXAMINATION BY MR. MURPHY

Q. Your name is what? A. A. Johannsen.

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Q. Mr. Johannsen you are the director of audits of the Bank of North Dakota? Are you not? A. I am.

Q. How long have you been such director of audits? A. Since November, 1919.

Q. And as such director of audits what are your duties generally? A. Generally auditing checking accounts and keeping them straight.

Q. That is all of the books and records of the Bank of North Dakota with reference to these transactions are under your supervision as director of audits? A. Practically speaking, yes.

Q. And in addition to that I understand you have the direction of the redepositing of public moneys? A. Yes sir.

Q. The other day, Mr. Johannsen at the request of Mr.

Lee of Bishop Brissman Company, you checked and verified that portion of the audit and report of the Bishop, Brissman Company, known as detail No. 2, redeposits of public funds and balances due depositaries, Pages 34 to 50, did you not. I now show you Exhibit 18 to examine? A. I checked the report but I don't know whether this is the same as it was when I checked it or not. I know that the last page contained a portion of the report. I don't know whether it is the same or whether it is not.

Q. The writing on the last page as follows: "Pages No. 34 to 50 checked as to redeposits 2-4-21. A. Johannsen." is that in your writing? A. Absolutely.

Q. You put it on there at that time? A. Yes.

Q. And at the time you put it on there you had checked their Detail No. 2, redeposit of public funds and balances due depositaries? A. That was a portion of his office copy.

Q. You had checked that portion pages 34 to 50? A. Yes.

A. And it did check with your books as of that date? A. The report I checked did at that time, yes sir.

Q. The other day you will recall Mr. Sullivan and myself

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were at the bank and interviewed you and you were to prepare a statement of the amounts deposited in corresponding banks, that is a copy of a statement which you already had. Have you that here? A. No, I haven't.

Q. Can you procure it? A. It seems to me that you had that.

Q. No we didn't get that because you merely had one copy there and wanted to retain that, and we asked you to make a copy of it? A. The last I knew about it you had it in your hand and you said it would take a great amount of work and I don't know anything further than that.

Q. That is true. We had it in our hand, but it was Mr. Cathro's private copy and the understanding was that a copy was to be made by you and turned over to us? A. I didn't understand it that way.

Q. Well you understand what I want now? You recall that list showing the amounts deposited in correspondent banks, that Mr. Cathro had there at the time? A. Yes. I have an idea what it is.

Q. Will you produce that—I think Mr. Cathro has made a copy of it? A. Well, if I can get it. I don't know whether I can get it or not.

Q. Will you make an effort? A. I certainly will.

Q. There is one thing I want to ask of you too, Mr. Johansen,

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and you understand we are doing this so as to prevent bringing over all the records, and if you will just make a note of these things so you will recall them, besides that copy of the deposits of correspondent banks I would like to have you bring a complete list of your rediscounts as of October 31st, 1920. You understand what I want—just rediscounted paper as of October 31, 1920. You can get that can you? A. It will take quite a while to get that.

Q. How long will it take? A. Probably take a stenographer two or three hours.

Q. Well, will you produce it? A. If I can.

Q. Well, we would like to have it here tomorrow morning. Both those items, if you can. Now is there any method from your books, whereby you can determine as of December 3, 1920, the bills receivable that are past due and those which were not then due? A. On December 3rd.

Q. Yes sir. A. I think that could be done, yes sir.

Q. All right—I wish you would do that. I want to take your bills receivable—the trial balance which has been produced here by Mr. Cathro as a correct trial balance as of that date, shows bills receivable, rediscounts and public transfers a certain sum, three million and something. Now what I would like to have you do is to bring us here a statement
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showing that proportion of the bills receivable loaned that are past due on that date, and that proportion which were immature. You understand what I want. A. Yes sir.

Q. Also with reference to redeposits in correspondent banks. I think the totals will do—the total amount that was over due and the total amount that was immature at that time of the bills receivable. Now directing your attention to the redeposit of public funds, your trial balance here shows some seven million dollars worth in round figures. I wish you would show us the amount of redeposit of public fund, as of December 3rd, in closed banks—just in the closed banks, the banks that were closed as of that date. You can get that can you not? A. Yes sir.

Q. Will you please do so?

Q. Now your trial balance as of that date, December 3rd, shows the following item: "Items out for collection," in the sum of \$1,867,855.38. Is it possible for you to bring us the total figures showing the current items out for collection, those that are current and new and those which have been out for some time? A. I couldn't do it. It would take probably a week. Probably longer.

Q. Can't you put some people working on that and dig it out more quickly than that? A. I don't think so.

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Q. Well can you produce the books over here so we could read the stuff into the record and get it? A. I will try to, yes sir. It is not books. It is duplicates of the original letter, day by day.

Q. Will you produce those duplicates? A. If I can.

Q. All right, please do so, and we will see if we can work it out. You understand I want the totals— A. You see each day is a separate book, and it is a matter of detail going through those each day. The Bishop Audit Company I think had a man on that, some days they had two or three men—for close to thirty days.

Q. Well if you will bring them over here I think we can work that out pretty well. If we work backwards instead of the other way I think we can get it. It would be a simple matter to determine what items you had for collection for a week before December 3rd. You could get that out very quickly? A. No.

Q. How long would it take A. The same length of time.

Q. Now your statement carries what purports to be a net profit that is the earnings of the institution. Tell us how that is made up. A. The net profit?

Q. Or the earnings yes. How did you work out your net
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profits? A. It is interest all interest interest owing and interest collected.

Q. That is where the earnings of this bank come from largely? A. Yes.

Q. Very little in exchange or anything of that sort? A. Practically none.

Q. So it is fair to say that it is limited almost exclusively to either interest paid or interest earned and not paid? A. Yes.

Q. Could you work out for us, as of that date, the amount of interest paid and also the amount of interest earned but unpaid? A. The statement shows that.

Q. This item "Interest earned but not collected" is the accrued interest that has not been paid, is it? A. Yes.

Q. Now is it not a fact that the interest which constitutes the earnings of this bank is accrued and received and owing almost exclusively through the bonds, the two million dollar bank bonds, and the public moneys deposited in the bank?
A. Farm loans

Q. And the farm loans are public moneys are they not?
A. Yes.

Q. So that all of the earnings of this bank then arise either from the use of public moneys, so-called, that is moneys raised by taxes by various public subdivisions, and
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the interest on the bond in question? A. Yes, sir.

Q. Your statement shows a surplus of \$40,000? A. Yes sir.

Q. And also you have set aside a reserve to pay legislative appropriations of \$24,108.87 as of that date. A. Yes sir.

Q. And also you have set aside a reserve for depreciation on furniture and fixtures of \$9,158.84, as of that date? A. I don't remember the amounts but there is something of that sort.

Q. Well, they are three items up there on your liabilities (showing witness statement). That is correct, isn't it? A. Yes.

Q. Those items of course were deducted from the earnings, were they not, naturally? A. Yes.

Q. Can you tell us—and in addition to that \$100,000 had been turned over or credited to the account of the state Treasurer to pay interest on the bank bonds as of January 1st and July 1, 1921? A. There was \$100,000 paid to the state treasurer to take care of that interest.

Q. I assume the method of paying it was simply to give him a check which was redeposited in his account in your bank? A. Yes sir.

Q. So that in computing the earnings of the bank you add all of those items together with the profits shown on this
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statement, that is the entire earnings from the time it commenced until the \$100,000 was taken out of the earnings—the \$100,000 was taken out of earnings was it not? A. Yes.

Q. In order to compute the entire earnings from the com-

mencement of the bank you would have to put that in too? A. Yes.

Q. Now this statement, of course, shows interest on bonds, bank series, \$675.04. A. The statement shows that but—that is what the statement shows.

Q. And that is a statement prepared by the Bank of North Dakota? A. That is a copy of one.

Q. A copy of one prepared by the bank of North Dakota and I assume therefore it is correct? A. I don't know. I never checked it.

Q. But it is prepared under the supervision of the officers of that bank—this copy was prepared under your direction? A. Yes sir. I asked the stenographer to make it, and it was handed to you. I never checked it.

Q. Well, Mr. Cathro, I will say for your benefit, had the original here the other day and compared it and said this was a correct copy? A. Well, that is a fact then.

Q. I wish you would tell us—I wish you would examine your books and tell us what proportion of your earnings.

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which you say come from interest on bank bonds and public moneys, what proportion of it came from the bank bonds, and of course we can get the balance ourselves?

A. All you would have to do is to get the date of bonds and you can find out by figuring the interest on them.

Q. Well, I would rather have a man that can figure faster than I can do it. You are testifying and I am not and you can figure much faster than I can, and if you will kindly do that— A. The interest on bank series bonds, is that what you want?

Q. Yes, interest on bank series bonds? I understand that is one of the two items on which you have earned interest, where your earnings came from. I notice an item in here among the liabilities—"Premium on bonds, Bank Series, less expense paid." What does that premium on bonds mean? A. That is a blank item. It is just this mimeographed form and there is no amount in there. Q. In other words, it has no relation to the "Less expense paid" underneath it? A. No.

Q. There were no premiums then paid on the bonds as a matter of fact? A. No sir.

Q. Could you tell us from an examination of your books the amount of interest upon farm loans that was due and un-

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paid on December 3rd? You can find that out, can you? A. Yes sir.

Q. There is an item here, "Appraisal Fees on Hand," among your liabilities. Do I understand that it is the custom in making a farm loan to collect from the borrower what is known as an appraisal fee in advance. A. Yes sir.

Q. And how is that regulated? A. Five dollars for the first thousand up to \$25.

Q. The maximum is \$25? A. \$25.

Q. And the basis of it is five dollars for the first thousand and so on up? A. Up to \$25. No fee over \$25.

Q. That I take it is sent in by the borrower at the time he makes the application? A. Sent in with the application.

Q. And the fund at that time represented the amount of

appraisal fees on hand that had not been expended? A. Yes, sir.

Q. To what use is that fund made. What use is made of that fund? Is it to pay your appraisers in going out to make your inspections? A. Yes sir.

Q. Do you keep an account of the cost of each individual inspection? A. No sir.

Q. You just lump them and after the man has paid it why there is nothing coming back to him? A. Yes sir.

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Q. For instance, if I paid \$25 in for an appraisal fee and it only cost \$5.00 to appraise my loan I would not be entitled, under your theory, to \$20 back? A. No.

Q. You just make a fund of these appraisal fees and pay it out for expenses of appraisal? A. Yes, sir.

Q. And then of course, if you have, as your statement shows, \$5,067.98 on hand, that would indicate that that much had been overpaid up to date more than was necessary to make the appraisals? A. No sir.

Q. What would it indicate? A. Indicates that there is a large number of applications on file.

Q. That there were still a large number that had not been acted upon? A. Yes sir.

Q. Now quite a number of drafts and checks have been drawn upon the Bank of North Dakota by various public officers, treasurers—such as, for instance, counties and school districts, cities, which the bank has declined to honor, have they not? A. Yes sir.

Q. And upon what ground? A. Instructions from the Industrial Commission.

Q. Have you got those instructions in writing? A. We have them in writing, yes sir.

Q. Are they in the bank? A. Yes, sir.

Q. Would you produce those instructions from the Industrial Commission on that proposition? A. If I can.

Q. Do I understand it would be physically possible for you to do it? A. Well, I don't know.

Q. Will you have to take it away from someone by force? A. I might have to.

Q. You wouldn't mind doing that? A. Well, I might not be big enough to do it.

Q. Well, we will send Ed Sinkler over with you. He is big enough. And you will try and get them for us, will you? A. I will try.

Q. It is your custom in following out that order to write on these drafts "illegally drawn" and return them, or something to that effect? A. Yes, sir.

Q. Will you please explain to the committee what you mean by "illegally drawn" in this case? A. I am not in a position to explain because I am acting under instructions from the manager and director general.

Q. And when you wrote that phrase "illegally drawn" on there you were merely carrying out the instructions of the commission and the director general? A. Yes sir.

Q. And you don't pretend to know what they had in mind when they used the phrase or words "illegally drawn"? A. No sir.

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Q. You assume of course that they knew, and that they could tell us, I suppose? A. Yes sir.

Q. Let me ask you this question. You say you had charge of the reposit of public funds in state banks or in country banks, whichever you wish to call them? A. Yes sir.

Q. What investigation did you make of a bank before you deposited the Bank of North Dakota's money in it? A. Just what do you mean?

Q. Well, to illustrate, if you were going to deposit some of your own private funds in a bank you would make some inquiry as to its financial standing I take it before you did so, wouldn't you? A. Well—personal funds?

Q. Yes, some of your own funds. I assume you are selfish enough to want to watch out for them? That is what you would do? A. Well, I never have.

Q. Never had any? A. Yes, I say I never have made any personal investigation.

Q. That is in your own personal matters? A. No sir.

Q. Now as a public officer or public employee, director of audits of the Bank of North Dakota, whose duty it is to reposit these funds, did you make an examination of the banks to which you sent the public funds? A. We would get in touch with the state examiner and go up and look at the records.

Q. You got in touch with the state examiner and went up
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to his office or had him bring down his records? A. We would go up.

Q. Was that your custom? A. Yes sir.

Q. Did you ever require the bank itself to send you a financial statement? A. We would go through their call reports.

Q. And have you those among the files of the bank? A. No.

Q. You would get them from the bank examiner or go up and inspect them? A. We would go up and inspect them.

Q. Did you make any further investigation besides investigating the call reports of the various banks? A. As to the standing of the bank?

Q. Yes. A. In some instances we would look up to see who the directors or officers in charge of the institution were.

Q. About how frequently would you do that? A. Well it is hard to tell.

Q. You say it was the custom or merely an occasional thing for you to do? A. Well, there is lots of banks financial standing has never been questioned, and no one has ever questioned the standing of a large number of banks in this state, and we would not question a large number of them where we knew their standing was good.

Q. That was their general repute at least? A. Yes.

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Q. And as to those you wouldn't make any particular investigation? A. Yes.

Q. But it is equally true is it not that there are quite a number who have not such good repute? A. At the present time?

Q. Yes, and for some time past? A. Oh no, there has not been a very large number for some time past, no sir.

Q. Then I understand that you did not make an investigation as to a very large number of them when you made the deposits of any amount? A. Quite a number.

Q. What proportion would you say? A. Well, I wouldn't be—I couldn't say that off hand.

Q. But you never required the bank itself to send you any direct financial statement? A. No, sir.

Q. What ever investigation you made or information obtained you got through the office of the state examiner and the reports filed therein as to these various banks? A. Yes, sir.

Q. In making redeposits of public funds did you establish any rule as to the amount, the relation of the amount that is redeposited to the capital and surplus of the bank? A. No sir.

Q. Never paid any attention to that? A. Oh, to some extent, but there is a large number of things to take into con-

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sideration in making redeposits.

Q. What else? A. The amount of public funds that originate in that community and in the county.

Q. And in the bank? A. No, in that particular locality, the requirements for funds of that locality and the need of funds by that particular bank.

Q. In other words, if the bank appeared to you to be badly in need of funds you would increase the amount of redeposits? A. If the bank was in good standing otherwise.

Q. Well, how would you find that out? A. Through the state examiner's office, as to the condition the bank has been in the past by prior examination and so forth.

Q. And you made no examination or investigation as to the capital invested or as to surplus or undivided profits? That didn't interest you very much? A. Not very much.

Q. Say with a bank of \$10,000 capital and \$5,000 surplus, if other matters satisfied you, you wouldn't hesitate to invest fifty or sixty or a hundred thousand dollars in that bank? A. I wouldn't say a hundred thousand or fifty thousand or sixty thousand.

Q. Well, I am merely asking you so as to get your policy on which you acted in making these deposits? A. It depends entirely upon the needs of the community for financing the

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particular bank.

Q. Depends entirely upon that? A. Yes sir.

Q. So it is fair to say, is it not, that as a result of that method the liability of closed banks, redeposits as of December 3rd, amounted to substantially \$648,394? A. No sir.

Q. How much did it amount to? A. It amounts to that amount, but it is not an account of adopting that policy.

Q. Oh, it is not an account of adopting that policy? A. No sir.

Q. Now do you know how these banks carry upon their books the redeposits? A. I know how they are supposed to carry them.

Q. How are they supposed to carry them? A. On the individual ledger.

Q. Your contention is then that these redeposits by the state bank in the local banks is a deposit. A. Yes.

Q. And not a loan or a bills payable? A. Absolutely not.

Q. That is your contention, is it? A. Yes sir.

Q. You have, I take it, investigated that subject and satisfied yourself on it? A. I am satisfied, yes.

Q. Do you know that the National Bank Examiners require all national banks to carry that money, to carry that

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upon the general ledger as bills payable and not upon the individual ledger, as deposits? A. No sir.

Q. You don't know that to be a fact? A. No sir.

Q. Never heard of it? A. No sir.

Q. In Exhibit 3 which was produced here by Mr. Cathro, as a series of circulars gotten out by the Bank of North Dakota over his signature as director general, on page 55 is a circular, No. 4, Series 1920, addressed to banks, in which the following statement is made—headed "Financial Statements."

"The Bank of North Dakota strongly advises that financial statements should be submitted by borrowers. The Federal Reserve Bank requires financial statements from applicants for rediscounts and the Bank of North Dakota has adopted a similar policy. The financial statement enables the bank to get a better line on the borrowers' financial standing and to keep its paper in better condition for rediscount. It is of decided advantage to the borrower in that it serves as a practical stock taking of his financial responsibility."

Q. You don't follow that rule? A. The credit department has for all money borrowed.

Q. Just as to loans? A. Yes.

Q. But that had no application to redeposits? A. Well, we worked in conjunction with it, yes.

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Q. Did you consult the financial statements that may have been in the credit department? A. Yes sir.

Q. Of course, there are quite a few banks that made loans, as I understand it, which did not carry redeposits, aren't there? A. Not quite a number. There may be one or two.

Q. You think only about one or two? A. Yes.

Q. Well, there are quite a few that have redeposits, that haven't had loans? A. Yes sir.

Q. Directing your attention again to the question of profits or earnings. That is based, as I take it, upon the hypothesis that all of the paper which you have, of course, is worth its face? A. Certainly.

Q. There is no question about that feature of it? A. I don't think there is any question about it at all.

Q. You assume that—and of course it assumes, naturally, that if there is any loss occurring by reason of the closing of banks and so forth, that will have to be charged off later as against your profits? A. Absolutely.

Q. The custom is, as I understand it, to make a charge of 4% upon redeposits? A. Yes sir.

Q. And you pay to public officers two per cent upon the same money? A. The general funds.

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Q. And what upon sinking funds? A. Four per cent, that is up to the 1st of December. We have a sliding scale which took effect the 1st of December.

Q. And which way did it slide? A. Slid up.

Q. So what are you paying on sinking funds since the 1st of December? A. Up to five and a half on sinking funds and three and a half on general funds.

Q. Since the 1st of December? A. Yes.

Q. And what do you charge? A. Four per cent on redeposits.

Q. Well, the proportion of sinking funds to the other funds is very slight, isn't it? A. Three million dollars in sinking funds.

Q. About three million dollars out of sixteen million, fifteen or sixteen million? A. Something like that, yes.

Q. Now if you will just read back to me the stuff I asked you to make a notation of so we will understand one another, as to the stuff to be here in the morning? A. List of deposits in correspondent banks. Past due bills receivable totals; redeposits in closed banks on December 3rd.

Q. There were some closed since then. Make a separate list of these—that is the totals? A. Yes; interest on bank series bonds.

Q. You understand that doesn't cover just the last year. That is all the interest you have collected or the bank has
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collected on bank series bonds? A. And interest on past due farm loans.

Q. Well, that is the past due interest A. That is past due interest payments.

Q. A portion of that—these loans are all on the amortization plan? A. The interest payment is due at a certain date and you want the interest that is not paid promptly on the day it is due. A. Yes sir, up to December 3rd? A. A copy of the resolution from the Industrial Commission in regard to checks that have been refused payment on.

Q. Checks drawn by public officers? A. Yes.

Q. I called your attention to, to that question of items out for collection. Either give us some information or bring your books so we can work out a scheme. A. I will try to bring the records up. Q. I understand what you mean by that is that so far as you are concerned as an individual you will try to do so? A. Yes sir.

Q. Somebody may not permit you to? A. Yes sir, absolutely.

E. G. LEE, having been called as a witness, was duly sworn and testified as follows:

EXAMINATION BY MR. MURPHY:

Q. What is your full name? A. E. G. Lee.

Q. Where do you live? A. St. Paul

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Q. What is your business? A. Public accountant.

Q. With whom are you connected? A. Bishop, Brissman Company.

Q. The concern which made the audit of the Bank of North Dakota? A. Yes sir.

Q. In December, 1920? A. Yes, sir.

Q. Did you personally supervise that audit A. Yes sir.

Q. The other day, Mr. Lee, I will ask you if you took Ex-

(Exhibit No. 18)

hibit 18, purporting to be detail No. 2 of your report, redeposit of public funds in the Bank of North Dakota, and caused

same to be checked by some official of that bank? A. At your request I took a copy of this detail No. 2 to the Bank of North Dakota, and it was checked by Mr. Johannsen.

Q. That is the one there, isn't it (handing witness some papers)? A. Yes sir.

Q. As correct with their books? A. Yes, sir.

Q. Bishop, Brissman & Company make a complete audit and report of the results of the examination made by you of the Bank of North Dakota, as of December 3, 1920? A. Yes sir.

(Exhibit No. 19)

Q. I will show you committee's Exhibit 19, consisting of pages 1 to 188, purporting to be a report of the Bishop, Brissman Company audit of the Bank of North Dakota, as of De-

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cember 3rd, 1920, and ask you if that is the report prepared by them as a result of the audit made by you? A. Yes sir.

Q. Is that a correct report of the condition of the bank as of that date? A. It is a correct report in accordance with the records of that date.

Q. In accordance with the records kept by the bank at that date? A. With the qualifications referred to in our report as to some adjustments.

Q. Some slight adjustments? A. Yes, and the qualification also in regard to the inventory.

Q. Which are set forth in detail in your report? A. Yes, sir.

Mr. Murphy: We will offer Exhibit 19, in evidence.

Q. Mr. Lee, you have your own copy of this report, have you? A. Yes sir.

Q. Will you kindly take your copy this afternoon and be in a position to show us the loans and discounts which were as of that date immature. In other words, separate from the loans and discounts those which were over due and those which were not due. -You understand that? A. Yes sir.

Q. Also the warehouse receipts which were immature, and those which were overdue as of that date. Also make a statement for this committee with reference to the redeposit of public funds showing the amount in suspended banks and the totals left after deducting them from the entire amount

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of redeposits. Also in your detail No. 4, work out for us the items out for collection, first unhonored drafts and secondly the old items. Adding those together, take them from the entire amount of items out for collection. Also work out for us a statement of past due and slow paper, slow of realization, including not only notes, but warehouse receipts, redeposits in suspended banks; collection items, slow collection items and unhonored drafts, and loans to state institutions: overdrafts, cash items and warrants out for collection. You can do that? A. I think so.

Q. You will have those for us tomorrow morning? A. I will try to.

Mr. Murphy: I will state, Mr. Chairman, that because of the unexpected refusal of the witness to answer the questions this morning we haven't any other witnesses lined up at this time. We expected to continue the entire morning with the examination of that witness but found it necessary to fill in,

and we would ask for adjournment until that time tomorrow.

On motion of Mr. Johnson of Ward, seconded by Mr. Freeman, adjournment taken until 9:30 a. m. February 8th.

End of Feb. 7th.

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FEBRUARY 8, 1921

Meeting called to order by Chairman, Roll of Committee called by Secretary and all present, except Messrs. Johnson of Steele, Hanson and Welt. Attorneys and reporter also present.

Minutes of previous meeting read and approved.

Mr. Shipley: There was a communication handed to me this morning, and after looking it over I would suggest that the communication be turned over to counsel for further consideration.

Mr. Sinkler: At this time Mr. Cathro desires to go upon the witness stand and produce all of the records of every name, nature or description that this committee desires.

Mr. Murphy: Upon that announcement, I will call Mr. Cathro to the stand.

F. W. CATHRO, recalled as a witness, and having been theretofore sworn, testified as follows:

EXAMINATION

By Mr. Murphy:

Q. Mr. Cathro, do you desire at this time to produce the records asked of you the other day? A. I would like to make a statement to the committee.

Q. Very well, proceed and make it. A. Mr. Chairman, and gentlemen of the Committee, I have been wondering whether your statement is quite correct that I have refused to testify. I have been relying on the instruction I received from my superior officers and so stated. Nevertheless, I ap-

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pear before you prepared to submit to such examination as you may wish to make. I have not refused, but have plead with you to refrain from going into those matters that disturb confidence. Banking is based on public confidence. No man will use a bank which makes a practice of telling the world the size of its deposits and loans. Bankers know this and consider the information which comes to them through their business as confidential. A violation of such confidence is classed as one of the lowest crimes a banker can commit.

The Fargo Forum carries an article this morning that I am afraid to produce any of the records. There are no defalcations, no embezzlements and no so-called "League paper," no post dated checks in the bank and have not been, so there is no reason why I should be afraid to produce the records. I know of no other reason why I should be afraid to produce the records. We are just emerging from a period of inflation. For four years our state has had poor crops. Loans of banks have steadily increased during that period. The last crop season has experienced a drop in farm prices of more than one-half. The period of adjustment is at hand. Several banks have already closed their doors. Public confidence is shaken. Anything which tends to disturb public

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confidence at this time means that many more banks will be forced to close their doors. If they do close it will bring untold hardship to thousands of their patrons. Even the

large bankers of the Twin Cities recognize this and brought innuence to bear to have the call for publication of bank statements withdrawn. As I was in Minneapolis about the 23rd of November, a conference was being held of the creditors of one of the banks in this state, trying to arrange some plan to carry the bank over. One of the bankers in that conference left the conference and came to me—I was not in the conference—and said: "For God sake, wire Gov. Frazier and have him get the State Examiner to pull off the call for the publication of these calls. If the people realize the vast amount of borrowed moneys those banks have up there and the small reserve they will lose confidence and withdraw their deposits, not only outside the state but in North Dakota. Many people in Minnesota will pull out their moneys." I said, "Why, yes, I will do that." And immediately wrote a telegram and sent it. That call was not published in an effort to retain confidence. The Bank of North Dakota has been doing business with about eight out of nine hundred banks in this state, and therefore a publication of the deposits and loans to those banks might do more to destroy confidence

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than anything that could be done. Neither the Industrial Commission or myself, would be a party to such disclosures. I find, however, the situation has changed. Your auditors have had access to the Bank's records. You yourselves have been asked to examine them. Your auditor's reports set out all the information for which you ask me. Your newspaper men have had access to these reports and they, having no consideration for the results, have used that information in a false and misleading way, in a manner calculated by them to cause as much disturbance of public confidence as possible, and thereby to destroy a large number of banks.

In view of that situation, I myself, and the Industrial Commission, feel that it is impossible for us longer to protect the banks and their confidence. If disaster comes to the state it has been in spite of our efforts and from the misinformation being spread by the press agents in this hearing which is causing more harm than the actual facts as they are.

I have only one request to make and that is that you do not confine me in my testimony of this subject to any few banks. I have said that the policy of the Bank of North Dakota, in the main, was to leave the money where we found it, in the localities where it originated. I still insist that is cor-

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rect. You cannot prove or disprove the policy by considering any one bank or group of banks, but you must consider them all, the entire eight hundred.

I, therefore, at this time request that as we proceed with my testimony I be permitted to give you all this information so you may know all the facts and not merely the facts which partisan counsel may wish to elicit. In closing, let me state that the records have at all times been open to you and your counsel, and I wish further to state that I want to offer you a special invitation, either singly or as a body to go into the bank and look over our records, to gather some idea of the large amount of records to be gone over, which you cannot get without a visit to the bank itself. I thank you.

Q. Now we have listened to your statement, Mr. Cathro, very patiently, you will agree. Will you now produce the

records which we asked of you several days ago and several times before?

Witness produces papers.

Q. You hand me now what purports to be a copy of the redeposit record, the individual account of the Scandinavian-American Bank of Fargo, commencing July 27, 1919, and terminating when—the last entry being January 31, 1921, but covering current entries to this date? A. Yes sir.

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Q. Now have you the other records that I inquired about, Mr. Cathro? A. You mean as to the other banks in Fargo?

Q. Yes, the Scandinavian-American Bank one being mark-

(Exhibit No. 20)

ed Exhibit 20, consisting of four pages?

Witness produces records.

Q. You now hand me the individual ledger account of redeposits of the Dakota Savings Bank of Fargo from June 30th? A. 1920.

Q. The last entry? A. February 3, 1921, and showing the situation at the present date.

Q. Which I now hand to the reporter and ask him to mark,

(Exhibit No. 21)

same being marked Exhibit 21. You now hand me individual ledger account of redeposits of the Fargo National, the entire account from June 30, 1920, down to the present time? A. Yes.

Q. Are there any accounts antedating that? A. There is no ledger, but you asked me for December 3rd, as I recall it.

Q. The old ledger is carried into that? A. Its balance is carried into this.

Q. You have handed me the individual ledger accounts of the First National Bank of Fargo, the Merchants National Bank of Fargo, the Northern National Bank of Fargo, the Northern Trust Company, the Northwestern Mutual Savings & Loan Association, and the Security National Bank of Fargo, which I now hand to the reporter and ask to have identified separately.

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Identified as exhibits 23 to 28, inclusive.

(Exhibits 23 to 28 Inclusive)

Mr. Murphy: We then offer them in evidence with the understanding that certified copies may be made for the records or read into the record and the originals returned to Mr. Cathro.

Q. Now have you, Mr. Cathro, the record that you spoke of the other day with reference to the deposits in correspondent banks that you were to make up for me? If you recall that record? You recall you had a list of them in your office and you were to make me a copy of them when we were up there visiting with you? A. You mean the comparison between the deposits in the state and outside the state.

Q. No, I don't know whether you carry a comparison on it or not, but you did have listed, if you remember, a complete showing of the amounts carried outside the state, and perhaps a comparison—a comparative list, I think you had there. You were to make me a copy of it.

Witness produces paper.

Comparison of deposits within and without the state and total resources marked Exhibit 29 and offered in evidence.

FRIDAY, MARCH 4, 1921

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(Exhibit No. 29)

Date	Redeposits in Depository Banks in North Dakota	Reserves in Correspondent Banks outside of North Dakota	Total Resources
1919			
Aug. 15	4,921,933.66	409,063.10	7,833,558.86
Sept. 15	11,523,017.64	986,183.03	15,789,864.14
Oct. 15	12,484,296.54	779,702.64	17,086,561.00
Nov. 15	12,262,935.01	1,003,437.15	17,512,961.46
Dec. 15	11,593,079.72	559,773.60	17,201,959.22
1920			
Jan. 15.	11,543,621.19	1,336,647.54	18,141,256.63
Feb. 14	11,658,514.74	1,167,385.19	19,957,739.00
Feb. 16	11,967,954.31	1,157,092.85	19,957,234.28
Feb. 17	11,971,454.31	1,486,908.72	19,968,718.49
Feb. 18	12,021,381.34	1,409,742.95	20,068,865.69
Feb. 19	12,047,042.60	1,647,950.29	20,245,728.12
Feb. 20	12,106,023.65	1,657,765.52	20,546,772.89
Feb. 21	12,163,579.10	1,806,556.12	20,701,229.88
Feb. 24	12,254,136.04	2,119,151.54	21,262,868.22
Feb. 25	12,375,123.45	2,342,248.77	21,872,078.34
Feb. 26	12,389,794.23	2,637,318.48	22,184,186.69
Feb. 27	12,478,974.05	2,990,401.75	22,685,755.23
Feb. 28	12,524,278.30	3,119,669.81	23,134,932.75
Mar. 1	12,717,928.29	3,381,215.43	23,980,567.88
Mar. 2	12,773,980.81	3,756,325.44	24,737,903.54
Mar. 3	12,796,041.66	3,973,818.50	25,369,465.92
Mar. 4	12,836,368.10	4,080,119.14	25,922,033.03
Mar. 5	12,983,858.29	4,893,029.32	27,220,810.72
Mar. 6	13,200,954.11	5,048,370.39	27,722,625.12
Mar. 8	13,263,272.75	5,455,383.17	28,366,677.71
Mar. 9	13,412,802.77	6,279,271.46	28,578,620.91
Mar. 10	13,467,573.20	6,648,564.37	28,915,401.18
Mar. 11	13,752,815.31	6,906,062.75	29,534,095.46
Mar. 12	13,829,983.62	7,552,226.82	30,041,895.63
Mar. 13	13,849,592.87	7,801,745.69	30,307,650.90
Mar. 15	14,760,202.24	8,166,578.19	31,392,535.81
Mar. 17	14,846,813.10	8,562,067.61	32,274,473.00
Mar. 18	14,880,076.41	8,639,382.24	32,154,694.82
Mar. 19	14,912,427.27	8,796,336.87	32,851,224.34
Mar. 20	14,968,159.33	9,143,965.74	32,538,693.28
Mar. 22	14,999,457.04	9,360,386.70	32,920,955.92
Mar. 23	15,057,233.40	9,764,467.87	33,239,129.63
Mar. 24	15,079,001.66	9,851,812.46	33,384,214.94
Mar. 25	15,174,291.98	10,143,840.61	34,294,715.38
Mar. 26	15,207,785.22	10,262,900.57	34,463,097.88
Mar. 27	15,297,818.71	10,204,752.56	34,650,818.30
Mar. 29	15,327,187.84	10,076,211.09	34,100,444.58
Mar. 30	15,351,293.55	10,223,106.58	34,373,294.69
Mar. 31	15,444,478.78	10,280,149.08	34,586,218.22
Apr. 1	15,464,181.37	9,897,297.04	34,697,078.51
Apr. 2	15,522,011.79	9,957,266.13	34,852,538.82
Apr. 3	15,522,428.29	9,758,607.24	34,940,844.43
Apr. 5	15,532,087.36	9,577,388.70	34,908,701.44
Apr. 6	15,535,193.70	10,015,139.78	35,101,751.40
Apr. 7	15,538,764.89	9,938,031.76	34,848,328.12
Apr. 8	15,606,179.53	9,922,015.11	34,816,078.18
Apr. 9	15,737,870.34	9,790,906.13	34,880,430.89
Apr. 10	15,753,283.88	9,768,414.72	34,889,218.86
Apr. 12	15,854,316.88	9,331,902.13	34,528,519.05

Date 1920	Redeposits in Depository Banks in North Dakota	Reserves in Correspondent Banks outside of North Dakota	Total Resources
Apr. 13	15,918,610.86	9,462,577.34	35,261,816.46
Apr. 14	15,953,400.86	9,136,706.28	34,762,596.00
Apr. 15	15,953,853.98	8,657,676.10	34,825,647.27
Apr. 16	15,894,368.21	8,361,661.07	34,602,653.18
Apr. 17	15,900,785.45	8,084,795.80	34,162,052.07
Apr. 19	15,895,785.45	7,875,169.10	33,300,731.15
Apr. 20	15,948,285.45	7,876,441.66	33,733,004.47
Apr. 21	16,018,350.07	7,609,629.17	33,306,255.19
Apr. 22	16,005,850.07	7,577,450.61	32,790,859.02
Apr. 23	16,036,630.84	7,315,761.87	32,451,249.44
Apr. 24	16,021,630.84	7,233,689.96	32,220,324.81
Apr. 26	16,012,526.65	6,792,115.50	31,556,948.91
Apr. 27	16,068,396.20	6,932,708.52	32,115,253.27
Apr. 28	16,151,280.65	6,021,175.53	31,976,116.38
Apr. 29	16,175,028.76	5,967,915.01	31,923,351.10
Apr. 30	16,090,634.36	5,668,222.33	31,392,438.91
May 1	16,093,271.27	5,479,998.86	31,070,740.62
May 3	16,067,324.76	5,195,957.65	30,747,084.19
May 4	16,067,448.26	5,295,510.65	30,830,143.92
May 5	16,071,656.88	4,941,679.62	30,596,148.16
May 6	16,083,678.07	4,982,046.23	30,523,416.80
May 7	16,088,678.07	4,584,580.55	30,469,902.19
May 8	16,105,050.99	4,344,354.13	30,429,125.87
May 10	16,121,293.39	3,955,740.92	29,983,220.77
May 11	16,122,604.23	3,982,791.65	29,999,809.11
May 12	16,122,604.23	3,737,747.66	29,535,750.03
May 13	16,120,229.23	3,525,801.02	29,203,894.35
May 14	16,120,298.23	3,250,804.69	28,904,960.78
May 15	16,108,353.29	3,111,721.75	28,842,776.73
May 17	16,110,433.47	2,823,917.32	28,760,385.12
May 18	16,115,570.66	2,892,714.10	28,857,089.05
May 19	16,116,772.45	2,603,833.40	28,582,524.92
May 20	16,116,772.45	2,498,188.41	28,610,852.30
May 21	16,186,949.32	2,242,199.70	28,291,015.54
May 22	16,139,382.81	2,077,520.48	28,090,660.05
May 24	16,178,153.35	1,766,805.45	27,820,304.88
May 25	16,168,797.07	1,892,654.71	27,988,766.49
May 26	16,171,645.37	1,679,973.93	27,744,456.80
May 27	16,084,462.82	1,579,637.20	27,770,457.84
May 28	15,979,571.33	1,499,765.91	27,764,754.96
May 29	15,976,748.26	1,371,614.20	27,861,954.05
June 1	15,977,380.14	1,116,459.90	27,615,238.41
June 2	15,972,489.79	1,153,678.16	27,561,435.67
June 3	15,983,489.79	1,126,228.83	27,253,070.89
June 4	15,983,489.79	984,102.87	27,448,021.73
June 5	15,935,989.79	519,860.28	27,136,013.39
June 7	15,751,377.73	163,340.05	26,703,553.31
June 15	15,330,599.40	809,554.80	25,399,160.05
July 15	11,614,699.88	663,446.84	21,743,631.62
Aug. 15	10,605,782.21	526,135.46	20,420,700.85
Sept. 15	9,148,100.26	432,888.73	19,432,939.08

Q. Mr. Cathro, in your statement this morning I understood you to say that the Auditor's report contained all the
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information that we could gain from the books as of December 3, 1920. A. I believe I made that statement. However,

It is an assumption on my part. I have not seen or gone into the auditors record completely.

Q. I was going to say to you that if you or any member of our bank would be kind enough to go on here and state that the auditor's report is a correct showing of the bank, why it would greatly relieve the situation. The only reason that we have been investigating the records themselves is because we cannot get you gentlemen to verify this report, and if you do that we would relieve you of all this trouble in a hurry, because we concede we have got it all here and we are searching the original source. Now if you are willing to say that in your judgment the Auditor's report that is handed in here is a fair and correct statement of the bank's condition as of the time it is taken we can accelerate this examination very much.

Mr. Lemke: You mean by that the actual figures and results found and not any conclusions or comments.

Mr. Murphy: Without any relation to comments at all, just the actual figures is what I want. I don't care about any conclusions, if any were drawn by the Bishop, Brissman people.

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Q. Will you say that it is substantially correct. I know you can't get up and say it is absolutely correct. No man could do that except the man who made the report, himself.

A. I have no reason at this time to doubt the reasonable accuracy of that report. I have not examined the report and couldn't possibly examine it in any reasonable time. It took the makers of the report over 250 days in the bank, besides the time they spent out of the bank, so it would take a years time to arrive at a conclusion.

Q. I understand that, but what I want to get at, in a negative way, in your judgment it is reasonably correct? A. There has never been brought to my attention anything that would cause me to doubt it in any substantial manner.

Q. I believe you produced all the records we asked for. Are there any other you have in mind? A. There were some certain daily trial balances of certain dates. I don't know whether you got those.

Q. Oh yes, I didn't get those. Have you those?

Witness produces papers.

Q. You now hand me daily trial balance of July 31, 1919, and August 4, 1919, the dates when the two drafts were drawn with reference to the bonds, bank series bonds? A. Yes sir.

Q. Being exhibits 30 and 31? A. Yes.

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(Exhibits Nos. 30 and 31)

Mr. Murphy: We now offer Exhibits 30 and 31 in evidence; as part of this examination.

Q. Is there any explanation you want to offer in connection with these two exhibits A. I would like to explain those two blank lines. On the trial balance for July 31st, the last entry—the clerk apparently didn't know how to make the entry and the next day inquired as to what title should be applied to those accounts, and on the following day they were entered as "5% Bonds, Bank Series." among the resources. and there was an entry of "capital stock" among the liabilities. That explains those two entries.

Q. That is the \$500,000 entries on the bottom of the resources and liabilities. A. Yes sir.

Mr. Chairman: What was the date of the trial balance this last question was directed at?

Mr. Murphy: That is the July 31st one.

Mr. Sullivan: We have had under consideration this communication that you received this morning. It is our judgment that a communication of this tenor should not be incorporated in your minutes and let go at that; that the seriousness of the charges made in this communication are such that the gentleman who wrote this communication should be re-

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quired to get up here on the witness stand, hold up his hand and be sworn, and either reiterate those statements under oath or withdraw them, and if we have your permission we will call Mr. Brinton now.

Mr. Chairman: There being no objection, you may proceed.
Bismarck, N. D., Feb. 7th, 1921.

(Exhibit No. 32)

Mr. D. E. Shipley,
Secretary of House Audit Committee,
Bismarck, N D.

Dear Sir: I am taking the liberty of addressing this communication to you in connection with the matter of the investigation which your committee is making of the Bank of North Dakota.

I feel that it is my duty to give you the facts, in view of the

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testimony of F. W. Cathro given on the witness stand before your committee the other day, in which he stated that there was no attempt at favoritism in the matter of the distribution of the re-deposits of public funds by the management of the Bank of North Dakota. Mr. Cathro must know that the actual fact is that between the opening of the account with the Scandinavian American Bank of Fargo, which was on the 17th day of July, 1919, and the 26th day of August, 1919, a period of forty days, the Bank of North Dakota caused to be deposited in the Scandinavian American Bank at Fargo the total of about \$360,000.00 and that the withdrawals amounted to only \$82,085.46 up to the 26th day of September, 1919, which left a balance within a very short time after the opening of the bank of \$280,946.56 in a \$50,000.00 institution, controlled and conducted by the League leaders.

I wish to state further that to my personal knowledge that substantially every dollar of state money in amount deposited in the Scandinavian American Bank at Fargo has been loaned to "Dummy" corporations organized by A. C. Townley and William Lemke.

The deposit of funds in the Scandinavian American Bank by the Bank of North Dakota and the loaning of this state money to Lemke and Townley, through these dummy corporations was in accordance with the arrangement personally entered into between Mr. Cathro of the Bank of North Dakota, Mr. Lemke, as attorney for the bank, and attorney for Mr. Townley, and Mr. Townley, president of the Nonpartisan League, and the officers of the Scandinavian American Bank.

These dummy corporations organized by Mr. Townley and

Mr. Lemke were organized for the promotion of certain projects to further the personal and political interests of Messrs. Townley and Lemke. The incorporators of these companies were employees of Messrs Lemke and Townley. The charters were secured by them and later surrendered to others, the incorporators never owning any interest in such dummy organizations no at no time paid any money for any stock which was issued to them, and later transferred to other employees of Lemke and Townley.

This will throw some light on the attitude during this examination of Mr. Lemke and Mr. Cathro, in refusing to testify regarding these funds deposited in the Scandinavian American Bank, and which was later loaned to Mr. Lemke and Mr. Townley under the arrangement stated above. The bank records at Fargo and possibly the records of the State Examiner's office will disclose the facts as stated above, and if investigated your committee will do much in clearing up the controversy in which the public is deeply interested.

I am writing this communication to you so that you may have the benefit of the above information regarding the misuse of the public funds of this state, which you are now investigating.

Yours very truly,

J. W. BRINTON,

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J. W. BRINTON, having been called as a witness, was sworn, and testified as follows:

EXAMINATION.

BY MR. SULLIVAN:

Q. Your name is J. W. Brinton? A. It is.

Q. Are you the author of this communication, Mr. Brinton, dated February 7th and which is marked Committee's Exhibit 32? A. Yes sir.

Q. You are the J. W. Brinton who formerly lived at Beach in this state? A. Yes sir.

Q. What business were you engaged in at Beach, Mr. Brinton? A. Publishing business.

Q. How long had you lived at Beach A. Twelve years.

Q. In this communication to the committee, and so that your attention may be directed specifically to the facts concerning which I am about to interrogate you, I will read:

"I feel that it is my duty to give you the facts, in view of the testimony of F. W. Cathro, given on the witness stand before your committee the other day in which he stated that here was no attempt at favoritism in the matter of the re-deposits of public funds by the management of the bank of North Dakota. Mr. Cathro must know that the actual fact is that between the opening of the account with the Scandinavian American Bank of Fargo, which was on the 17th of July, 1919, and the 26th of August, 1919, a period of forty days, the Bank of North Dakota caused to be deposited in the Scandinavian American Bank at Fargo a total of \$360,000; that the withdrawals amounted only to \$82,000 up to the 26th of September, 1919, which left a balance, within a very short time after the opening of the bank of \$280,946.56 in a \$50,000 institution." Now Mr. Brinton, I would like to ask you what is the source of your information as to the amount of deposits that were put in this bank, the Scandinavian American Bank at

Fargo at the period covered by the time mentioned in your letter? A. I secured my information from the officers of the bank—employees and officers.

Q. What employee or officer did you receive your information from? A. The transit manager and the manager of the bank.

Q. Who was the transit manager that you refer to? A. Mr. Snyder.

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Q. Who is the manager of the Bank that you refer to? A. Mr. Waters.

Q. In what manner did you get this information? A. Well, there was a period of time shortly after the bank was organized when there was a controversy over the policy and it was during this controversy over this policy and it was during this controversy in which I sat in the consultations, as one of the men that was active in creating the Bank of North Dakota as a result of political action in this state, and during that controversy which was very heated there was a division of opinions, and this information I obtained as a result of my actual participation in the discussion, these consultations when the amounts were discussed, and the records of the bank were told to me. That is the amounts were told me, and were discussed by me with those officers of the bank and with Mr. Lemke and Mr. Townley, who took part in the discussions.

Q. You mean that Mr. Lemke was present at some of those consultations? A. Yes, and I talked to Mr. Lemke personally as attorney for the bank.

Q. And were those conversations had about the time that you refer to in this letter? A. Well, it was after because the information I secured was what had already taken place.

Q. Have you any written evidence that would indicate your knowledge upon this subject? A. I have a letter that

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was given to me by Mr. Waters which was written to him by one of the subordinates. A sort of record—a sort of transcript of the record.

Q. And it was the statement that you mention in this letter with reference to the amounts—is that from the that letter? A. It is taken from that official document, yes.

Mr. Chairman: You said subordinates? A. Subordinates—employees.

Mr. Chairman: In the Bank of North Dakota? A. Mr. Waters asked the transit manager to transmit to him a record in writing of the record of the transit department for his information, and this letter was given to me later because of the political discussion in the state and I wished the letter to back up the statement, because I realized I was making a serious statement and wanted to put myself in the position of proving anything that was said.

Q. Now do you want to say under oath, Mr. Brinton, that there was \$360,000 sent to the Scandinavian American Bank of Fargo or deposited in that bank after the Bank of North Dakota—after the opening of the Bank of North Dakota. A. I want to say under oath that I have in my possession a record given to Mr. Waters and then given to me signed by

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the transit manager in which he states that that amount had been deposited there.

Q. Have you got that letter with you? A. I have.

Q. Would you mind showing it to us A. Well, I wouldn't mind showing you the letter, but I wouldn't want the letter tied up where there would be a possibility of my losing it.

Q. Well, I think, Mr. Brinton, we can extend the same courtesy to you that we are extending to the other witnesses. If you have a letter that you want to retain and will permit us to see it we will view the letter and have the committee view it and if it is pertinent to this inquiry we will have it read into the record and returned to you. Now with that understanding are you willing to show it to us? A. With the assurance of the committee that I will receive the letter back.

Q. I think that is the policy of the committee, Mr. Brinton. I think I can speak for them.

Witness produces letter.

Q. Mr. J. R. Waters to whom this letter appears to be directed was the same J. R. Waters who was manager of the Bank of North Dakota? A. Yes sir.

Q. And A. E. Snyder, the transit manager, who signed the letter, is the same A. E. Snyder who at that time was transit manager? A. Yes sir.

Q. This letter appears to be dated October 3, 1919? A. Yes sir.

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Q. As I take it, I may read this into the record with your consent as the letter referred to in your testimony A. Yes.

Mr. Sullivan: This letter appearing to be dated October 3, 1919, is written on the stationery of the Bank of North Dakota, and directed to J. R. Waters, Manager.

(Reads letter).

(Exhibit No. 33)

"Committee's Exhibit 33.

"As per your request, listed below you will find a complete statement of account with the Scandinavian American Bank of Fargo, which shows all transactions and all funds now on deposit with that institution, and also all withdrawals from this account together with the transfers of funds to same and redeposit of public funds.

This account was opened by us on July 17, 1919, for the reason that we were opening several other accounts in Fargo, and up to this time the only accounts we maintained were in Bismarck, N. Dak. The first few remittances sent to this institution, as well as other Fargo banks, were miscellaneous drafts drawn on outside of the state institutions. Minneapolis accounts were not opened by us until early in August.

Date.	Rec'd from.	Amount.	Total.
7-17	Our draft on 1st Nat. Bismarck..	15,000.00	
7-17	Our draft on City Nat. Bismarck..	5,000.00	20,000.00
7-18	Our draft on Grand Forks.....	3,000.00	3,000.00
(This transaction was an error and was corrected under date of August 5)			
7-19	Security Bank, Leeds	5.20	
7-19	Security Bank, Leeds	5.20	
7-19	Security Bank, Leeds	1.50	
7-19	Security Bank, Leeds	10.00	

Date.	Rec'd from.	Amount.	Total.
7-19	Security Bank, Leeds	9.25	
7-19	Security Bank, Leeds	16.40	
7-19	Security Bank, Leeds	10.32	
7-19	Security Bank, Leeds	6.07	
7-19	Security Bank, Leeds,	4.63	
7-19	Security Bank, Leeds	25.00	
1-19	Security Bank, Leeds	165.00	
7-19	Security Bank, Leeds	54.00	
7-19	Security Bank, Leeds	167.76	442.37
7-24	Peoples State, Hatton	5,000.00	
7-24	Bank of York	115.10	
7-24	Far. & Mer. New Rockford	5,000.00	
7-24	Farmers State, Cole Harbor.....	1,591.67	
7-24	Farmers State, Cole Harbor.....	2,012.00	
7-24	Farmers State, Cole Harbor.....	3,033.00	16,751.92
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7-30	Far. & Mer. New Rockford.....	500.00	500.00
8-2	Farmers Bank of Bergen	4,000.00	
	First Sav. Grand Forks	2,500.00	
	State Bank of Elliott	5,000.00	
	Farmers State Linton	3,000.00	
	Zeeland State Bank	5,000.00	19,500.00
8-2	City of Fargo—Public Funds .....	.19	.19
8-5	Interest for July	13.49	13.49
8-6	Our drafts on the following banks:		
	First National Fargo	10,000.00	
	First National St. Paul	10,000.00	
	First & Sec. Natl. Mpls.	10,000.00	
	Midland Natl. Mpls.	10,000.00	40,000.00
8-9	Dft. on Scan. Am. Fargo	10,000.00	10,000.00
8-11	Miscl. Items	2,286.10	2,286.10
8-13	Dft. on Scan. Am. Fargo covering transfer of public funds from the Treas. of Cass County—Public Funds	10,628.76	10,628.76
	This covers redeposit of Public Funds.		
9-16	Dft. on Scan. Am. Fargo covering transfer of public funds from the State Treas. redeposited—Public Funds	33,737.91	33,737.91
8-19	Our dft. on First Nat. Mandan	10,000.00	
	Our dft. on First Nat. Fargo	15,000.00	
	Our dft. on City Natl. Bismarck..	5,000.00	30,000.00
	Transferred at the request of Mr. Cathro:		
8-18	Draft on Scan. Am. Fargo received from the State Treas. covering his balance in this bank, same being transfer of Public Fds. redeposited	8.00	8.00
8-25	Miscl. remittance covering items drawn on Scan. Am. Bank, Fargo received from various sources	2,013.36	2,013.36
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8-26	Dft. on Scan. Am. Fargo received from A. L. Hedland, Treas. of Sch. Dist. No. 9 (409-9) Fargo, N. D. amount redeposited	46.70	46.70
	Dft. on 77-9 received, from E. C. Eddy, Treas. Sch. Dist. No. 14,		

FRIDAY, MARCH 4, 1921

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Date.	Rec'd from.	Amount.	Total.
	Fargo (409-14) transfer of Public Funds redeposited	524.74	
8-26	Dft. on 77-9 received from State Agricultural College covering the transfer of public funds redeposited (501-3)	92,500.72	93,072.72
9-2	This covers our remittance letters of July 31, Aug. 2, 4, 5, and 6, credited in error to the public funds account by the Scan. Am. Bank, Fargo. These entries were made in order to clear our records.		
9-11	Minneapolis Draft	20,000.00	20,000.00
	This amount was transferred at the request of Mr. Cathro under date of Sept. 11, after his telephone conversation with Mr. H. J. Hagen, Pres. of the Scan. Am. Bank, Fargo, who called up under date of 9-10 requesting to redeposit with him 50,000.00. Mr. Cathro decided to give him 20,000.00. Delay of one day was made by myself for the reason that I did not consider the bank sound, and that we had plenty of funds on hand with them at this time without redepositing any more money. Mr. Cathro stated I could withdraw this money shortly.		
9-25	This deposit covers cashier's check No. 6136 for like amount issued by the Scan. Am. Bank, Fargo, for the credit of the N. D. Agri. College (501-3)	47,869.80	47,869.80

I quote herewith my letter of Sept. 25th to Mr. Hagen, Pres.:

"We herewith acknowledge receipt of your cashier's check No. 6136 for \$47,869.80 which we are placing to the credit of the N. D. Agricultural College. You stating in your letter that this being the amount deposited by the college with your bank during the month of September.

"We are redepositing this check with our public funds ac- institutions must be made with The Bank of North Dakota and must not be made with the banks that these institutions formerly done business with before the transfer of public funds. We will kindly ask you in the future to issue instruc- tions that these deposits must be forwarded to us and not to you.

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"We will credit their account and handle all items which they receive for credit. We thank you kindly to follow these instructions.

"We are redepositing this check with our public funds ac- count with your bank, and are today drawing our draft on you for \$25,000.00 and are forwarding same to the First and Security National Bank of Minneapolis.

We will withdraw the full amount of this check within the next few days on account of the checks that have been drawn against this account as the balance maintained by the

Agricultural College and the checks that have been withdrawn by them, and the balance that we maintain with you as redeposit of public funds is far above their balance with us." Signed Transit Manager.

8-26.

This amount covers our letter and regular transit work of August 13, which was credited by the Scan. Am. bank of Fargo to the public funds account. 12,585.46 12,585.46

I herewith quote my letter of Sept. 26, to Mr. H. J. Hagen, President, "Referring to your statement of August, we note we have outstanding on our books our remittance letter of August 13th, for \$12,585.46 and note you have credited this amount to the public funds account. We are drawing a draft for this amount against you payable to the First and Security National bank of Minneapolis, so we can clear our records. We will refer you to our letter of September 16th signed by J. W. Greenfield, referring to this, and up to the present time we have failed to receive a reply.

Will you kindly see that we get action out of our letter?

If remittances forwarded to you by the transit department of this bank are not handled in the proper manner, we shall forward all items drawn on you through the First National bank of Fargo.

Kindly give this matter your personal attention, and also request your departments to reply to our correspondence." Signed Transit Manager.

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363,032.02

WITHDRAWALS

8-5 Error 7-18	3,000.00	
8-27 Our draft	10,000.00	
9-2 Our draft	19,500.00	
9-4 Our draft	12,000.00	
9-25 Our draft	25,000.00	
9-26 Our draft	12,585.46	82,085.46
		<hr/>
Balance	280,946.56	
August interest charged by us today.....	408.30	
September interest	938.82	

We quote herewith part of a letter signed by P. R. Sherman, Cashier, in reference to correspondence regarding the manner in which this institution was handling out transit items, Under this date they forwarded their cashier's check for 31,315.16 covering remittances from August 7th to the 23rd inclusive.

"If convenient we would be pleased to receive a redeposit of this amount, as our reserve is low and we have bills payable to meet in the near future. We suggest that you mention to Mr. Cathro the matter of redeposit of draft for this amount."

You will perhaps remember, Mr. Waters, that I have had quite a number of arguments regarding this account, believing that we were maintaining entirely too much money with this institution. Personally I have always considered them very unreliable and not very sound from previous experience at the Federal Reserve Bank of Minneapolis.

Yours very truly,

A. E. SNYDER,

Transit Manager.

AES-R

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Mr. Sinkler: With your permission, may I look at that record?

Mr. Brinton: It will be put in the record and you can get it out of the record. If I make any false statements you can arrest me for perjury.

Mr. Sinkler: Oh no. Can I show it to this gentleman?

Mr. Brinton: If you will assure me that it will not get out of your possession. I have had some experience with certain gentleman.

Q. Now, Mr. Brinton, the last sentence of your second paragraph contains a statement referring to the Scandinavian American bank of Fargo as a bank "controlled and conducted by League Leaders." Do you mean to state under oath, Mr. Brinton, that the Scandinavian American bank of Fargo is owned and controlled by Leaders of the Non-partisan League? A. It is partly owned by them and controlled by them.

Q. You say it is partly owned by them? A. Yes.

Q. And that it is controlled by them—is that your statement? A. Yes, sir.

Q. Now Mr. Brinton, that statement would hardly have any value unless you give us the source of your information. How do you know it is controlled by the League? A. Because it was bought by their financial manager, the secretary of the organization, Mr. Hastings, on instructions
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from Mr. Townley and Mr. Lemke.

Q. When? A. Well, I think it was—I couldn't say the exact date but it was during the year 1917, following conference held in the National offices in St. Paul.

Q. Were you present at those conferences? A. Some of them.

Q. Well, take one, and tell me who else was present at the conferences in the League Headquarters in St. Paul when the matter of the purchase of the Scandinavian American bank was up for consideration. A. It was discussed by the executive committee, Mr. Lemke, Mr. Townley and Mr. Wood, Mr. Hastings representing Mr. Townley as his financial secretary, and I was at the meetings because of my employment as one of Mr. Townley's personal agents at that particular time.

Q. Where was this meeting? A. In St. Paul.

Q. And about when was this meeting? A. Well, I am referring to several. I wish to explain that a little. Mr. Hastings came to the executive committee with a proposition to buy the bank, and there were several conferences and Mr. Hastings was sent back to Fargo to examine the bank thoroughly and make a report, and later he came back and had another conference, and as a result of his report and the last conference the bank was purchased, or sufficient stock in it to secure control of it.

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Q. Now you were present at these conversations, Mr. Brinton, and able to state these facts from your own personal knowledge? A. Yes, sir.

Q. You recognize the fact, do you that this committee, appointed by the Legislative Assembly, has the power to administrate oaths and that any statement that you make here on the stand would make you subject to perjury if it

were not true. You understand that, do you? A. Yes, sir.

Q. Now do you mean to say that Mr. Lemke, the present Attorney General of this State, was present at those conferences when the matter of the purchase of the Scandinavian American bank by the League was arranged? A. I wouldn't say he was present at all of them, but he was present at some of them, but I talked to Lemke individually, and Townley individually and Hastings individually, and talked to all of them jointly.

Q. When did you talk to Mr. Lemke? A. Shortly prior to the purchase of the bank.

Q. And with Mr. Townley also? A. Yes, sir, it was one of the big events down there at that time.

Q. What was the substance, Mr. Brinton, if you know, of these conversations which would show the object, if any, in the purchase of this bank or control of it by the League?

A. Well, the conferences were held, not as to whether

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they should buy a bank, but as to which one they should buy, and those conferences were held, discussing the condition of the Scandinavian American bank, and whether or not they should purchase that, and there was a controversy and differences of opinion.

Q. Well, what was the object, as stated, of buying any bank? A. Well, like any organization, they needed a financial institution.

Q. Was that stated and understood as one of the objects? A. Both stated and understood. I might explain that further and make it clear to the Committee. The League was having difficulty in financing their paper, and this was simply a discussion there held after they had decided to purchase a bank.

Mr. Shipley: What paper do you have reference to? A. Non-partisan League paper. You ought to know what kind of paper that is, Mr. Shipley. I think they had some of yours once. They have got some of mine now.

Q. Well, this paper, Mr. Brinton, do you refer to post dated checks and matters of that kind—notes? A. Notes, yes.

Q. Have you any evidence as to any change in the determination of these League leaders from the time of the

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purchase of the Scandinavian American bank up to this time? A. I only have knowledge of one.

Q. Well what is that? A. That was when the transfer was made and the management of the bank was taken from Mr. Hastings and turned over to Mr. Lemke and Mr. Paddock.

Q. It was taken from Mr. Hastings and turned over to Mr. Lemke and Mr. Paddock? A. Yes, sir.

Q. Now when did you get that information, Mr. Brinton? A. I got that information as a result of being in contact with them at that time.

Q. When was this, about? A. This was the time of the Valley City bank affair when Mr. Hastings was under investigation by the Federal Grand Jury.

Q. What was the source of that information? A. By personal conversation with Lemke and Townley and Hast-

ings and Thomas Allen Box, and other league employees, Mr. Wood. That was also quite a big event.

Q. Do you mean to say that at this time the policy of the Scandinavian American bank of Fargo is in any manner controlled by Mr. William Lemke, Attorney General? A. In my opinion it is directly controlled by him.

Q. What is that based on? A. On personal knowledge of what transpired in the bank at different times when I

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was their employee, transactions, that took place.

Q. Now coming on to this paragraph, Mr. Brinton. You say, "I wish to state further that to my personal knowledge that substantially every dollar of the state money in the amount deposited in the Scandinavian American Bank at Fargo has been loaned to dummy corporations organized by A. C. Townley and Wm. Lemke. "What dummy corporations do you refer to? A. Corporations that were organized by the League Leaders, whose affairs were directed by them in which the officers or incorporations did not function.

Q. How is that? A. Corporations organized by the League leaders for different purposes in which they used some league leaders as directors or incorporators, who were not in reality directors or incorporators.

Q. Tell the Committee what corporations you refer to, the name of them? A. The Consumers United Stores Company, Publishers National Service Bureau; Northwestern Service Bureau; Courier News Corporation; The Non-Partisan Publishing Company, the League Exchange, and I think the Scandinavian American Bank, which was practically operated the same way.

Q. Just take a certain one of these corporations, Mr. Brinton—take, for instance, the Publishers National Service Bureau. Do you know who organized that? A. Yes sir.

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Q. Who? A. Mr. Townley.

Q. Well, do you know who the incorporators were? A. Yes sir.

Q. Who were the incorporators? A. Sam Hazlett, of Fargo; Harry Dence of Dickinson; and Harry Dunbar of Turtle Lake or Garrison.

Q. You mean to tell us that Mr. Hazlett did not pay any money into that corporation? A. He just signed the articles of incorporation.

Q. And Dence? A. Yes sir.

Q. And do you mean to say that Dunbar did not pay any money for any stock in it? A. No sir, not at the time it was organized or for a number of months afterwards while I had possession of certain documents pertaining to it.

Q. Well, who is in control of that corporation now. A. Mr. Lemke, principally. That is he has been the directing figure in it as attorney for the National Nonpartisan League and as one of its directors. I am speaking now of the time that this money was taken from the Scandinavian American Bank and paid over into this corporation. I understand it has been reorganized lately. But I want to say this in justice to Mr. Lemke, I don't know what Mr. Lemke's interest in it is, except as attorney for Mr. Townley. Townley was the dominating figure. Hired employees and fired them, and

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Mr. Lemke looked after the corporation records and make the thing legal, as he put it.

Q. How was the organization of the Consumers United Stores Company. A. The same way.

Q. Who owns the stock in that, do you know, if there is any? A. Of course I couldn't tell you now, but of the same time I am speaking it was Charley Heck, Howard Elliott and Norbet O'Leary, Townley's stenographer. They were the incorporators.

Q. You say O'Leary was Townley's secretary? A. Yes sir.

Q. And who was Elliott? A. State Manager at Fargo of the Nonpartisan League.

Q. And who was Heck? A. An organizer in the league.

Q. Now Hazlett referred to in your make-up of the Publishers National Service Bureau, what capacity in the League, if any, did he act? A. One of their newspaper men.

Q. And what was the business of Harry Dence? A. One of their newspaper employees.

Q. And Harry Dunbar? A. I would call him a utility man. He has held so many positions I couldn't keep track of them.

Q. You say all three of those men or all six of them were in the employ of the League in one capacity or another? A. Yes, for a long time back.

Q. Well, Mr. Brinton, can you tell us how many of these
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institutions and in what capacity Mr. Lemke is connected with. In each one of them you appear to have him listed up in one capacity or another. Now I would like to have you outline for me his connection with these various institutions, if you know? A. You are giving me—quite a job. I will try to.

Q. All right. Let's have it? A. The first position that I know of that he had with the Nonpartisan League was its attorney. Then later he became a member of the executive committee of the National Non-Partisan League, and attorney for A. C. Townley in his bankruptcy proceedings; attorney for the Nonpartisan Publishing Company; republican chairman of the republican party of North Dakota; president of the Courier News corporation; the majority owner of stock in the Consumers United Stores Company; organizer and director of the Northwestern Service Bureau; attorney for the Bank of North Dakota; attorney for the Scandinavian American Bank; attorney for the Governor and assistant attorney general; attorney for the Industrial Commission; and the last time I had any contact with him he was a candidate for attorney general, and I understand he is attorney general now. I may have omitted some things. I have given you a few of them.

Q. Well, you have undoubtedly discovered sufficient to
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identify him with these institutions. Now Mr. Brinton, you say in this communication that you have knowledge that substantially every dollar of state money in amount deposited in the Scandinavian Bank at Fargo has been loaned to these various corporations that you have named? A. Yes.

Q. Now that is a serious charge, and I would like to have you state for us just what information you have on that subject and the source of it? A. Well, the information was

secured through contact and conversation with the officers of the Scandinavian American Bank and the officers of the Bank of North Dakota.

Q. All right. Let us just take that much of it. Your information was obtained from officers of the Scandinavian American Bank and officers of the Bank of North Dakota, you say? A. Yes sir.

Q. Now when did you have any conversation with any of the officers of the Scandinavian American Bank from which you obtained this information that you refer to? A. Well, I couldn't give you the exact dates. I could give you about the times. In fact I have had a good many with Mr. Hagen, who was president, and Mr. Sherman who is vice-president or cashier, I would say.

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Q. Well, what was said at this conversation that would indicate that this money— A. Well, now, I would like to explain the situation leading up to that first.

Q. Go right ahead, explain the circumstances? A. The financial policy of the Nonpartisan League in relation to North Dakota and the Scandinavian American Bank was always a matter of bitter controversy from the time the Bank of North Dakota opened, and as result of that controversy, with Mr. Waters, myself and Mr. Snyder on one hand and Mr. Townley and Mr. Lemke and Mr. Cathro on the other—as a result of that controversy I had conversations with all parties concerned, including the officers of the bank, with Townley, Lemke, with Snyder and with Waters so that I individually had a personal conversation with all of them with the possible exception of Mr. Cathro himself. And one particular time at the Scandinavian American Bank Mr. Sherman commenced to abuse me for the amount, as he put it, "of your damned paper that we have got in this bank" and naturally I resented it, and explained to him that I was one of the parties that was fighting the policy of putting that paper in there and the manner that that was handled, and it wasn't my damned paper. It was somebody else's. And I told him—this particular item he mentioned—to go to the

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man he had given the money to, and that was Mr. Liggett.

Q. What item was he referring to? A. To funds loaned to the Publishers National Service Bureau.

Q. Were you with the Publishers National Service Bureau? A. Not at that time.

Q. Were you not connected with that institution at one time? A. Yes sir, very largely. I organized it for Mr. Townley.

Q. And when did you sever your connection with it with reference to the time you had this conversation with Mr. Sherman? A. It was upon my return from Miami, Florida, and I severed my relations with the Publishers Service Bureau prior to going to Miami, and this was shortly after my return and during the period—I wouldn't say whether—

Q. Now let me ask you, during the time you were with the Publishers National Service Bureau, did your company at that time borrow money from the Scandinavian American Bank? A. No sir.

Q. At the time you severed your connection with the Publishers National Service Bureau was it indebted to the Scandinavian American Bank? A. At the time I was with the

Publishers National Service from the first part of December
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when it was organized until along in April, the Bank of North Dakota was not opened and this policy had not been adopted or this controversy had not arisen, and our loans that were made, some \$45,000.00 were borrowed from the local banks in the different counties where the deals were made, on accommodation paper or on stock sold on notes that were taken to the local banks. And this controversy over the misuse of state funds through the Scandinavian American Bank arose upon my return from Miami and after the bank was under way, and after these deposits or during the time that these deposits that you have just had read here were put in the bank, during that period.

Q. And who was manager of the Publishers National Service Bureau at that time? A. Mr. Liggett.

Q. You referred to a matter as "this item" that Mr. Sherman had referred to. What item was that? A. I asked him about how much they had loaned and I don't just remember what he told me, but later, upon examining the records of the institution I found that they had about \$45,000, and that was during the period from the time the bank opened until along, I would say, probably in July or August—a short time, possibly sixty days.

Q. Now that is with reference to the Publishers National Service Bureau—now the \$45,000, that, wouldn't cover the
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amount that was loaned to these institutions at that time, would it? A. No.

Q. And \$45,000 wouldn't cover the amount that was deposited by the Bank of North Dakota in the Scandinavian American Bank, would it? No.

Q. Well, did any of these other corporations have any money? A. During this controversy and this discussion—my information was gained upon statements made by Sherman, and Hagen, and Waters as to the amount that had been extended, not only to the Publishers National Service Bureau, but to the League Exchange and the National Nonpartisan League, and the Consumers United Stores Company, and as a result of that discussion these different amounts were brought out and complained about, and if my memory is correct—of course the Scandinavian American Bank records are the best evidence—but as I remember it, at that particular time—I think it was around Three Hundred and Fifty or Four Hundred Thousand Dollars that had been loaned to these subsidiary or dummy corporations of the National Nonpartisan League, and that was the controversy. It was based on these transactions.

Q. You heard the testimony of Mr. Cathro this morning, did you not, to the effect that none of this paper of the subsidiary corporations of the Non-Partisan League had been
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placed in the Bank of North Dakota? A. Well, of course, I appreciate Mr. Cathro's position. There was in there at one time a very large amount, and I don't know that Mr. Cathro intentionally overlooked that. I think he would admit to you that there was at one time some \$230,000 or \$260,000 brought in there which he had accepted, and which, as a result of the controversy and smoke that we fellows created a personal channel. I will explain this so you will know why

entering into the conversation, it got so hot that they took it back. And at that particular situation or controversy I was present.

Q. Where was this controversy? A. In the Bank of North Dakota.

Q. And who else was there? A. There was Mr. Waters, and Mr. Snyder and Mr. Halliday and Mr. Lemke and Mr. Sherman. Now I didn't have a personal conversation with all of these gentlemen, but as a result of the conference there I learned that those different men had taken part at different times. I talked to Mr. Lemke regarding the proposition personally, on the train, going from Bismarck to Fargo. I talked to Mr. Townley here in the McKenzie Hotel and also in the headquarters, and talked to Waters and Snyder in the Bank and was in the Bank at the time the notes were on the table under discussion, and handled some of these notes

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under discussion, and was there when they were packed up in a grip and Mr. Sherman took them back to Fargo.

Q. What was the discussion? A. As to the policy of putting League paper into the Bank of North Dakota.

Q. Do you know what Mr. Lemke's position was in the matter, A. Mr. Lemke was on the side of Mr. Cathro and Mr. Townley.

Q. What was their position? A. Their position was that it was perfectly legitimate and all right and Mr. Waters and myself were resisting it, not because we were such honest men, but we thought it was "damphool" political policy, to be honest with you. And I might repeat the position that Mr. Waters took, because it was a very bitter controversy, and it had some bearing on my attitude afterwards and has some bearing on my statements here today. Mr. Waters took the position it was criminal, and his particular expression was, as I remember it "You are putting me up against the penitentiary." That is how heated the conversation got, and in the conversation with Mr. Lemke on the train he became very angry at me, as though it were a personal controversy between he and I. My knowledge of the transactions is not only hearing all the conversation and participating in it, but I saw the actual notes which were under discussion.

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Q. Did you look at any of these notes lying there on the table? A. I didn't look at the notes, Mr. Waters brought some of them in and laid them on the desk in front of me and asked what I thought about them.

Q. Can you tell us what those notes were so the committee can have an idea as to what sort of notes Mr. Sherman had brought up there. Do you remember, for instance, any of the makers of any of them? A. Now I want to explain to the committee that there was a lot of prejudice and a lot of bad blood and bad feeling in this controversy between Mr. Cathro and Mr. Waters; that as a result of the official positions of Mr. Cathro and Mr. Waters, Mr. Waters would apparently make some transaction and Mr. Cathro would oppose it, and Mr. Cathro would make some transaction and Mr. Waters would oppose it, and it seemed that any time a controversy came up it drifted immediately into a personal channel. I will explain this so you will know why certain paper was brought to me, and in heat Mr. Waters went out in the back room and brought in part of this paper.

He first took me out and showed me the table with the paper piled up all over it. Bundles of notes. I didn't examine the notes. I looked at them. And I says I want some evidence to take to Mr. Townley to try and impress upon him and show him that this is not right and I wish you would take

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some of these notes and strike off on a typewriter the maker of the notes and to whom payable and the endorsers, and naturally Mr. Waters picked out Lemke's paper, and he brought in four notes, a League Exchange note, which was endorsed by Mr. Lemke, and a personal note which was made payable to the Scandinavian American Bank, signed by Lemke, and I think it was a Consumers United Stores Company note and a League Exchange note. I have that slip with my papers.

Mr. Shipley: The last two mentioned notes were they endorsed by Mr. Lemke? A. I won't say positively, except I know Mr. Lemke's name was on at least a couple of these notes. One was a personal note and one he had endorsed on the back. If I remember right they were all endorsed by the Scandinavian American Bank, and I said to Mr. Waters, "Have the stenographer strike off on a slip of paper these four notes, and that is how I came to have personal knowledge. And later I went to Mr. Townley with the slip of paper to explain to him and get his approval of getting that paper out of there, but it wasn't necessary because it was taken out that day or the next morning. I think it was.

Q. Do you have that slip? A. I have it with my papers. I haven't got it here. It is just a little typewritten slip or

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sort of memorandum. I later showed it to the Governor and had it filed with my papers with other papers that bore on this controversy.

Q. Showed it to Mr. Townley? A. Well, I wouldn't say I showed it to him, I talked to him about it.

Q. Now, do you know when those notes were brought up there to the Bank? A. Well, I couldn't give you the date, I could give it to you in relation to other dates.

Q. Well, give us as near as you can, so we will have some idea. A. It was shortly prior to Mr. Langer's "Raid" on the Fargo Bank, I guess that was the right word to use.

Q. Do you know how the notes were transported from the Fargo Bank to the Bank of North Dakota? A. Not except as told by Waters. Mr. Waters told me they were mailed there.

Q. Well, do you know whether, or not, Mr. Lemke came up from Fargo to the Bank of North Dakota to discuss this matter while the notes were there? A. Yes, he was in Bismarck. I have the information this way. I was told by Mr. Waters that he was there in consultation with Mr. Cathro and in going back to Fargo Mr. Lemke was on the same train and I had a conversation regarding the transaction with him on the train.

Q. Well, you know how long these notes stayed at the

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Bank of North Dakota; how long were they up there? A. I couldn't say that. I should say probably just while this controversy lasted, probably a couple of days. I don't think they were ever entered on the books. They were simply

brought up there as a result of the agreement of one faction and taken back as the result of the opposition of the other.

Mr. Chairman: May I ask just one question? Then, you don't know for a certainty whether they were ever entered as assets of the Bank of North Dakota? A. This particular bunch of notes?

Mr. Chairman: Yes. A. No, I couldn't say that they were, but I do know that following this and prior to it instead of keeping the paper in the Bank that they kept the paper in Fargo or some place else and sent the money down there as a redeposit rather than a loan so it wouldn't show on the bank books.

Mr. Sullivan:

Q. Well, Mr. Brinton, the matter that you just referred to there—how do you know the money was sent to the Scandinavian American Bank and loaned out to these corporations so that it wouldn't show on the books of the Bank of North Dakota? A. Well, I have that as a result of the conversation with Mr. Waters; in fact, when I came back from Miami, Fla., after Mr. Waters had resigned,—well I couldn't give you the exact date—Mr. Waters gave me in pencil notation the amount of money that was turned over to the Scandinavian American Bank and it was divid-

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ed at that time between a deposit and discounts or a loan, and it totaled, I think, if I remember it right, about \$365,000.00 at that time, and that was at the time I took the proposition up with the Governor through a communication which was later made public.

Q. Do you mean to say, Mr. Brinton, that there was a policy agreed upon between these parties to the effect that they would send this money down to the Scandinavian American Bank as deposits and in the form of loans and in that manner loan the funds of this state to those various league institutions and thereby evade the law of the State of North Dakota? A. Yes sir, I have personal knowledge of it.

Q. You mean to make that statement, do you? A. I want to make it clear that my information is based on information I give you here—my personal contact, and I know as a matter of fact that this arrangement was entered into and agreed upon because that was the cause of the row between Mr. Waters and I and Mr. Townley and Mr. Lemke.

Q. Now, let us go back to the place where that was arranged and where it was agreed upon. A. Well, we would have to go back prior to the appointment of the respective managers.

Q. Well, let's go to it right now, and find out when this policy that you have referred to was agreed upon and

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later acted upon. A. Well, it is quite a little story. I will make it as short as I can. The appointment of Mr. Waters to the Bank of North Dakota was made as a result of a conference between Mr. Townley and I. Mr. Townley came to me and asked me a lot of questions regarding Mr. Waters, as I was a very close friend of his at Beach and he had never had any personal contact with him in a business or social way. And as a result of that Mr. Townley made the expression that Mr. Waters was the man they want-

ed, and later Mr. Waters was appointed. At that particular meeting, it was agreed upon at that conference, in which Mr. Waters was called in, it was agreed that Mr. Waters would be Manager of the Bank of North Dakota, with sole authority over the bank. I am explaining this to explain to you gentlemen because of the row that later took place, that is of the prejudice, because that has a bearing upon the whole transaction.

Q. Well, I want to get to the place, eventually, where this policy that you have talked about, was agreed upon.

A. I am getting to it.

Q. All right. A. And later, to the surprise of Mr. Waters and myself, Mr. Cathro was appointed as Director General, and I was present at the meeting because Mr. Townley called upon me to go and see Mr. Waters, that
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Mr. Waters had blew up and wasn't going to accept the appointment, and that was another conference we had in the McKenzie Hotel, and there was nothing said at this conference regarding the policy of the bank, but later as the controversy got more heated—I think Mr. Waters quit about three times in three days, and agreed to accept the appointment three times in the same length of time. In my conversation with Mr. Townley I learned that Mr. Townley was very anxious to have Mr. Cathro in the bank, and I referred to a certain position that the league had taken challenging Mr. Cathro's position as a good leaguer. I will admit to the committee that I played politics when I was in the league. I am not ashamed of it, because I have been in politics quite a while. I can't help it. And Mr. Townley made the expression "we want Mr. Cathro in that bank because he has agreed to sail—to sail with us." And, of course, in the conversation that followed he explained to me that they were going to use that bank to assist in financing the National Non-Partisan League.

Mr. Shipley: What Bank?

A. The Bank of North Dakota. And that was where the row started, and there was continual jangling between Mr. Waters and I on one side and Mr. Lemke and I presume
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Mr. Cathro on the other as to the use of this money in the bank, and they being in control of the National Committee, when they dominated and Mr. Lemke being attorney of the Industrial Commission, he represented the Industrial Commission, and we simply backed down, of course.

Mr. Freeman: Do you make the statement that this was one of the determining factors that went into the appointment of Mr. Waters and Mr. Cathro as officers of the bank, that they would in some sense lend the authority of their position to these transactions? A. Well, it is a double question. I say this controversy and row in the Bank of North Dakota was because of that determined policy on the part of league leaders. I am not saying that Mr. Cathro agreed to it, but I assume as an intelligent man that he agreed to it, because he is still in the bank and Mr. Waters is out of the bank and the Scandinavian American Bank has some \$450,000.00 of public funds. And I want to say further that I have charged Mr. Lemke and

Mr. Cathro with embezzlement, and they haven't manhood enough to throw me into court and I charge them today.

Mr. Chairman: Just a moment—

A. Well, he is challenging my correctness of taking that position. I have no objection to anyone asking me questions, but I don't like to have anyone insinuate that I was
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in any kind of an arrangement to defraud the State of North Dakota.

Mr. Freeman: Well, I apologize. I just wished to arrive at the fact.

A. I want to say that I have brought enough trouble on myself on account of this row. I have been called a crook from one end of the State to the other, and if I had stayed out of it I probably could have gotten a good appointment. I might even have gotten a house.

Mr. Sullivan:

Q. Now, you have indicated that Townley himself, told you that Cathro had agreed to "sail" on this policy you have told us about? A. Yes, sir.

Q. Now, do you mean to say that Mr. Lemke, the attorney general of this state, knew of that policy and approved of it? A. Not only knew of it and approved of it, but he participated in it and advised it.

Q. Well, Mr. Brinton, you would recognize that that might be a criminal offense under the laws of this state?

A. I do.

Q. Why didn't you at that time have Mr. Lemke arrested and brought into court and charged with this offense?

A. Well, I think I did. When I found out there was no chance of getting Mr. Townley or Mr. Lemke to stop this kind of an arrangement and misuse of this money I went to the highest authority in the State—to the Governor. I didn't go to Langer, even, with a blare of trumpets. I
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went up there with a private communication. I sent it to the Governor, and went up and talked to him about it. I sent it to him by registered mail, and instead of listening to me or giving me any encouragement, my communication was turned over to Mr. Lemke and published in the newspapers and my confidence violated. And the chief executive of the State—if that is not the proper authority to go to to expose criminal acts, I might as well give up. I might have given it to Langer, but he tries his cases in the newspapers and not in the court. I would like to try this in court if these men have got manhood enough to have me arrested.

Q. Now, just a minute, don't get away from the subject. A. All right. I will admit that I am highly prejudiced and easily excited over this.

Q. Do you mean to intimate, Mr. Brinton, that the Governor of this state had any knowledge of the policy that you have outlined? A. No, sir, I think the whole situation has been misrepresented to him.

On motion of Mr. Freeman, seconded by Mr. Nagel, recess taken for ten minutes, after which hearing resumed with all parties present, and the examination of Mr. Brinton continued.

Q. Do you want this committee to understand that there

was misappropriation or embezzlement in the Bank of North Dakota? A. No, not in the Bank of North Dakota. (198)

kota. The funds were taken from the Bank of North Dakota, and taken to the private bank in Fargo and the misappropriation and embezzlement took place there.

Q. Do you mean to say that the misappropriation and embezzlement that you refer to is in pursuance of this policy that you have referred to? A. In the taking of state funds by a certain arrangement and using them for their own personal and political purposes—the public funds of the State of North Dakota.

Q. Aren't you connected or weren't you connected in some manner with a corporation known as the Sisal Trust? A. Yes, sir.

Q. Was the Sisal Trust in any manner a beneficiary of this policy that you have referred to? A. No, sir.

Q. You referred to an embezzlement in the Scandinavian American bank, was there any embezzlement in that bank that you know of? A. Yes, sir.

Q. An embezzlement by any person connected with this policy that you have referred to? A. Well, from my connection with the Scandinavian American Bank I was brought in a close contact with its affairs, because of a shortage of a former employee of the league who was Vice President of the Bank.

Q. In just what manner were you brought into this connection with the Scandinavian American Bank by this embezzlement? A. Well, I was engaged as one of the (199)

managers or men to look after the affairs of the Sisal Trust. And shortly after that time, we were informed by Mr. Townley that there was a shortage of some ten or twelve thousand dollars in the Scandinavian American bank funds that had been taken out of the institution and invested in the Sisal Company. And the duty was placed upon Mr. Waters and I as the managers of that enterprise to raise funds, to take care of that shortage. We did it in the interests of the company and also in the interests of the Non-Partisan League and Mr. Townley, because Mr. Townley at that time, and I still believe, had nothing to do with this particular shortage, and the money was actually invested in the Sisal Company.

Q. Well, when was it, about, with reference to any other time that you can name definitely so that we will know about the time that the shortage became known to you? And when was it that you fixed it up? A. Well, it became known at the time the Valley City bank deal was on, when Hastings was under investigation and as a result of the activity on the part of the Non-Partisan League this shortage was apparently discovered and then—

Q. When did you begin your efforts to fix it up as you have stated? A. When I was called to Fargo by Mr. Lemke and Mr. Townley to see that the shortage was paid up.

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Q. And when was that, about? A. That was after the Langer "Raid".

Q. The Langer raid on the Scandinavian American bank?
A. Yes, and the bank was put back in the hands of Mr. Lofthus by the Supreme Court.

Q. You say Mr. Lofthus was in charge of the bank when you went back there? A. Mr. Lofthus and Mr. Lemke.

Q. Well, in what form or by what evidence was this shortage that you have referred to, disclosed on the books of the Scandinavian American bank? A. Well, at the time the Sisal Company was called upon, or at the time the shortage was discovered, through an arrangement with Mr. Townley, we had him agree that he would give the Company until that fall—this was in the spring of 1919—until that fall to take care of that shortage, because the Company had other large obligations to meet, and the obligation was carried on the books of the bank down there as a loan. And after the Langer—

Q. Loan to who? A. Well, I presume they carried it as a loan to the Sisal Company, but this was money taken out of the banks and entered on the books prior to our taking charge of the Company, the Sisal Company.

Q. Well, you say when these parties took charge of it, you were called to Fargo? A. Yes, sir.

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Q. Who called you to Fargo, Mr. Brinton? A. Well, I wouldn't say who called me there, I had a consultation with Townley and with Lofthus and with Lemke regarding this particular item.

Q. Where did this conference take place? A. In the Scandinavian American bank at Fargo.

Q. Just tell us what was said? A. That this obligation would have to be paid right away.

Q. I thought you said they had arranged that that would go until fall? A. Well, on account of the raid on the bank it had to be paid right away.

Q. Was there anything else said at that conference?
A. Well, the result of our conference was that I informed Mr. Lemke and Mr. Lofthus that the Company couldn't take it up on such short notice. They would have to give us some time. And it was arranged in such a manner that it was taken up and I presume marked off the books.

Q. Well, just what manner do you refer to, Mr. Brinton, just what was said there that would indicate the manner? A. Well, I will tell you what actually took place, rather than what was said. I gave a check to the Scandinavian American bank for the amount of money that was involved in this obligation. I think it was about \$11,000 between \$10,000 and \$11,000.

Q. What bank was that check on? A. The Mercantile State Bank of Minneapolis.

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Q. Did you have any funds in the Mercantile State Bank of Minneapolis at that time? A. Well, I had an account there; a personal account there, but not very much money in it.

Q. Did you disclose to these other men that you referred to, Mr. Lofthus and Mr. Lemke that you didn't have that amount of money in the bank in Minneapolis? A. They suggested that I write the check on that bank.

Q. Well, did you tell them you didn't have that amount of money in that Bank? A. Yes, sir, I told them.

Q. Well, the check wasn't good then, at that time?

A. Well, they seemed to think it was all right.

Q. Had you made any arrangements with the Mercantile State Bank at Minneapolis at that time in a way that they would honor your check for that amount of money? A. No, I hadn't.

Q. Well, did Mr. Lemke and Mr. Lofthus know that you had no such arrangement? A. I think so, in fact, it was explained to me that they would carry that check as a cash item so they could make their showing to the Supreme Court and I could raise the money and later put it in the bank and make it good and they would hold the check until I got the money down there.

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Q. Do you mean to say, Mr. Lemke and Mr. Lofthus knew of the arrangements, Mr. Brinton, by which you were putting in a check upon a bank that you had no funds in for the mere purpose of making it appear as though that item had been taken up? A. No, I think that they were trying to get the obligation paid all right, but they did this to make it easier for me to meet the obligation so they could make the showing and still relieve me of the immediate demand for the money.

Q. What showing were they making? A. They were making a showing to the Supreme Court. They were making an audit of the bank, to make a showing to the Supreme Court that the bank was all right and not to put the banking board back in charge of it.

Q. Did they make any statement, either of them, to the effect that when you gave them that check they would show that item as paid by that check? A. They particularly stated that they could show it as paid if I gave them the check.

Q. Now, you understand you are not writing a newspaper story now, you are under oath? A. Yes, sir.

Q. And do you mean to say that the attorney general of this state, Mr. Lemke, and Mr. Lofthus, the state examiner, certified or expected to certify that item as paid under the circumstances you have named? A. Mr. Lemke was not attorney general then.

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Q. No, I understand, the present attorney general. A. Yes.

Q. You mean to say that? A. I mean to say I later deposited the money down there and I have the cancelled check that shows the date when the money was put down there and shows when the check was given, when the money was deposited and when it was paid. I have the documents which I would be glad to exhibit court.

Q. How long would it take you to get the documents? A. I would have to go to St. Paul and back. I have them in a good safe place.

Q. Was that check dated as of the date you gave it to these men in the bank? A. Yes.

Q. And the check also shows when it was paid? A. Yes, I presume it does.

Q. Well, it would probably be stamped? A. Yes, the point I am making is that the check was paid and the money deposited in the bank was deposited there after the check was given to the Scandinavian American bank, a number of days after.

Q. How long after? A. Possibly a week.

Q. And the arrangement was then that the Scandinavian American bank would hold that check until you told them you had been able to collect up your other money and put it in the bank in Minneapolis, is that true? A. That is actually what took place.

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Q. Did they understand that was what you were going to do? A. Yes. They held the check and I notified them later that the money was deposited there and they sent the check down for collection, and they carried the check as a cash item in the meantime.

Q. Then, as a matter of fact, that \$11,000 transaction that you refer to, was shown on the books down there by having in the bank a check with an arrangement that you were later to put the money in a bank down in Minneapolis to take the check up? A. That was the arrangement. Of course, I couldn't swear that an entry was made on the bank books. I was told by giving them the check they could make the entry and make the showing to the Supreme Court.

Q. Well, Mr. Thatcher, was he there at that time? A. Yes, he was preparing the audit.

Q. The audit for who? A. He and Mr. Lemke—that is, he was preparing the audit there for Mr. Lofthus, I presume, the bank examiner, to submit to the Supreme Court, that is as I understood it.

Q. Do you mean that Mr. Thatcher was advised of this arrangement? A. I wouldn't say positively that he was, but he certainly knew of it, because the check was put in there and accepted.

Q. Did you hear any statement made by him in connection with this transaction that would indicate his knowledge of it?

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A. I couldn't say that he made any statement. I am quite certain he was present and heard the conversation, but I wouldn't say positively.

Mr. Sullivan: Mr. Brinton, you will be excused at this time, but there are some other matters in connection with this that we want to go over further, and we would ask you to hold yourself available when the time comes to put you back on the stand.

Mr. Shipley: In view of the fact that Mr. Cathro appeared this morning and signified his willingness to produce any and all records that were demanded by this committee and counsel, I now move that we reconsider the motion made yesterday to cite Mr. Cathro to the House for contempt.

Mr. Ulland: Second the motion.

On roll call, all members present voted aye.

On motion of Mr. Nagel, seconded by Mr. Johnson, of Ward, adjournment was taken until 9:30 a. m. February 9th.

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February 9th., 1921

Meeting called to order by Chairman at 9:30 a. m., all members of the committee, excepting Messrs. Johnson of Steele, Weld and Hanson present. The attorneys and reporter also present.

Minutes of previous meeting read and approved.

Mr. E. R. Sinkler, Mr. Wm. Lemke, Mr. Francis J. Murphy, and Mr. John F. Sullivan, all agreed in the presence of the committee that the figures—everything in the Bishop, Brissman Company report, except the commentaries or conclusions are substantially correct, and may be used in this examination as substantially correct. This for the purpose of saving time and difficulty of going to the Bank of North Dakota and making them produce papers and records there.

J. W. Brinton: Recalled as a witness, and testified as follows:

EXAMINATION BY MR. MURPHY

Q. Mr. Brinton, in your examination yesterday, as I remember it, you stated in substance that there was no embezzlement in the Bank of North Dakota. You also stated that you charged Mr. Cathro with embezzlement. There is an apparent inconsistency there, I believe, and I would ask you to explain just what you meant by those two

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statements? A. I charged Mr. Cathro with embezzlement on my information received from Mr. Waters and other employees of the bank regarding certain money that was paid out of the bank, that was represented to me to be covered upon the books, and instead of being paid in the regular way with a check it was paid in currency and carried by a messenger. That is the only item that I referred to in charging Mr. Cathro with embezzlement in the bank except as an officer of the bank in sitting there and making arrangements and allowing the money to go out of the bank he was a party to the embezzlement that later took place when the actual money was turned over at Fargo.

Q. Now, referring to this money that you say was sent by messenger. Will you please tell us the source of your information on that subject, Mr. Brinton? Who told you that? A. It was told to me by Mr. Waters and Mr. Maley Townsend.

Q. Will you tell us who— A. That included, I think, four different transactions. I also had information sort of confirming this from Mr. Liggett. I don't think there was any dispute over this particular embezzlement because Mr. Liggett told me that in conversation with Mr. Hastings, who received the money, that he knew the embezzlement had taken place in

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there, and it wasn't a question of whether or not the embezzlement had taken place, but it seems that Mr. Liggett, representing the National Nonpartisan League as employee of the Lemke-Cathro faction, was accusing Waters of the responsibility of it, and Waters was accusing Cathro of the responsibility of it. It was a question of who committed it.

Q. Another controversy? A. Yes, not a question of whether it was committed or not.

Q. You said that this so-called embezzlement consisted of four separate transactions? A. Yes, as I gathered it from the different parties.

Q. Now, will you give us, Mr. Brinton, a statement as to what you were told, as you say, these transactions consisted of? A. Well, as it was related to me by Mr. Townsend and Mr. Waters, and confirmed by Mr. Hastings, the money was given to Mr. Townsend and he carried it to Mr. Hastings, a thousand dollars, I think it was, if I remember correctly the amount. This was in currency. Then later when Mr. Hastings was in New York, he made a draft on the bank of North Dakota or some of its employes, and this draft was drawn through some friendly bank, I believe, up near Devils Lake. I just forget the name of the bank. It was given to me at the time—rather than through the regular channels, and the draft

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was honored and paid, and then, still later, after I had talked to Mr. Hastings about it and Mr. Townsend and Mr. Waters, I had a conversation with Mr. Liggett, or rather in a meeting it was, and Mr. Liggett confirmed not only these two transactions, but he said there was a third transaction where Mr. Hastings received \$500 under an assumed name by wire, from the Bank of North Dakota, in Chicago.

Q. Who was it told you that Mr. Hastings had received \$500 by wire? A. Mr. Liggett.

Q. Will you tell us who Mr. Liggett is? A. He is an employe of the National Nonpartisan League. He was one of the parties that borrowed some of this money from the Scandinavian Bank. He was handling financial transactions at one time and other positions at other times.

Q. When was it, Mr. Brinton, that this item of \$500 was transported to Mr. Hastings under an assumed name? A. My entire information on that is based on the statement of Mr. Liggett, confirming the statements or the information I had from the other sources that there were irregular transactions there.

Q. Did Mr. Liggett say when it was that this \$500 had been transported to Mr. Hastings under an assumed name? A. He said it was at a time when he and Mr. Hastings were

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in Chicago. They were there together.

Q. Do you know or have you any information as to the basis upon which Mr. Hastings obtained this \$500, what the theory of it was? A. Well, it was on the theory, as explained to me, that he was in the employ of the Bond Department. But Mr. Snyder claimed that the transaction was erased from the books and entries changed, and this confirmed my conviction of what Mr. Waters and Townsend had told me that it was an irregular payment.

Q. Mr. Snyder had told you? A. I saw a letter which he wrote to Mr. Waters regarding the transaction, and in fact I have the letter in my possession.

Q. The letter that Mr. Snyder wrote? A. The transit manager, yes.

Q. Can you get that letter? A. It is in my safety deposit box in St. Paul.

Q. In the same place you referred to yesterday, as the cancelled check? A. I think so, yes.

Q. You make a note of both of those items, because we will probably have to ask you to go and get them. Can you get them sent up in some other manner? A. No, no one else has access to the box.

Q. Do you remember what the date of the letter from Mr. Snyder is in which he states that the entries upon the book

had been changed? A. No, I couldn't say that. This letter was written as a result of the controversy over the transac-

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tion.

Q. Is this Mr. Hastings that you refer to, is he the same Hastings who was identified with the Valley City Bank deal, so-called? A. Yes sir.

Q. Can you tell us, Mr. Brinton, so as to identify the time a little closer, whether or not the payment of this thousand dollar item and the \$500 item to Mr. Hastings was before the after the so-called Valley City Bank deal? A. Oh, it was—it must have been a year after.

Q. A year after that? A. Yes, quite a long time after.

Q. Do you know or have you any information as to what was the name assumed by Mr. Hastings under which he received this \$500 in Chicago? A. I have no knowledge of that.

Q. The thousand dollar item that you refer to, Mr. Brinton, do you know what the theory of the payment of this thousand dollars to Mr. Hastings was? A. Well, as an employe of the bank, that is, an employe of the Bond department.

Q. Do you know whether or not or have you any information as to whether or not he was actually employed at that time by the Bond Department? A. Well, I couldn't say as to that.

Q. You say there was a controversy with reference to the payment of this money, this thousand dollar item and this \$500

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item to Mr. Hastings? A. The only knowledge I have of that is as a result of the discussion over it after it had taken place.

Q. Now, tell us what these discussions were and when they took place, and what was said at the discussion? A. Well, they were conversations with Townsend, and * * *

Q. Now let us take Townsend—what did he tell you about that? A. When I first heard of it I asked Mr. Townsend about it. I heard he was the one who carried the money, and he said he did.

Q. Where did you have this conversation with him? A. I think it was in the McKenzie Hotel. I don't remember the place.

Q. Do you remember about when it was? A. It was after I came back from Miami, Florida, in the spring of 1920.

Q. Do you know where Mr. Townsend is now? A. I don't

Q. Was that all Mr. Townsend said at that conversation with reference to carrying of this money? A. Well, I don't know anything in particular. I simply wanted to confirm it, that is all, to my own satisfaction.

Q. And you say you had a conversation with Mr. Waters about it? A. Yes.

Q. What did he say about it? A. He also confirmed it.

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Q. Just tell us what he said and tell us what the controversy was? A. Well, now, I couldn't give you his exact language, except that he claimed the transaction wasn't right.

Q. What did he say as to why it wasn't right or the substance of it? A. One of the things was that Mr. Hastings had private business in New York and was really not down there on any mission of the bank.

Q. Did Mr. Hastings go to New York? A. Yes, he was in New York. I have personal knowledge of that.

Q. That he was in New York? A. Yes.

Q. Did you talk with Hastings about it? A. Yes, I talked to him about it, but my personal knowledge of that trip down there is based on a letter which Mr. Hastings wrote regarding an alleged claim that he had against the Sisal Company, that Mr. Townley had promised to pay, but hadn't paid, and he wrote me a letter from a hotel in New York, in fact two letters, to Miami, Florida, and when I checked up the letters, the time of these two letters and the time of this money transaction in the Bank of North Dakota was identical.

Q. Have you got those letters? A. Yes.

Q. Can you produce those for us? A. Yes.

Q. Now make a note of those too. A. All right. Those
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letters simply—they were what my knowledge is based on as to his being down there.

Q. Well, do those letters indicate, Mr. Brinton, as to what his business was in New York at that time? A. Indicated that he was hard pressed for funds.

Q. Now you state that there was a controversy about the manner of the handling of this thousand dollar item. Who were the parties to the controversy? A. When I say there was a controversy over it, I base my information on the fact that there was a great deal of discussion over this particular transaction, but not in a group. Mr. Waters talked about it, Mr. Liggett talked about it, Mr. Hastings talked about it, and Mr. Townsend talked about it.

Q. Did any one of these parties that you have referred to explain to you why this money should be sent in currency and in a fictitious name, instead of being sent in the regular course? A. I can't say that anyone, unless it was Waters, and I think Waters told me that the reason they sent it in currency was that he didn't want to send a check for it, or wouldn't send a check, as a result of apparently some controversy over the regularity of it.

Q. Do you know who it was in the Bank of North Dakota that started this money on its way in that manner? I couldn't say as to that.

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Q. Have you any information that would connect Mr. Cathro with that? A. No, no information whatever.

Q. The only manner that you connect Mr. Cathro with it Mr. Brinton, then, as I understand it, was because Mr. Waters said that he would sign a check for it, and you therefore assumed that Mr. Cathro was the person who caused it to be sent in that manner or under his direction? A. I assumed Mr. Cathro was the person, because Mr. Cathro, at the time this controversy came up was running the bank, and the fact that the money was sent, according to the information given me by the officials of the bank, in a round about way through a draft and paid in currency and delivered by messenger, who had to go on the train in order to deliver it, instead of through the United States mail, that there must be something irregular about it.

Q. And as I take it, you eliminate Mr. Waters from it? A. I don't eliminate anybody from it. I am just giving you my knowledge of it. Mr. Waters may have committed it. I only have his word for it from the things he has told me.

Q. You divided this into transactions—from the statement that you have made, Mr. Brinton— A. I said there were four transactions.

Q. Now from these conversations that you had will you
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tell us what the four transactions were? A. Did I say four?

Q. Maybe I misunderstood you. A. It was three transactions. There was the currency transaction, and the wire transaction confirmed by Mr. Liggett, and the draft transaction that went through a bank up near Devils Lake somewhere.

Q. Can you give us any information, Mr. Brinton, as to about the time, just approximately the time, that this draft came through this bank, you say up near Devils Lake some place? A. I couldn't give you anything as to the time, because I wasn't particularly interested in it at the time. I simply inquired about it. I will add that I asked Mr. Waters to get me the information from Mr. Snyder, and Mr. Snyder wrote a letter to Mr. Waters in which he told about this particular transaction, and that it was—after it was entered on the books—it was changed—that is when he was transit manager—it was changed by someone else in the bank—changed on the records, and he stated in this letter that it looked peculiar to him, or irregular to him, or something of that kind. So my information as to the manipulations of this transaction is based on that letter.

Q. That is the letter you have referred to? A. Yes.

Q. And that is the one you will produce for us as soon
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as you have an opportunity to? A. Yes. I may have that letter here in town. I will look it up.

Q. Now yesterday you referred to the Scandinavian American Bank as the favored institution of the management of the Bank of North Dakota. Now I will ask you if you know of any other institutions that you claim were favored by the Bank of North Dakota that you have knowledge of? A. The only one I have personal knowledge of is the Mercantile State Bank in Minneapolis. That is, I am saying now that is the only one I have personal knowledge wherein state funds were deposited as a reward or as compensation for something that the bank had performed for the League organization, or Townley, or some other officer or employe of his.

Q. You say there was a deposit made in this Mercantile State Bank of Minneapolis as a reward for some benefit received from this bank, a benefit coming to the League? A. Yes.

Q. Now, let us analyze that, Mr. Brinton. What was the benefit that the Mercantile State Bank gave the League? A. They extended—the particular item I have in mind—they carried at one time the stock or controlling interest, or sufficient stock to give Mr. Hastings control of the Scandinavian Amer-
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ican Bank. They carried that as a financial obligation in the way of a loan, holding this stock in the bank as collateral.

Q. That was the original transaction? A. No, not the original.

Q. What was the original transaction? A. The original transaction was through the Exchange National Bank in St. Paul.

Q. The Exchange National Bank? A. Yes, sir, based on

the information Mr. Hastings gave me at the time the deal was consummated.

Q. Now that was the transaction wherein Mr. Hastings on behalf of Mr. Townley and the league, as I take it, purchased the Scandinavian American Bank? A. Got control of it.

Q. And you say this St. Paul Bank furnished the money with which to finance this purchase? A. Yes.

Q. How did the Mercantile State Bank of Minneapolis figure in the transaction? A. Well, the loan was called and then Mr. Hastings—

Q. The loan was called by whom? A. The St. Paul Bank.

Q. All right, then what happened? A. Mr. Hastings went to this party that was running the bank in Minneapolis, and got him to take the loan over.

Q. That would be the Mercantile State Bank? A. Yes.

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Q. The Mercantile State Bank took it over—does the Mercantile State Bank still carry it? A. I understand it is not.

Q. Have you any information as to where the loan went from the Mercantile State Bank? A. It went to North Dakota some where.

Q. Do you know where it is in North Dakota? A. I couldn't say.

Q. Have you any information upon which you could—or any source that you could direct us to, where we could get the information? A. I think Mr. Lofthus or Mr. Lemke could inform you.

Q. Mr. Lofthus or Lemke could tell us where it is? A. Yes. I want you to understand my answer. I am saying that because the League Exchange is the owner of the stock, and Mr. Lemke represents the League Exchange, and Mr. Lofthus would no doubt have knowledge of the loan, if it is carried in a North Dakota bank. He might not know, because it might be carried personally.

Q. You mean the League Exchange is the owner of the stock in the Scandinavian American Bank? A. As I understand it, yes.

Q. And the League Exchange has borrowed the money from some bank? A. And hypothecated the stock.

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Q. Now you said that the Mercantile State Bank in consideration for this favor obtained a redeposit from the Bank of North Dakota? A. Well, I only assume that. I had no knowledge. But I complained against the Minneapolis, St. Paul and Chicago deposits.

Q. To whom did you complain? A. To Mr. Townley first, and the Governor, and one of the employes of the bank, I believe, Mr. Johannsen.

Q. You complainend to Mr. Townley—where did you have this conversation with Mr. Townley, where you complained about these deposits outside of the state? A. In the Star Building in Minneapolis.

Q. Can you tell us when that was? A. On my return from Miami, Florida, in the spring of 1920.

Q. Tell us what you said? A. Townley said he didn't know anything about the banking business and told me to go up and talk to the boys in North Dakota.

Q. Did you? A. Yes.

Q. To whom did you go to? A. I first went to the bank and talked to Johannsen, I believe.

Q. Then who? A. I went to the Governor.

Q. Did you explain these transactions, as you understood them, to the Governor? A. Yes, very thoroughly and in detail.
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Q. And when was that now, Mr. Brinton, with reference to the time of your falling out with the League? A. Well, I had numerous fallings out. You mean my public falling out?

Q. Yes, your final? A. Well, that was during the Langer campaign.

Q. The primary campaign? A. Yes.

Q. And you say you explained these transactions to the Governor? Yes sir.

Q. Did you give the Governor the benefit of all the information that you have given us? A. Well, I stated in a lengthy communication a few items, and then offered, if he wished to take it up and needed my assistance, in getting other information, to be subject to his call any time he wanted me.

Q. Did he call you? A. No, he called me through the newspapers.

Q. Well, have you any information, Mr. Brinton, that would indicate that a deposit had been sent to the Mercantile State Bank in Minneapolis as a reward for the benefits the League had received from that bank? A. No, I don't think I could go that far, but in my investigation of these outside deposits that I complained of, this deposit of \$60,000 was laying dormant
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in this bank.

Q. You don't know how long it had been there? A. Well, no, I couldn't say positively.

Q. You say, laying dormant? What do you mean by that? A. Well, it was there for a long time at the same amount, except with the interest added to it. The reason this particular item was discussed was because I complained that this money was needed in North Dakota and wasn't being used down there, because I think it was Mr. Johannsen that told me the money was needed down there for clearing purposes and I pointed out to him that this money was not needed in that bank for clearing purposes and that the state was losing two per cent annually, where the North Dakota banks would pay four per cent, and that was one of the items of about ten million dollars that was down in these banks at that time or shortly prior to the time of the complaint.

Q. Mr. Brinton, you told us yesterday how many of these organizations that are connected up with the League that Mr. Lemke was connected with. Now I would like to inquire from you as to how many you were connected with? A. Well, I acted in the capacity of Mr. Townley's personal employe, the same as Mr. Lemke acted as his personal attorney, except that Lemke had the corporation records, and I didn't have them.
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Q. Well, as Mr. Townley's personal employe, did you have anything to do with the Consumers' United Stores Company? A. I organized it for him.

Q. Do you mean to say, Mr. Brinton, that at the time you were organizing the Consumers' United Stores Company that you were acting directly as the employe of Mr. Townley? A. I was.

Q. You were connected also, weren't you, with the Publishers' National Service Bureau? A. I organized that for him.

Q. You mean in the organization of that that you acted as his employe? A. Yes sir.

Q. Well, how many of these corporations that you referred to yesterday were you connected with, Mr. Brinton, as the employe of Mr. Townley? A. Well, I had at different times work to do that probably would be strictly and legally termed as working for the different corporations or maybe all of them, but my only official capacity as one of the dummy organizers or operators of one of these dummy corporations was the Consumers United Stores Company and the Publishers National Service Bureau, and the Northwestern Service Bureau, the two newspaper organizations and Stores Company.

Q. This stock in the Stores Company—did Mr. Townley have any stock in that? A. No, his attorney held it.

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Q. How much stock was issued in that at the time you were connected with it? A. Ten shares.

Q. Do you remember now, Mr. Brinton, who held the ten shares? A. I do. Well, they were originally issued to the incorporators.

Q. The whole ten? A. No, three.

Q. How many incorporators? A. Three.

Q. And who were the incorporators? A. Norbert O'Leary—

Q. Norbert O'Leary—that is a good name. What was his business, Mr. Brinton? A. He was Townley's private stenographer.

Q. Well, who were the other two? A. Charley Heck.

Q. Who was Mr. Heck? A. He was organizer for the League, one of the employes.

Q. Who was the other? A. Howard Elliott.

Q. And who was Mr. Howard Elliott? A. He was manager of the Fargo office—that is state manager of the Nonpartisan League, at Fargo.

Q. Now these men—was there any stock issued to them? A. Well, it was issued and not delivered, but just issued and then transferred.

Q. Who was it transferred to? A. The treasurer, Mr. Johnson, one share; Mr. Hastings, one share, and one share to myself.

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Q. These other incorporators, the stock that was issued to them was never even delivered to them? A. No, these particular men didn't pay any money for the stock, and it was an assignment of the charter, really, over to the other three.

Q. Well, Mr. Brinton, what happened to the other seven shares? A. Well, these other seven shares were issued originally—that is the three were issued, and then seven were issued to Mr. Lemke.

Q. Well, do you mean that Mr. Lemke was actually the owner of those seven shares, or that he was holding the seven shares in trust for Mr. Townley, or do you know? A. Well, I know this, that Mr. Lemke didn't pay the corporation for the stock, and as I understood it at the time he was acting as Mr. Townley's attorney and holding the stock for Mr. Townley, so that the control of the company would be in the hands of Mr. Townley.

Q. Now will you tell us what the source of your information was as to that, Mr. Brinton? A. Conversations with Mr. Townley. I don't want you to misunderstand that. Mr. Townley didn't tell me that Lemke was holding the stock for him.

He was holding it for the farmers of North Dakota, that is, for the League organization.

Q. From these conversations, then, as I take it, you arrived
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at the conclusion that Mr. Lemke was holding seven shares of stock in trust for the farmers of North Dakota? A. Yes sir.

Q. The Courier News you referred to, Mr. Brinton—do you know anything about the stock holdings in that institution? A. I have some knowledge. When the Courier News was bought, I ran it for a couple of weeks while they got a man from New York, and while I was there the corporation transfer was being made. I never examined the record, but I have seen sworn statements which they published to the Federal government, which carried out the knowledge or confirmed the knowledge that I had gained while in the office.

Q. What was the knowledge that you had obtained while in the office? A. As I remember it, Ed. Wood and Albert Fox and Mr. Lemke—that is, they received the stock when it was bought over from the former owner, and Mr. Lemke was made president of the company, but I don't remember whether Mr. Fox or Mr. Wood was the treasurer, or whether some other league employe was, but it was my understanding that this was a temporary arrangement, and that they were also holding that as a sort of a trust.

Q. In trust for whom, Mr. Brinton? A. The farmers in the Nonpartisan League.

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Q. Mr. Brinton, do you know whether or not Mr. Lemke ever got any money from the Consumers United Stores Company? A. Well, the only transaction that I know of was a \$50,000 loan that was made to Mr. Lemke and Mr. Townley and Mr. Wood, as officers, I presume, of the National Nonpartisan League.

Q. A \$50,000 loan? A. Yes.

Q. When and where did you get your information with reference to a \$50,000 loan being made by the Consumers United Stores Company to Mr. Lemke, Mr. Townley and Mr. Wood? A. That is rather a long story to tell, too, and in a very roundabout way.

Q. Well, you can get to it shortly? A. Well, I got my information from the president of the company who turned the money over to them.

Q. From the president of the company? A. The stores company, yes.

Q. Did you ever see any evidence in the records of the company of a loan of \$50,000 to them? A. I didn't particularly examine the records. The treasurer of the company confirmed the information. Of course there were other sums, but the other sums weren't on the books. I don't mean to Mr. Lemke. There were other sums used for other purposes, but they were not entered on the books.

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Q. Do you know of Mr. Lemke getting any money indirectly from the Consumers United Stores Company or the rest of these concerns of the League? A. No.

Q. Did Mr. Lemke get a salary from the League or these other institutions? A. I think Mr. Lemke received his compensation or any money he might receive from the organizations that he was an officer of rather than from the organizations he controlled.

Q. Mr. Brinton, do you know whether or not Mr. Lemke paid any cash money for this stock which he received in the Consumers United Stores Company? A. Not while I was a director of it. Not at the time it was organized and the stock was issued.

Q. Well, did you have access to the books of the company after the stock was issued to Mr. Lemke? A. Yes.

Q. Was there any place on the books that would indicate that Mr. Lemke had not paid any money for this stock? A. Well, my information is based upon my personal knowledge that the three incorporators, not the incorporators, but the three directors, including myself, had paid no money for our stock. It wasn't Mr. Townley's intention that we should pay, but the charter was secured so the company could function as a corporation, and my statement regarding Mr. Lemke paying

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or not paying for that stock is based on that information.

Q. How long were you connected with the League and with Mr. Townley in the capacity that you have heretofore described, Mr. Brinton? A. From the spring of 1917.

Q. Until when? A. Until the present time.

Q. From the spring of 1917—are you at this time in the employ of Mr. Townley? A. Indirectly, yes.

Q. Mr. Brinton, I am showing you a paper marked Committee's Exhibit No. 34,

(Exhibit No. 34)

and I will ask you to look it over and advise me whether or not this paper is a correct statement of the incorporators of the various institutions therein named, as you remember them? They are taken from the books of the Secretary of State? A. Do you mean all of these companies. There are a couple companies in here I think that I have not mentioned in this examination.

Q. Make a cross through the ones that you are not testifying concerning.

Q. Any others in there that are League institutions or by people connected with the League—leave them in. Now, the first one on this list appears to be Consumers United Stores Company. I think you have already told about that personnel of that corporation. The next appears to be the League Exchange, and the incorporators appear to be F. B. Wood, C. O.

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Swenson, P. A. Suhumski, William Olson, William Maxwell, George Wood, C. A. Swanson, A. C. Townley and S. S. Semington.

Q. Do you know the parties whose names I have just read, Mr. Brinton? A. Yes sir.

Q. Do you know all of them? A. I think I do, yes.

Q. Do you know whether or not at that time all of these parties were directly or indirectly connected with the League or its various organizations? A. Now I have no personal knowledge as to the organization of this company. My knowledge is concerning its activities, but it was organized—

Q. My question is as to the parties who made up the original corporation? A. Yes. I know all of those parties.

Q. Were they at that time connected with the Nonpartisan League? A. They were men active in the organization, but I would not say they were all on the Nonpartisan League payroll.

Q. They were all, in one capacity or another, interested in the league and the success of the league? A. Yes.

Q. The Northwestern Service Bureau? A. Yes.

Q. The incorporators appear to be C. F. Dupuis, of Temple; J. B. Hagelberger of Beulah, and N. E. Whipple, of Eckel-

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son. Do you know whether the same situation applies to these parties? A. No, I couldn't say at the present time.

Q. Could you say as of the time of the organization? A. Yes, I could say that they simply acted as—they organized the company as an accommodation to Mr. Lemke and Mr. Townley and Mr. Wood, the officers of the League, under the instructions.

Q. The next one appears to be the Publishers National Service Bureau, composed of Harry Dence, H. B. Dunbar and Sam Hazlett. I think you have already testified as to the connection of these men with the organization? A. Yes.

Q. Now, I think that is all for right now, and we will ask that you obtain the letters and other written evidence that has been referred to in your testimony and when that is obtained we will recall you to have you identify that and produce it in evidence, and we will say to you that upon its being shown to the committee and read into the record the evidence that you have referred to will be returnel to you.

On motion of Mr. Freeman, seconded by Mr. Nagel, recess taken for ten minutes, after which hearing resumed with all members of the committee ,except those who had withdrawn, present, and hearing resumed.

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A. JOHANNSEN,

having been called as a witness on behalf of the committee, and having been theretofore sworn, testified as follows:

EXAMINATION BY MR. MURPHY:

Q. Mr. Johansen, the other day I asked you to bring me certain records and figures. A. Yes sir.

Q. Have you got those with you? A. Yes sir.

Q. Will you please produce them?

Witness produces papers.

Q. You now hand me a typewritten list with this heading upon it: "Banks Closed to and including December 3rd, and Banks Closed Since December 3rd," have you not? A. Yes sir.

Q. And this list purports to show, does it not, Mr. Johansen, the redeposits in all of those banks as of the time of their closing? A. Yes sir.

Q. Showing a total of \$359,235.63 in banks closed up to and including December 1st? A. Yes sir.

Q. And \$166,270.90 in banks closed since December 3rd? A. Yes sir.

Q. And totaling \$525,506.52 in all banks closed to date?

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A. Yes sir.

Q. That is correct? A. Yes sir.

Mr. Murphy: This exhibit is marked Committee's Exhibit (Exhibit No. 35)

No. 35, and is offered in evidence as part of the examination of this witness.

Q. You have now handed me two typewritten papers, marked (Exhibit No. 36A)
(Exhibit No. 36B)

Committee's Exhibits 36A and 36B, which purport to show redeposits in depository banks in North Dakota, the reserves in correspondent banks outside of North Dakota, and the total re-

sources from August 15, 1919, to September 15, 1920, have you not? A. Well, you see that there are some dates skipped here.

Q. Well, it does run from August 15, 1919, to September 15, 1920? A. Yes sir.

Q. And that is a duplicate of Exhibit 29 that was handed me the other day by Mr. Cathro? A. Much the same, yes sir.

Q. Now upon this Exhibit 36A and 36B, it appears, does it not, using round numbers instead of the complete figures, that on November 5, 1919, there was deposited in reserve banks, \$1,003,437.15? A. Right.

Q. That is correct is it? A. Yes sir.

Q. And over \$1,000,000 was carried down to the 24th of
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February, 1920, when it was raised to \$2,119,151.54. That is correct is it? A. No sir.

Q. What is the correct figure? A. December 15th it is \$559,000.

Q. I am asking you about the February 24th entry? A. You said it remained over a million.

Q. Oh, December 15th, it dropped to \$559,773.60, but on January 15th following it raised again to \$1,336,647.54 did it not? A. Yes sir.

Q. And on February 24th, 1920, it raised to \$2,119,151.54? A. Yes sir.

Q. And on February 28th it raised to \$3,119,669.81? A. Yes sir.

Q. And on the 4th day of March it was \$4,080,119.14? A. Yes sir.

Q. And on the 6th day it was \$5,048,370.39? A. Yes sir.

Q. And it went on up to five, six, seven, eight and nine millions, until you get to the 25th of March, when it became \$10,143,840.61? A. Yes sir.

Q. And on the 31st of March there was \$10,280,149? A. Yes sir.

Q. There was a gradual decrease then carrying through April on the average of nine million, something over nine million, up to the 19th of April, when it dropped to seven million. Is that correct? A. No sir.

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Q. Well, what is incorrect about it? A. It dropped below nine million on the 14th of April.

Q. On the 14th of April it dropped below nine million? A. On the 16th.

Q. On the 15th it was \$8,657,676.10? A. Yes sir.

Q. And then it dropped to seven million on the 19th? A. Yes.

Q. And six odd million on the 26th? A. Yes.

Q. And five odd million on the 29th? A. Yes sir.

Q. And to four odd million on the 5th of May? A. Yes sir.

Q. And to three odd million on the 10th of May? A. Yes sir.

Q. And two odd million on the 17th of May? A. Yes sir.

Q. And one odd million on the 24th of May? A. Yes sir.

Q. And then when you get down to June 4th, it got down to \$984,102.87? A. Yes.

Q. And there was a gradual decrease until the last date we have here, September 15th, when the amount was \$432,888.73? A. Yes.

Q. So that between the 15th day of November, 1919, and the 3rd day of June, 1920, there was carried on an average, better

than five million dollars in correspondent banks outside of the state? A. Have you averaged it? I didn't average it.

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Q. Well, you can tell it almost at a glance. A. If you average it I don't think there is any question about it.

Mr. Murphy: We offer Exhibits 36-A and 36-B in evidence.

Q. Have you any other matters that you were asked to bring today? A. You wanted the adding machine list of the past due loans.

Q. You now hand me what purports to be an adding machine list of past due loans taken direct from your books? A. Direct from the register.

Q. As of the 3rd of December, 1920? A. Close of business the 3rd of December.

Q. It shows a total, does it not, of \$1,405,438.32? A. Yes sir.

(Exhibit No. 37)

Mr. Murphy: We offer that list as Exhibit 37, and part of the examination of this witness.

Q. What other matters have you, Mr. Johannsen? A. Past due farm loan interest.

Q. You hand me adding machine list of Farm Loan Past Due Interest, as of December 3, 1920? A. That also includes the one per cent of the amortization.

Q. In addition to the six per cent? A. Yes.

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Q. That is \$16,764. Is that correct? A. Yes.

(Exhibit No. 38)

Mr. Murphy: We offer Exhibit 38 in evidence.

Q. You hand me now——? A. The amount that was collected.

Q. Amount of what? A. Interest and the one per cent.

Q. Showing the amount of interest on Farm Loans and including the amortization one per cent that has been collected showing a total of \$12,854.86? A. Yes sir.

Q. Anything else? A. A copy of the resolution you asked for in regard to not paying the checks. It is embodied right in here.

Q. I asked you the other day to produce the order of the Industrial Commission, if any, instructing the officers of the Bank of North Dakota not to honor drafts or checks drawn by local public officers, treasurer, upon their accounts, and

(Exhibit No. 40)

you have, in response to that, handed me Exhibit 40, have you not? A. Yes sir.

Q. And that is the only order or direction that is contained within the bank with reference to that particular transaction? A. No sir.

Q. What other order is there? A. The original copy or it is a copy of the Industrial Commission record which the Secretary of the Industrial Commission forwarded to us or to the Manager of the Bank as a certified copy which is a part of the bank minute books.

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Q. But that is precisely the same as Exhibit 40? A. Of this portion.

Q. The portion appearing in the right hand column on the front page, being Circular No. 15, Series 1920, dated December 20, 1920? A. Yes sir.

Q. There is no other order except the one of which this is a copy? A. No sir.

Mr. Murphy: We offer Exhibit 40 in evidence. We also
(Exhibit No. 39)

offer Exhibit 39 in evidence, being statement showing amount of farm loan interest collected.

Q. That was all that I asked you to produce, was it not, that you recall now? A. Also the amount of interest on the Bank Series bonds.

Q. Have you that? A. This is the amount here that is carried on our interest accrual book as of the 3rd of December. That is the amount that the audit company used in their report.

Q. Then as I understand you, the amount of interest that was carried into earnings or profit up to December 3rd, 1920, and which accrued from the bank bonds, was \$138,529.12? A. Yes sir.

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Q. I have read that correctly, have I not? A. Yes.

Q. Mr. Johannsen, the books show, according to the audit, that on December 3, 1920, the Merchants Loan & Trust Company of Chicago had on deposit \$140,401.74? A. That we had on deposit there—yes sir.

Q. That is correct is it not? A. The record will speak. I am not in a position to remember those figures.

Q. Well, that is what the figures are? A. Substantially correct.

Q. You know there was about that sum there? A. Yes.

Q. Now can you tell us about how long that deposit was there, whether it was an active account or not? A. Very active.

Q. Well, we would like to have you produce the account so we can see how active it was—I mean its fluctuation? A. Daily remittances and drafts every day.

Q. But did it ever drop below the amount I have just mentioned to you? A. Yes sir.

Q. Do you know how much is there now, approximately? A. Around seventeen or nineteen thousand.

Q. Now I will call your attention to the report which shows that the Mercantile State Bank of Minneapolis, the amount on deposit by the Bank of North Dakota, with that bank, \$49,831.14. That is approximately correct, is it not, that is as of December
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3rd? A. I don't remember the figures.

Q. How about that account—was it active or inactive? A. It is active to a certain extent.

Q. Will you be kind enough to produce or have one of your assistants produce this account with that bank, so we can just of its activity—both of those banks—the Merchants Loan & Trust Company of Chicago, and the Mercantile State Bank of Minneapolis? A. Yes sir.

Q. By the way, the Merchants Loan & Trust Company of Chicago is the same concern to whom was hypothecated the bonds in question? A. Yes sir.

Q. The amounts that you have given here in closed banks, of course, doesn't cover anything except redeposits? A. That is all, yes.

Q. Any loans or other liabilities from the closed banks to the Bank of North Dakota, of course, are not covered by the lists you brought here? A. No sir.

Q. You can't recall at this time the exact amount of expense for the operation of the Bank of North Dakota from the time of its opening until today? A. No sir.

Q. Will you have some of your employes, if you have to
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go away, send over a complete statement of the expense of the operation of this institution, the bank, from the time it was opened? A. The total?

Q. The total expense. We don't want the detail, just the total. I am referring now to the general expense as distinguished from interest paid out. The report of the Bishop, Brissman Company shows that from May 1, 1919, to December 3, 1920, inclusive, it was \$233,543.15. Would you say that is about correct? A. That is approximately correct.

Q. That is the general expense of the operation of the institution? A. All the general expense.

Q. Now I want to ask you another question before I get off from it, upon the deposits by the Bank of North Dakota outside the state, in correspondent banks outside the state. What interest do you receive? A. Two to two and a half.

Q. Well, the great majority don't pay over two? A. I think they are all paying two and a half now.

Q. And on deposits in local banks in the state you received four per cent? A. Yes sir.

Q. And in local banks now you are receiving what? A. Four per cent.

Q. Didn't you raise it? A. Not yet, no sir.

Q. Now let me ask you with reference to a cash item that appears here. There appears as a cash item as of December 3rd, 1920, the following: "Cashier's Check No. 2441, on the
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Bank of North Dakota, payable to and cashed by the Fortuna State Bank before date of its closing." Do you recall that? A. Yes sir.

Q. Are you still carrying it as a cash item? A. No sir.

Q. What have you done with it? A. It has been debited back to Cashier's Checks. If you will look at the report you will see outstanding cashier's check there a \$5,000 cashier's check outstanding. That is part of a transaction in connection with a farm loan.

Q. As I understand it, the Bank of North Dakota, in handling a farm loan through the Fortuna State Bank, sent its cashier's check for \$5,000 to the Fortuna State Bank? A. To make the final transaction in connection with a farm loan.

Q. And the Fortuna State Bank cashed that cashier's check? A. And we have got a special deposit there to take care of that farm loan. As I understood from the Fortuna State Bank, that farm loan is completed, and we sent the cashier's check and at the same time we withdrew this special deposit so as to clear up our records and their records on their books, and the farm loan, I understand, is completed and it will be sent to the Bank of North Dakota and the transaction closed.

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Q. Now, as of December 3rd, the transaction was this? A. It was open.

Q. It was open and the cashier's check had been cashed by the Fortuna State Bank. A. Yes.

Q. And the Fortuna State Bank then closed its doors, after having cashed and used that check, and up to date, so far as

the Bank of North Dakota is concerned, you haven't received the final papers on that farm loan? A. We have the papers.

Q. Have you got the mortgage? A. Yes sir, and note.

Q. Well, what do you mean by closing it? A. The loan is absolutely closed. It is a first lien upon the property.

Q. When was it closed? A. Prior to sending of the cashier's check. We wouldn't send the cashier's check until the loan was completed and in our hands.

Q. Isn't it a fact that you carried on your books what you call farm loans special deposit account. A. Yes sir.

Q. And the method whereby you handle that is this in substance, that when an application comes in for a loan you deposit or redeposit in the bank acting as agent for the applicant the amount of the loan? A. No sir, not until the loan is passed upon and the papers are forwarded to the agent bank for completion.

Q. All right, when the loan is passed upon and the papers
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forwarded to the agent bank for completion you send with it a remittance for the amount? A. In some cases where a bank has not sufficient reserve to take up the prior incumbrances, we make a special deposit so as to enable the bank to have these funds to close the loan.

Q. Tell us just what you mean by that account you carry on your books, "Special Deposit for Farm Loans?" A. I am just explaining it, that where a bank has not sufficient reserve to pay up the prior liens that are existing on the property that is to be mortgaged, we forward the money to this bank which is acting as agent for the mortgagor and the bank takes up the prior liens with this money and completes the loan, and when the loan is completed, the loan is forwarded to the Bank of North Dakota.

Q. That is all there is of it, is it? A. And then to complete the transaction and clear the bank's books it is necessary to withdraw this special deposit, because it is sent as a special fund and carried on their books as such, and the bank would have to have the draft drawn by the Bank of North Dakota against this particular account so as to close their account. And then we send them a cashier's check in payment of the loan. It is two separate transactions, so as to keep the record straight.

Q. In other words, you draw on that special deposit in the
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form of a draft and also send a cashier's check to complete the loan at the same time, and one washes the other? A. No, not to complete the loan, to complete the transaction and clear the records of the agent bank.

Q. And one of those takes care of the other? A. One washes out the other.

Q. Do you know when this Fortuna State Bank closed? A. It was on November 30th, that is the record I have. I don't know whether that is absolutely correct or not, that is probably when we got the information that they were closed. Now, they were probably closed before. I am not saying that was absolutely the date they closed.

Q. 1920? A. Yes sir.

Q. Of course, the result of that deal now that the bank was closed, the borrower would lose that money? A. No sir.

Q. He didn't get it, did he? A. The party that held the prior liens got the money.

Q. Well, I am talking about the gentleman who put up the mortgage and borrowed the money. A. Well, the incumbrances against his lands have been released and we hold the first lien against the land.

Q. Do you know if the prior incumbrances against the land amounted to the same as the loan which you now hold? A. I have no way of knowing that without looking up the whole transaction.

Q. Well, assuming that the prior incumbrances only amounted to half as much as the loan which you now hold, he would

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lose the difference if the bank didn't pay it? A. I have no way of knowing.

Q. Well, you know as a matter of experience? A. I don't know the complete transaction in regard to that.

Q. In any event, if the man didn't get it, the only one who is liable to the borrower is the Fortuna State Bank and not the Bank of North Dakota? A. The Fortuna State Bank was acting as his agent.

Q. That doesn't answer my question. A. Well, I am not stating who is liable and who is not; that is a case for the lawyers to decide.

Q. Well, you are something of a lawyer; you are an expert accountant? A. I have been.

Q. You were at one time connected with the Second National Bank at Minot? A. Yes sir.

Q. In what capacity? A. Discount teller.

Q. And you subsequently became a deputy bank examiner under Mr. Severtson? A. In 1913.

Q. And acted during the Hanna regime? A. Yes sir.

Q. And pursuant to your duties as such deputy bank examiner, you were one of the two men who examined the Youman's Bank at Minot? A. During the Hanna administration—no, I never examined the Youman's Bank.

Q. Well, you examined his trust company? A. Yes sir.

Q. You and Mr. Schoregge? A. Yes sir.

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Q. Who is now connected with the Williams County State Bank? A. Yes sir.

Q. And as a result of your examination, the bank closed? A. I didn't examine the bank.

Q. You aided anyhow in the examination? A. I don't know.

Q. Well, you became well acquainted with Mr. Youmans? A. Not very well, no sir.

Q. Well, with his method of doing business? A. To some extent, yes.

Q. And then later on, you knew that Mr. Youmans organized what was known as the First Farmers Bank of Minot? A. I believe he assisted in organizing it.

Q. Well, you lived in Minot quite a while? A. Yes.

Q. And you knew Mr. Youmans pretty well by reputation? A. By reputation.

Q. And you know, as a matter of fact, the First Farmers Bank and organized the Trust Company you examined? A. I am under the impression he organized the First Farmers Bank or some such name. He changed the name so often I can't keep track of it.

Q. And then with all this information, while acting as director of audits of the Bank of North Dakota, you proceeded

was out, I think, of the First Farmers Bank when the redeposits were made.

Q. Are you sure of that? A. Yes sir.

Q. Will you please bring over to us the individual account
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of the First Farmers Bank on the books of the Bank of North Dakota, the whole account? A. This account was closed for some time prior to Mr. Youman's retiring from any official capacity in the First Farmers Bank.

Q. That was after he and Mr. Townley had their quarrel and he published that book about Townley, wasn't it? A. I don't know anything about that.

Q. Well, in any event, will you bring us the redeposit account of the First Farmers Bank or have one of your assistants, if you have to go away? A. Yes.

Q. I was wondering, Mr. Johannsen, just how much the moral credit of an institution or the men who manage it entered into your calculations when you go to make a redeposit? A. Well, sometimes it is considerable.

Q. As a matter of fact, don't you know that that is the biggest element to be considered by any banker in making loans to any individual or institution as a rule? A. As a rule, but not always.

Q. And it didn't apply in the Youmans case, did it? A. I don't know anything about the Youmans case.

Mr. Chairman: Are you through questioning the witness in regard to reserves carried in banks outside the state?

Witness: I would like to state in connection with these
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reserves carried outside the state, that it appears to be a very large amount—

Mr. Chairman: Let me ask you one question. Upon what theory did you predicate or base your actions in carrying this reserve in banks outside of North Dakota? A. Very nearly all of the public subdivisions, such as school districts and townships, have outstanding warrants, some to a large amount, and we knew it would be just a question of time until the county auditor would start issuing auditor's warrants to the various treasurers throughout the state, and the various treasurers would forward these auditor's warrants to the Bank of North Dakota, or direct to the county treasurer, and in payment thereof we would receive a county treasurer's check, and these county treasurer's checks would have to be taken care of by the Bank of North Dakota, and the local treasurers would immediately start calling in outstanding warrants, so these funds we knew we were absolutely certain there would be heavy demands upon the Bank of North Dakota to take care of these various checks in payment of warrants. And you will notice by the rapid decline in these deposits that we carried outside the state that our action was entirely justified, in carrying this reserve against them, against that outstanding liability we knew was existing by the political subdivisions.

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Mr. Chairman: Then your reason for carrying balances in that manner was in anticipation of heavy withdrawals along the line you have suggested? A. Yes, sir; for no other reason.

By Mr. Murphy:

Q. Mr. Johannsen, along the lines that you and I were last holding a conversation about, when you were in Minot, how

many years did you live in Minot? A. Oh, I think it was about thirteen, fourteen or fifteen years.

Q. And during that time you got well acquainted with a gentleman named Mr. Jorgen Olson, did you not? A. To some extent.

Q. You knew of his reputation and standing in the community? A. Well, it is mostly hearsay, but I have checked up various of his transactions and I found that lots of them were very prejudiced.

Q. In any event, whatever source your information may have come from, you did have some information on the gentleman in question? A. It was mostly biased information I got, and I checked up a large number of his transactions.

Q. Did you check up his banks? A. I have, one or two of them; yes sir.

Q. Recently? A. No, I haven't checked up any bank for over a year and a half.

Q. Since you became director of audits have you checked any of his banks? A. I have not.

Q. Would you say that Mr. Olson is a good moral risk?
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A. I know that he takes care of his obligations, as well as a large number of other people in Minot, and I know that—

Q. You have no reference to me in that, I trust? A. Or myself either.

Q. Or Mr. Sinkler, you are not referring to him? A. Well, he has probably got Mr. Sinkler's note, I don't know, but I know he has a large amount of notes belonging to lawyers in Minot.

Q. They are not very good paper, are they? A. Some of the lawyers' paper is very good in the city of Minot, and others isn't any good at all.

Q. Now, do you know at this time, as of December 3rd, the amount of money the Bank of North Dakota had on re-deposit and also in the form of loans and other items in the banks controlled by Mr. Jorgen Olson? A. No, I don't know it off hand.

Q. Would you be kind enough to look that up and let us know? A. Yes sir.

Mr. Murphy: That is all now, and that other stuff, you can send over one of your assistants if you have got to go away and you won't need to be detained.

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H. A. PADDOCK, recalled as a witness, and testified as follows:

Examination by Mr. Murphy:

Q. Mr. Paddock, I asked you the other day to bring us the orders or directions of the Industrial Commission with reference to the transfer of public funds in the Bank of North Dakota, that is the transfer of funds to some public institution. You have them here, have you? A. Yes, you asked me to look it up and bring the minute book, and I have done that.

Q. Now, if you will just give us a description of it as you read it, give us the page number and date.

A. I will take the Home Building Association first—before we go further—I haven't located the transfer to state institutions other than the Home Building Association and the Mill and Elevator Association. Do you want it in regard to all the schools?

Q. No, those two are the most important. A. Appearing on page 71 of the minutes, in Committee's Exhibit 2, appears the following, on April 9, 1920: "Mr. Hagan moved the adoption of the following resolution, which was duly seconded by Governor Frazier:

WHEREAS, it appears necessary that the Home Building Association be provided with at least \$100,000 to enable it to begin operations on a scale sufficiently extensive to be economical, and,

WHEREAS, the two million dollar bond issue authorized by
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the special session of the Sixteenth Legislative Assembly, will not be available until July 1, 1920, and,

WHEREAS, it is necessary that the Home Building Association be authorized to employ certain expert assistants for the purpose of carrying out its building program,

BE IT THEREFORE RESOLVED, That the Bank of North Dakota be and it is hereby authorized and directed to loan to the Home Building Association of North Dakota funds from time to time on the request of the manager of the Home Building Association, not to exceed \$100,000, which said money is to be returned by the Home Building Association later from the proceeds of bonds or from such other funds as may be available for such purpose, with interest thereon at the rate of five per cent per annum.

BE IT FURTHER RESOLVED, That the manager of the Home Building Association be and he is hereby authorized to employ such assistants and install such office system from time to time as may be necessary, and to that end employ experts conversant with the installation of such system as may be required.

On roll call all members of the Commission present voted in favor thereof, and the chairman declared the resolution adopted."

On page 95, Committee's Exhibit 2, in the minutes of November 13, 1920, appears the following: "Mr. Hagan also introduced
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the following resolution:

WHEREAS, It appears that it is necessary to furnish the Home Building Association of North Dakota funds with which to enable it to complete the buildings now under process of construction,

BE IT THEREFORE RESOLVED, That the Bank of North Dakota be and it is hereby authorized and directed to make loans to the said Home Building Association in addition to the loans previously authorized in amounts not exceeding the total sum of \$115,000, and the same to be repaid later with interest.

Governor Frazier seconded the motion, and on roll call all members present voted in favor thereof, and the chairman declared the motion carried and the resolution duly adopted."

On page 105 of Committee's Exhibit No. 2, in the minutes of December 16, 1920, appears the following:

"Mr. Hagan introduced the following resolution and moved its adoption:

WHEREAS, a certain resolution was passed by the Industrial Commission on November 13, 1920, authorizing the Bank of North Dakota to transfer to the credit of the Home Building Association, the sum of \$125,000, and

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WHEREAS, Said resolution appears on the minutes as authorizing but \$115,000,

NOW, THEREFORE, BE IT RESOLVED, That the records show that the resolution duly adopted on November 13, 1920, should have read \$125,000 instead of \$115,000.'

The motion was duly seconded by Governor Frazier, and on roll call, all members present voted in favor thereof. The chairman declared the motion carried and the resolution adopted."

On page 122, in Committee's Exhibit 2, in the minutes of January 28, 1921, appears the following:

"Mr. Lemke introduced the following resolution, and moved its adoption:

'WHEREAS, It appears to be necessary that the Home Building Association have additional funds with which to pay for the construction work thus far advanced,

BE IT THEREFORE RESOLVED, That the Bank of North Dakota be and it is hereby authorized and directed to advance and loan to the said Home Building Association of North Dakota sums of money up to and not exceeding \$60,000, in addition to such loans as have been heretofore authorized.'

The motion was seconded, and, upon roll call, all of the members voted in favor thereof. The chairman declared the motion

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carried and resolution adopted."

Q. That covers all of the Home Building? A. Yes sir. Now the Mill and Elevator Association. On page 33, in Committee's Exhibit 2, in the minutes of September 29, 1919, appears the following:

"Mr. Langer moved that the Industrial Commission issue interim receipts to the amount of \$50,000 additional and that the interim receipts be placed in the Bank of North Dakota to the credit of the Mill and Elevator Association, said interim receipts to be drawn against the Mill and Elevator Association; provided, also, that hereafter when money is required by the Mill and Elevator Association, Mr. McGovern is authorized to give notes of the Mill and Elevator Association, such notes to be secured by warehouse receipts in the same amount as the notes.'

The motion was seconded by Mr. Hagan, and on roll call all voted aye. The chairman declared the motion passed."

On page 86, Committee's Exhibit 2, in the minutes of July 7, 1920, appears the following:

"The Secretary read a communication from Mr. L. P. McAnneny, credits department director, calling attention to the fact that \$100,000 had been credited by the Bank of North Dakota, to the Mill and Elevator Association, and requesting

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further authority in the event that a further credit be desired.

Mr. Hagan moved the adoption of the following resolution:

'Resolved that the Bank of North Dakota be and it is hereby authorized and directed to extend further credit to the North Dakota Mill and Elevator Association in the amounts credited not to exceed \$100,000 additional.'

Motion was seconded by Mr. Langer and on roll call all members of the Commission voted in favor thereof. The chairman declared the motion carried and resolution duly adopted."

Q. Before we get off that, it appears from that, does it not,

that the Bank had already credited the Mill and Elevator Association with \$100,000 without any direct order, and had requested authority to make a further credit, if necessary? A. I couldn't interpret the thing other than as it reads, Mr. Murphy. All the information I have is the information I have from reading the minutes.

Q. Who is Mr. McAneney? A. Credit department director of the Bank.

On page 92, in Committee's Exhibit 2, minutes of August 14, 1920, appears the following:

"Mr. Hagan moved the adoption of the following resolution:

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"Whereas, it appears that additional funds are required in the construction of the mill and elevator being constructed at Grand Forks,

BE IT THEREFORE RESOLVED, That the Bank of North Dakota be and it is hereby authorized and directed to transfer such funds to the credit of the North Dakota Mill and Elevator Association in amounts not exceeding \$200,000.'

The resolution was duly seconded by Governor Frazier and on roll call all of the members present voted in favor thereof. The chairman declared the motion carried and the resolution duly adopted."

On page 95, Committee's Exhibit 2, in the minutes of November 13, 1920, appears the following:

"Commissioner Hagan introduced the following resolution and moved its adopted:

'WHEREAS, it appears to be necessary that the Mill and Elevator Association have additional funds, to be used in the construction of the mill and elevator being constructed at Grand Forks, be it therefore resolved that the Bank of North Dakota be and it is hereby authorized and directed to advance a loan to said Mill and Elevator Association of North Dakota, sums of money up to and not exceeding \$300,000, in addition to such sums as have heretofore been authorized by the Commission, said funds to be repaid later by the said Mill and Elevator Association with interest.'

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The motion was seconded by Governor Frazier and on roll call, all of the members present voted in favor thereof. The chairman declared the motion carried and the resolution duly adopted."

On page 122, Committee's Exhibit 2, in the minutes of January 28, 1921, appears the following:

"Mr. Lemke then introduced the following resolution:

'WHEREAS, it appears to be necessary that the mill and Elevator Association have additional funds with which to take care of the construction work thus far advanced,

BE IT THEREFORE RESOLVED, That the Bank of North Dakota be and it it hereby authorized and directed to advance and loan to the Mill and Elevator Association the sum of \$200,000, in addition to the amounts heretofore authorized.'

The motion was seconded, and on roll call all of the members present voted in favor thereof. The chairman declared the motion carried and the resolution duly adopted."

Q. Is that all of them? A. That is all of them I located.

Q. Have you totaled those up to show the amount authorized to be advanced to the Home Builders Association? A.

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The amount authorized to be advanced to the Home Builders Association at present, so far as I have been able to locate the minutes, is \$285,000.00.

Q. And to the Mill and Elevator Association? A. Is \$850,000.

Q. I don't know whether you have any personal knowledge of it or not, but is it not a fact that moneys had been advanced prior to the making of these orders, and they in effect took up overdrafts? A. The only part of it I have known about is in regard to the last minutes.

Q. That is with reference to the \$60,000 to the Home Builders, and the \$200,000. A. Yes.

Q. They were both overdrafts? A. They were both overdrafts. Now, let me state in connection with that that the overdrafts shown on the books of the Bank at the time those transfers were made were not as large as the amount of transfers, but the outstanding checks, the checks that I mentioned were outstanding, amounted to enough more to require that amount of transfer.

Q. These overdrafts together with outstanding checks would amount to enough to require the transfer of \$60,000 in case of the Home Builders, and \$200,000 in the Mill and Elevator Association? A. I think in each case it was approximately that amount. I wouldn't say whether it was a little over or a little under.

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Q. Now, you remember the other day, Mr. Paddock, I asked you to bring a certain communication from the Bank of North Dakota, to the Industrial Commission, with reference to what is known as the Pike transaction, and you said you would make a search for it? A. You asked me to look that matter up.

Q. Yes. A. The only record I have been able to find in my office is the record of the approval of the voucher. I went to the Bank and they had copies of the vouchers which were submitted to the auditor's office, and those copies appeared to show they were different amounts or bills. The two members of the Industrial Commission had endorsed their approval on it.

Q. Those are in the Bank of North Dakota? A. Yes sir, the copies are in the Bank of North Dakota.

Q. Mr. Paddock, you have with you the notes or other evidences of indebtedness running from the state industries to the Bank of North Dakota, and I now ask you if you will read the formal parts of them, sufficient to identify them, in the records. I will ask you first they are all promissory notes in form, aren't they? A. Yes. I have here the notes which were given to me upon my request this morning by the credits department of the Bank of North Dakota, which appear with the following description:

Note No. 822, dated Bismarck, North Dakota, May 3, 1920, payable on demand, running to the Bank of North Dakota

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for \$5,000, with interest at six per cent from date until paid. Signed: The Mill and Elevator Association of North Dakota, by J. A. McGovern, Manager.

Note Nos. 864, dated May 14, 1920, payable on demand to the Bank of North Dakota for \$10,000.00, interest at six per cent per annum from date until paid. Signed: Mill and Ele-

vator Association of North Dakota, by J. A. McGovern, Manager.

Note No. 953, dated May 28, 1920, payable on demand to the Bank of North Dakota, for \$30,000.00 interest at six per cent per annum from date until paid. Signed: Mill and Elevator Association of North Dakota, by J. A. McGovern, Manager.

Note No. 1086 dated June 28, 1920, payable on demand to the Bank of North Dakota for \$45,000.00, interest at six per cent per annum from date until paid. Signed: Mill and Elevator Association of North Dakota, by J. A. McGovern, Manager.

Note No. 1085, dated June 28, 1920, payable on demand to the Bank of North Dakota for \$10,000.00, interest at six per cent per annum from date until paid. Signed: Mill and Elevator Association of North Dakota, by J. A. McGovern, Manager.

Note No. 1272 dated August 19, 1920, payable on demand to the Bank of North Dakota, for \$150,000.00, interest at six per cent per annum from date until paid. Signed: Mill and Elevator Association of North Dakota, by J. A. McGovern, Manager.

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Note No. 1498, dated October 15, 1920 payable on demand to the Bank of North Dakota, for \$200,000.00, interest at six per cent per annum from date until paid. Signed: Mill and Elevator Association of North Dakota, by J. A. McGovern, Manager.

Note No. 1708, dated November 29 1920, payable on demand to the Bank of North Dakota for \$300,000, interest at six per cent per annum from date until paid. Signed: Mill and Elevator Association of North Dakota, by J. A. McGovern, Manager.

Note No. 1860, dated January 29, 1921, payable on demand to the Bank of North Dakota, for \$200,000.00 interest at six per cent per annum from date until maturity, and provides that should any of the principal or interest not be paid when due, it shall bear interest at the rate of six per cent per annum, payable annually, until paid. Signed: Mill and Elevator Association of North Dakota, by H. A. Paddock, as Secretary of the Industrial Commission.

Note No. 1497, dated October 15, 1920, payable on demand, to the Bank of North Dakota, for \$100,000.00, interest at six per cent per annum from date until paid. Signed: Home Building Association of North Dakota by Robt. B. Blakemore, Manager.

Note No. 1707, dated November 29, 1920, payable to the Bank of North Dakota, for \$125,000.00, interest at six per cent per

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annum from date until paid. Signed: Home Building Association of North Dakota, by Robt. B. Blakemore, Manager.

Note No. 1861, dated January 29, 1921, payable on demand to the Bank of North Dakota for \$60,000.00, interest at six per cent per annum from date until maturity. Should any of the principal or interest not be paid when due, it shall bear interest at the rate of six per cent per annum payable annually until paid. Signed: Home Builders Association of North Dakota, by Robt. B. Blakemore, Manager.

Q. May I ask you, Mr. Paddock, who is the present manager

of the Mill and Elevator Association? A. There has been no appointment made for the successor of Mr. McGovern.

Q. Who acts in the capacity that Mr. McGovern did prior to his resignation? A. On November 13th, the Industrial Commission adopted a resolution which I think I read in the minutes the other day, placing the Drake Mill, the management of the Drake mill, in the charge of Mr. Anderson.

Q. W. A. Anderson? A. Yes. There has been no change in the resolution of the Industrial Commission so far as that is concerned. There is no one performing the duties performed by Mr. McGovern outside of the Drake mill at present.

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Q. Could you tell us the whereabouts of Mr. McGovern at this time? A. The last time I saw him was in the McKenzie hotel, the other day.

Q. How long ago was that? A. I think it was two or three days ago. I cannot say for sure.

Q. Have you any idea where he is now? A. I imagine he could be located by calling the Grain Grading Department in the Agricultural College at Fargo.

Q. As I understand it, the Mill and Elevator Association operated at Drake through the mill there, also in the construction of the mill and elevator at Grand Forks and offices at the Agricultural College at Fargo? A. Yes.

Q. And Mr. McGovern makes his headquarters at the office at Fargo generally? A. That is where he did; yes sir.

Q. What is his present connection with the Mill and Elevator Association? A. He has none, with this exception, that I asked him the other day to take care of the property of the Mill and Elevator Association in his office and send me a warehouse receipt for it and an insurance policy. That is the only connection he has.

Q. And with reference to the Home Building Association; it is my understanding that Mr. Blakemore is now ill? A. That is correct.

Q. Who handles the affairs of that department during his absence? A. I can read the minutes to you, or state it.

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Q. Just state it. A. I think it was the day after Mr. Blakemore was taken to the hospital, the Industrial Commission adopted a resolution that the chief accountant, Mr. Adams, should assume his duties pending his illness, and put Mr. Adams under bond and authorized him to carry out his duties during his illness.

Q. Would you be kind enough to give us Mr. Adams' initials? A. John B., I think.

Q. And is he located here in Bismarck? A. Yes sir.

Q. The headquarters of that Association is here in Bismarck? A. Yes sir, on the fourth floor of the Bank of North Dakota building.

On motion of Mr. Ulland, seconded by Mr. Johnson of Ward, adjournment was taken until 9:30 a. m., February 10th.

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FEBRUARY 10, 1921

Meeting called to order by the chairman. Roll of committee called and all members present, except Johnson of Steele, Weld and Hanson. The attorneys and reporter also present.

Minutes of previous meeting read by the secretary and approved.

E. G. LEE,

recalled as a witness and testified as follows:

Examination by Mr. Murphy:

Q. Mr. Lee, you are an expert accountant, are you not? A. Called a public accountant, Mr. Murphy.

Q. Connected with what company? A. Bishop, Brissman Company.

Q. The concern which made the audit of the Bank of North Dakota? A. Yes sir.

Q. And the attempted audit of the Mill and Elevator Association and the Home Builders' Association? A. Yes sir.

Q. Did you complete the audit of the Mill and Elevator Association? A. No sir.

Q. Why not? A. The reasons given in our report are limitation of time imposed for completion of field work by December 31, 1920, and the facts that the records maintained at Drake, North Dakota, pertained only to the operations of the

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Drake mill, and did not include operations at Grand Forks and the general office at Fargo. We were advised that additional records were also maintained a Grand Forks and Fargo offices, but these could not be examined by us as explained herein.

Q. Then as I understand it, there were certain records that were supposed to be kept at Drake where the mill is operated that you could not obtain? A. Yes sir.

Q. And also you couldn't obtain the records kept at Grand Forks and at Fargo? A. No sir.

Q. If you have the records in question would it be possible for you to complete the audit of the Mill and Elevator Association within a short time? A. I don't know how long it would take, until I examine the records. I would probably be able to complete a balance sheet if I had access to all the records.

Mr. Murphy:: I was just going to ask if all the records of the Mill and Elevator Association, in view of the fact that the Industrial Commission has completed its report and filed it with the Secretary of State, could be produced?

Mr. Sinkler: We will let this man have them, or we will bring them into court, everything we have got. Just let us know what you want.

Mr. Murphy: Bring them before this committee.

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Q. Just what records do you want, Mr. Lee?

Mr. Lemke: We can't bring a dray load of records in here. They might be using some of those records in the operations at Grand Forks.

Mr. Murphy: Is the construction work going on there?

A. We would require the original reports from consignees on consignment sales.

Q. That is on the Drake mill? A. Yes sir.

Q. Will you make a list this morning, Mr. Lee, after you complete your testimony, and turn it over to this gentleman, Mr. Lemke, representing the Industrial Commission, and I understand he assures us he will produce the stuff. A. You see, we had no access to any records outside of the Drake office. We would require everything outside of the records in the Drake office.

Q. Why didn't you have access to it—did you look for it? A. We looked for it and were unable to find them, and they were not produced for us.

Q. Do you know who had them? A. I don't know.

Q. Did you have any consultation with anyone representing the Equitable Audit Company with reference to them? A. We inquired of Mr. Darling, the representative of the Equitable Audit Company, then at Bismarck, if he knew where these records were obtainable, and were advised by him that part of them were in a suitcase of his locked up in Fargo, and the remainder were in his possession at Bismarck. That the records were in a confused condition and he had been engaged in endeavoring to straighten them out when he was called away from Fargo. We asked him if it would be possible to get an order from him for the records at Fargo and were informed that nobody but himself could get at them.

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Q. The same is true with reference to the Home Builders Association? A. No, the Home Builders Association was due to the incompleteness and confusion of the records.

Q. The records themselves were not complete? A. They were not complete at the time we made the audit.

Q. Will you produce the records as far as they go, Mr. Lemke?

Mr. Lemke? Those are all here in the office at Bismarck, and you can have access to all of them.

Q. Mr. Lee, in connection with the report and audit which has been offered and received here, as Exhibit 19, I will ask you if you prepared a schedule, giving in detail a list of the loans and discounts and rediscounts and collateral in the Bank of North Dakota as of December 3rd, 1920? A. Yes sir.

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(Exhibit No. 41)

Q. I will show you Committee's Exhibit 41, and ask you if that is the schedule? A. Yes sir.

Mr. Murphy: We will offer Exhibit 41.

Q. Now I wish you would refer to page 8 of your audit report, which shows, does it not, a summary of liability of closed banks to the Bank of North Dakota? A. Yes sir.

Q. As of December 3rd, 1920? A. Yes sir.

Q. Give us the total of the loans and discounts to those banks? A. The total of the loans and rediscounts is \$227,359.55.

Q. And the total of overdrafts? A. \$5,628.89.

Q. Total of items out for collection held by these banks? A. \$23,313.01.

Q. The amount of funds redeposited by the Bank of North Dakota in those banks? A. \$424,410.44.

Q. The total balance carried by the Bank of North Dakota with those banks? A. \$32,319.39.

Q. What was the total gross liability of the closed banks to the Bank of North Dakota as of that date? A. \$680,711.89.

Q. Then you deducted from that, as I take it, the balance as carried with those banks by the Bank of North Dakota and arrived at the net liability? A. \$648,394.54.

Q. Now how many banks are in that list? A. Twenty-three.

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Q. What is the first one? A. Tolley State Bank, Tolley, North Dakota.

Q. Have you figured out the total liability of the Tolley State Bank? A. No, I haven't figured out the total liability. They are given here in items. I would have to do that by adding them together.

Q. Well, add them together please, so we can get the totals? A. The total gross liability is \$63,588.85.

Q. And the net liability? A. \$62,727.88.

Q. What is the next bank that closed? A. The Security State Bank.

Q. Where? A. New England.

Q. Give us the total gross and net liability of that bank to the Bank of North Dakota? A. Gross or net.

Q. Give us the gross first? A. \$53,362.70.

Q. And the net? A. \$50,104.81.

Q. I understand that you arrive at that by deducting deposits by the individual bank in the Bank of North Dakota from their gross liability? A. Yes sir.

Q. Now give us the Beach State Bank at Beach? What is the gross liability there? A. Gross \$79,242.82.

Q. And net? A. \$67,556.84.

Q. The time that bank closed they had loans and rediscounts (274)

from the Bank of North Dakota of \$20,000, didn't they? A. Yes sir.

Q. And they had redeposits with them of \$59,242.82? A. Yes sir.

Q. And when the Tolley State Bank closed they had rediscounts of \$25,000? A. Yes sir.

Q. And redeposited with them \$35,115.05? A. Yes sir.

Q. Besides \$3,473.80 of items for collection? A. Yes sir.

Q. Now give us the State Bank of Bantry? A. The State Bank of Bantry had overdrafts in the sum of \$1,006.18; items out for collection, \$661.81; funds redeposited, \$12,752.73; total \$14,474.72.

Q. The Farmers State Bank of Greene? A. Loans and rediscounts, \$25,554.58; overdrafts, \$1,966.01; items out for collection, \$135.75 and redeposits, \$9,671.85.

Q. What is the total? A. \$37,328.19.

Q. The Security State Bank of Killdeer had \$13,513.63 of reposit money, had they not? A. Yes sir.

Q. And they had on deposit, \$89.53? A. Yes sir.

Q. So there was substantially \$13,500 there at the time that bank closed? A. A little less.

Q. Take the Security State Bank of Columbus. They had \$19,457.63 loans and discounts? A. The Security State Bank of Columbus had \$19,457.63 loans and rediscounts.

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Q. \$1,967.14 overdrafts? A. Yes.

Q. \$28,704.68 redeposits? A. Yes; total of \$50,129.45.

Q. Take the Mohall State Bank? A. The Mohall State Bank. loans and rediscounts, \$5,000; items out for collection, \$258.80; redeposits, \$23,351.79; and a total of \$28,610.59 with the balance carried to the bank of North Dakota of \$2,756.95, or net liability of \$25,853.64.

Q. Give us the Donnybrook State Bank? A. Loans and discounts, \$21,000; redeposits, \$72,534.31; total \$93,534.31. With deposits carried in the Bank of North Dakota, \$5,872.49 and net \$87,661.82.

Q. The net liability is what? A. \$87,661.82.

Q. Well, take the Farmers State Bank of Rhame? A. Loans and discounts, \$15,000; items out for collection, \$236.52; redeposits \$27,073.35; total of \$42,309.87. Deposits in the Bank of North Dakota, \$285.13, and net of \$42,024.74.

Q. The Farmers & Merchants Bank of Sherwood? A.

Loans and rediscounts, \$10,000; redeposits \$10,701.47; total \$20,701.47; deposits in the Bank of North Dakota, \$349.97; net, \$20,351.50.

Q. Take the Fortuna State Bank of Fortuna—and by the way that is the bank that had the \$5,000 cash items shown on your report? A. Yes sir.

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Q. Well, let us hear about that? A. Loans and rediscounts, \$7,500; items for collection, \$5,308.01; amount of funds redeposited, \$34,403.05; total, \$47,111.06; with \$3.57 deposited in the Bank of North Dakota or a net of \$47,107.49.

Q. \$3.57 deposited? A. \$3.57.

Q. Now let us have the Citizens State Bank of Edgeley? A. Loans and rediscounts, \$20,000; items for collection, \$4,851.50; redeposits, \$10,920.29; total of \$35,771.79.

Q. That bank had no account with the Bank of North Dakota? A. None.

Q. Will you refer to your report and tell us now, Mr. Lee, the total liability of the Scandinavian American Bank of Fargo to the Bank of North Dakota, as of December 3rd, including all items? A. The Scandinavian American Bank of Fargo: Notes and certificates of deposit, \$178,823.51; deposits, \$228,974.71.

Q. That is redeposits you mean? A. Yes; unpaid drafts, \$25,000; collections, old, \$10,000; current, \$1,329.20; a total of \$44,127.42.

Q. They then had a deposit of how much? A. \$10,108.28, or a net liability of \$434,019.14.

Q. Now give us the Bismarck Bank of Bismarck? A. The Bismarck Bank of Bismarck, unpaid drafts, \$30,000; redeposits, \$124,045.38, or a total of \$154,045.38. The deposits in the

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Bank of North Dakota were \$18,824.74, or a net of \$135,220.64.

Q. Give us the Williams County State Bank of Williston? A. Loans \$110,000; unpaid drafts \$20,000; old collections, \$12,453.33; current collections, \$6,951.82; redeposits, \$103,732.74; total of \$253,137.89. The deposits in the Bank of North Dakota were \$3,996.20, or a net of \$249,141.69. I want to say, Mr. Murphy, that there is always a possibility, in taking figures this way, in adding them without an opportunity to balance them of error in either copying or footing them, and I will prove them up afterwards.

Q. Have you got a copy of your schedule up there with you? A. Yes sir.

Q. This is just a little off the path, but I want to direct your attention to page 14 of the schedule, bottom of the page? A. Schedule one?

Q. Schedule one—have you got it? A. Yes.

Q. There is a notation at index 1311, opposite First State Bank of Kloten, towards the bottom of the page. A. Yes sir.

Q. What does that represent. credits to loan or rediscounts with the First State Bank of Kloten? A. It is collateral to attached loans.

Q. Of what bank? A. First State Bank of Kloten.

Q. Well, the first one is \$1,500? A. Yes.

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Q. Secured by a note dated the 23rd day of January, due the 23rd of July, signed by R. W. Fraser, Gottfred Jensen and S. S. Semingson? A. Yes sir.

Q. Do you know who R. W. Fraser is? A. I don't know.

Q. You don't know whether he is clerk of court of Divide county or not? A. I don't know.

Q. Do you know who S. S. Semingson is? A. No.

Q. Well, there is the next one, a note for \$2,625, is it not? A. Yes. Signed by H. A. Nelson and George H. Moellering.

Q. And the next one is a note for \$2,625 signed by George H. Moellering and H. A. Nelson? A. Yes sir.

Q. Now, turn over to the top of page 15. This same bank put up as collateral the following notes, did it not? A. Which note do you mean?

Q. Well, I am just going to read it. It is the First State Bank of Kloten deal? A. No, I think the one at the top of page 15 is the First Farmers Bank at Minot.

Q. All right, there is a note there for \$2,415? A. Yes.

Q. Dated the 18th day of May, 1920; due the 18th of November, 1920? A. Yes.

Q. Signed by H. R. Wood? A. Yes.

Q. Do you know who he is? A. No.

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Q. Well, now turn to where we were, and take the American State Bank of Burlington. Now just a minute before you do that. I want you to turn again to your schedule, page 14, index 408, being apparently a part of the chattels or securities put up by the Farmers State Bank of Dawson, as shown by Index 402? A. You are referring to 408 on page 14.

Q. Yes. A. That is the Citizens State Bank of Grano.

Q. All right, there is a note, dated the 19th day of June, 1920, due on demand, signed by Gilbert Semingson? A. Yes sir.

Q. For \$1,200? A. Yes sir.

Q. Do you know who Gilbert Semingson is? A. I don't.

Q. All right, go ahead with the other one, I gave you. The paper that you have read there is paper held by the Bank of North Dakota as security to some loans or rediscounts or certificates of deposit from other banks? A. Yes sir. The American State Bank of Burlington: Overdrafts, \$3,259.13; unhonored drafts, \$10,000; collections (old) \$52,061.60; current collections \$795.70; and redeposits, \$60,007.45; total of \$126,123.88.

Q. No offset? A. No, the offset is an overdraft.

Q. All right, give us the Security State Bank at Deering? (280)

A. Loans, \$20,000; collections, current, \$5,202.16; redeposits, \$32,372.30; total \$57,574.46; deposits with the Bank of North Dakota, \$6,171.18; net of \$51,403.28.

Q. Give us the Farmers State Bank of Colcharbor now? A. Loans, \$14,910; unpaid drafts, \$5,000; current collections, \$3,530.85; total \$23,440.85; redeposits \$24,747.15; or a gross total of \$48,188. Deposits in the Bank of North Dakota, \$622.14; net liability, \$47,565.86.

Q. Now give us the Michigan City Bank of Michigan City? A. Rediscounts, \$27,800; current collections, \$180.69; redeposits, \$3,096.08; with deposits in the Bank of North Dakota, \$333.47; a net of \$30,743.30.

Q. Now, Mr. Lee, your record shows \$27,800 of paper rediscounted by the Michigan City Bank with the Bank of North Dakota? A. Yes sir.

Q. Will you please turn to page 15 in schedule No. 1, index 420 to 425, inclusive, and tell us whether or not the notes rediscounted are there set forth? A. Yes sir.

Q. All right, now these are the notes the bank rediscounted with the Bank of North Dakota, the Michigan City Bank, are they not? A. Yes.

Q. They consist of six notes, do they not? A. Yes.

Q. All given by the Conway Storage Company of Michigan City to the Michigan City Bank? A. Yes.

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Q. The first one was dated the 18th of January, 1920, and was due the 18th of September, 1920? A. The 18th of March, 1920.

Q. Correct, and due on the 18th of September, 1920? A. Yes.

Q. And it was for \$5,600? A. Yes.

Q. Was any discount figured on that note or was it carried at its face? A. No discount figured.

Q. Carried at its face then, is that correct? A. That is our notation on our report.

Q. Well, it is correct, whatever it is, is it not? A. According to the records of the Bank of North Dakota.

Q. The next note dated the 15th of March, 1920, and due the 15th of August, 1920? A. No, the 18th of September.

Q. I am talking about the second note? A. Yes, correct.

Q. Runs from the Conway Storage Company to the Michigan City Bank, for \$5,600? A. Yes.

Q. Was any discount made on that note or was it carried by the Bank of North Dakota at its face? A. Notation on the record says it was carried at its face.

Q. And the next note dated the 13th of April, 1920, due the 13th of September, 1920, Conway Storage Company to the Michigan City Bank, \$4,500. Is that correct? A. Yes.

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Q. Was that carried at its face without discount—that is true of all these notes? They are carried at their face, isn't it? A. I think that covers all six notes, that notation.

Q. Well, we can soon demonstrate it. Let us take the next note, dated the 13th of March, 1920, due August 19, 1920. Conway Storage Company to the Michigan City Bank, \$4,200. That is correct? A. Yes.

Q. And the next note dated the 24th of March, 1920, due the 24th of September, 1920, Conway Storage Company to the Michigan City Bank, \$7,000? A. Yes.

Q. The next note dated the 5th of April, 1920, due the 4th of July, 1920? A. Yes.

Q. The 4th of July; that is correct? A. Yes.

Q. You know what day that is? A. Yes.

Q. Conway Storage Company to the Michigan City Bank, \$4,900? A. Yes.

Q. Now the total of this is \$27,800? A. \$27,800.

Q. The precise amount carried upon the books of the bank as a rediscount of these notes? A. Yes.

Q. Which would indicate that they were not discounted as far as their face was concerned? A. Yes.

Q. Now these notes were secured, were they not? No. 600

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appears to be described at index 420? A. Yes.

Q. And the security is as follows: Michigan City Bank, storage receipt. This is storage receipt No. 46, issued by the Conway Storage Company, dated 18th of March, 1920, covering four Buick autos, valued at \$5,600, and insured against fire and theft, B. H. Stary.

Q. That is correct, isn't it? A. Yes.

Q. That is the security for the first note of \$5,600? A. Yes.

Q. Note No. 600? A. Yes.

Q. The next note of \$5,600, No. 585, secured in the following manner: Storage Receipt No. 43, issued by the Conway Storage Company, dated the 15th of March, 1920, covering four Nash automobiles, valued at \$5,600? A. Yes.

Q. And the next note No. 719, for \$4,500, security as follows: Storage receipt No. 53, issued by Conway Storage Company, dated the 13th of April, 1920, covering five Overland automobiles, valued at \$4,500. That is correct, is it not? A. Yes.

Mr. Sinkler: Does it show the insurance?

Mr. Murphy: They are all insured.

Q. The next note, No. 609, \$4,200, is secured in the following manner: Storage receipt No. 48, issued by the Conway Storage Company, dated the 18th day of March, 1920, covering five Chevrolet automobiles, valued at \$4,200, in their storage receipt? A. Yes.

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Q. And the next note for \$7,000, being No. 644, secured in the following manner: Storage receipt No. 50, issued by the Conway Storage Company, dated the 24th of March, 1920, covering five Wallace tractors, valued at \$7,000? A. Yes.

Q. And the next note, No. 679, \$4,900, is secured by Storage Receipt No. 51, issued by the Conway Storage Company, dated the 5th of April, 1920, covering seven Fords valued at \$4,900? A. Yes.

Mr. Murphy: Ever hear of seven Fords worth \$4,900?

Q. Now, Mr. Lee, that is all for the present. I would like to have you take a list of banks that I would like the total liability of, so you can figure them off the stand, other than those you have already given us. Now if you will write them down—Slope County State Bank of Amidon, Peoples State Bank of Aneta, Farmers State Bank of Ambrose, Golden Valley Bank at Beach, The Blaisdell State Bank of Blaisdell, the First State Bank of Bowbells, the Security State Bank of Courtenay, the Bank of Oliver County, Center; the Fort Ransom State Bank of Fort Ransom, the Equity State Bank of Golden Valley, the Citizens State Bank of Hazen, the First State Bank of Kloten, the Citizens State Bank of Pingree, the Regan State Bank of Regan, the Farmers State Bank of Sanish, the Farmers Exchange of Sanger, the Peoples State Bank of Leith, the

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Ransom County Farmers Bank of Lisbon, the American Exchange Bank of Watford City, the Bottineau County Bank of Bottineau, the Peoples State Bank of Hillsboro, the American Exchange Bank of Valley City, the Peoples State Bank of Grand Forks, the Farmers Bank of Ray, the Farmers Equity Bank of Mandan, the Citizens State Bank of Tagus; the Farmers Security Bank of Conway, the Farmers and Mechanics Bank of Bowman, the Scandinavian American Bank of Van Hook, the First Farmers Bank of Minot. How long do you think it would take to get them out? A. I think I could get them this afternoon.

Q. And have it ready for tomorrow morning? A. I think so.

Q. Just before you go—you have already figured for us the total liabilities of the Scandinavian American Bank of Fargo, have you not? A. Yes.

Q. Kindly figure the total liabilities of the other banks in Fargo as of December 3, 1920? A. All right.

Recess taken for ten minutes, after which hearing resumed with all parties present, and the witness Lee on the stand.

Q. Mr. Lee, have you now figured out the total net liability of all the banks in Fargo save and except the Scandinavian American Bank of Fargo? A. Yes sir.

Q. What is it? A. \$58,456.81.

Q. As against \$444,127? A. No, that is the net liability— as
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against \$434,019.14.

J. H. NEWTON,

called as a witness, was duly sworn and testified as follows:

Examination by Mr. Murphy:

Q. Your name is what? A. J. H. Newton.

Q. What is your official position? A. Clerk of the North Dakota Supreme Court.

Q. And as such clerk I assume you have in your custody the files and records of the Supreme Court of this state? A. I do.

Q. Among other things, the files and records of the case of State ex rel Lofthus vs. Langer? A. Yes sir.

Q. Involving the Scandinavian American Bank? A. Yes.

Q. I asked you to produce certain portions of these records. Have you those with you? A. I think so.

Q. May I see them please?

Witness produces papers.

Q. Mr. Newton, I show you Committee's Exhibit 42, and ask you to state to us, generally, what that is? A. Why it is one of the documents filed in that case on the 23rd of October, consisting of certain affidavits and reports.

Q. Originals? A. That is an original, yes sir.

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Q. Original affidavits and reports? A. Yes sir.

(Exhibit No. 43)

Q. I will show you Exhibit 43, and ask you to state, generally, what that is? A. That is another of practically the same character, filed on October 15th.

Q. Originals? A. Yes sir.

(Exhibit No. 44)

Q. And also Exhibit 44, and ask you to state what that is? A. That is the answer and return of the respondents, filed on October 14th with affidavits attached.

Q. On the first page of Exhibit 42 appears an affidavit of one O. E. Lofthus and Myron W. Thatcher, does it not? A. Yes sir.

Q. In which they say in substance, O. E. Lofthus and Myron W. Thatcher, being first duly sworn, state that they are the State Bank Examiner and President of the Equitable Audit Company, respectively, and that the attached Exhibit A is a statement prepared on October 22, 1919, and is a true and correct copy of the condition of the bank as of October 22, 1919, and as compared with September 27, 1919, and that the statements therein are true and correct as to the general condition of the bank; that said statement as to the financial condition is carefully prepared by affiants from the books and records of the bank. Signed: O. E. Lofthus and Myron W. Thatcher. Subscribed and sworn to before a notary public? A. Yes sir.

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Q. And annexed to it is a complete comparison of the finan-

cial statements of the Scandinavian American Bank of Fargo, North Dakota, the original in each instance? A. Yes sir.

Q. And Exhibit 43 appears to be a series of original affidavits, does it not, signed by H. J. Hagen, Spurgeon Odell, N. G. Eggen and P. R. Sherman; another signed by P. R. Sherman, N. J. Brevig, C. O. Bjore, F. C. Heaton and Jane Nystrom. That is correct? A. Yes sir.

Q. And next an affidavit apparently signed by P. R. Sherman, the original? A. Yes.

Q. And the next one signed by Spurgeon Odell? Also an original? A. Yes sir.

Q. Another signed by H. E. Day? A. Yes sir.

Q. Another one by H. J. Hagen, who says he is president of the Scandinavian American Bank? A. Yes sir.

Q. And one by F. C. Heaton? A. Yes sir.

Q. And another one by P. R. Sherman? A. Yes sir.

Q. And another joint affidavit by Hagen, Eggen and Sherman? A. Yes.

Q. In which is set forth in detail a description of collateral, a list give in the report and affidavit of P. R. Haroldson, detail of collateral notes in the Scandinavian American Bank which they say were removed? A. Yes sir, there is such an affidavit there.

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Q. These affidavits were filed with the Supreme Court at the time the Scandinavian American Bank case was heard there? A. Yes sir, they were.

Q. And are brought here by you as clerk of that court? A. Yes sir.

Q. And Exhibit 44 is the original answer and return to the order to show cause in that case made by the attorney general, or the then attorney general, Mr. Langer? A. Yes sir.

Mr. Sinkler: You are not going to offer them in evidence?

Mr. Murphy: I have offered them.

Mr. Sinkler: I expected to use them in the Senate this afternoon.

Mr. Murphy: I have got to use them myself this afternoon, and I am going to withdraw them and offer copies later.

Mr. Sinkler: Can't I use them this afternoon in the Senate investigation?

Mr. Murphy: You can if I am through with them. Mr. Newton refused me permission to take them yesterday unless formally required to do so by this committee, and I have had no opportunity to go through them. If I get through with them, Mr. Sinkler, I will be glad to return them to this committee, and if the committee permits you to use them, you may have them. So far as I am concerned you can have anything I have got except my money.

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Mr. Sinkler: Well, that wouldn't do me very much good now.

Q. Annexed to that is an affidavit of Mr. Haroldson, P. E. Haroldson, with a statement marked Exhibit "A" annexed to it? A. Yes sir.

Q. Who was Mr. Haldorson? A. I believe he was one of the Bank Examiners.

Q. At that time? A. Yes.

Mr. Murphy: We offer Exhibits 42, 43 and 44 in evidence, with the understanding that copies may be made and certified

to by Mr. Newton, and the originals returned to Mr. Newton.
That is all at present, Mr. Newton.

F. W. CATHRO,

recalled as a witness, and testified as follows:

Examination by Mr. Murphy:

Q. Mr. Cathro, referring to the matter of expense, I don't know whether you have the data before you, but I want to make it clear to you what I want so you can procure it later—the distribution of the expense between the appraisal and bond departments. Let me make it a little more clear. In the appraisal department I assume you have men who travel about

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the state examining farm lands? A. Yes.

Q. And their expenses naturally must be paid by the Bank of North Dakota, and come, I take it, out of the appraisal fund? A. Yes.

Q. Now I assume that you have a detailed list of those appraisers who are employed directly by the bank to travel about? A. Yes.

Q. I would like to have that list and also a statement of their expenses. You understand what I want, Mr. Cathro? A. Yes.

Q. Do these men take vouchers when they go around so as to show to you what they have actually expended, or do they lump it? A. In a good many cases they take vouchers.

Q. Have some sort of a receipt book so they give a receipt when they travel on the railroad or pay their hotel bill or automobile hire to drive out in the country? They have a little book and get receipts in it? A. Not in all cases, but frequently.

Q. Do you furnish them with those receipt books or do they get their own? Do you know? A. We furnish them.

Q. What kind of a book do you handle there, just describe it generally? A. Just a little stock form receipt book, bought at the stationery stores.

Q. Will you bring one of those down tomorrow morning,

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please, so that we can see what they look like? A. Yes.

Q. Now I want to ask you a few questions, please. Mr. Cathro, is it a fact that the Bank of North Dakota, within the last week or ten days has not been able to pay its current items? A. The bank has not been able to get money in fast enough from banks to take care of all its items as promptly as it should.

Q. You know one item in the City of Bismarck that is here now around \$120,000, that the Bank of North Dakota has not been able to take care of? A. No.

Q. Never heard of that? A. No.

Q. How much is it? A. I heard there was a \$95,000 draft in Minneapolis that had not yet been paid the first of the week.

Q. Now, before we get off this subject, I wish you would post yourself on another matter—the records show an unhonored draft against the Bismarck Bank of this city of \$30,000. I want you to tell us when and where that draft was ever presented to the Bismarck Bank, and if it wasn't presented, give us the reasons. Now, Mr. Cathro, diverting your mind to the farm loan proposition. Is Mr. McIntosh with the bank now? A. No.

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Q. Where could he be found? A. At Mohall, I think.

Q. Is he engaged in business there at this time? A. Yes.

Q. Receiver of a bank? A. Yes.

Q. Which bank, the Mohall State or Security? A. I think it is the Mohall State.

Q. Well, then, he is available if we wanted him to come down, I suppose? A. So far as I know.

Q. Now in the early start of the farm loan operations, do you recall about when that was, when you opened up that department and got to making farm loans, when you got it fully organized? A. We made one loan in August, 1919, as I recall it now, and five in September.

Q. When did you get going so that department was fairly well organized? A. The beginning of the year 1920, or thereabouts.

Q. In the spring, you would say, of 1920? A. Yes.

Q. Could you tell us then from your books approximately the amount of farm loans made in Bottineau county during the year 1920? A. Did you say from the books or memory?

Q. Could you do it from memory? A. No.

Q. From your books. I don't ask you to bring the books here, but have some of your clerks work it out for you, so you can bring that information here—was Mr. McIntosh in

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charge of that department at that time? A. No.

Q. Who was? A. Miss Benson.

Q. Where is Miss Benson now? A. I don't know.

Q. What is her full name? A. Miss Pearl A. Benson.

Q. She is related through marriage or otherwise to H. H. Steele, is she not? A. Yes.

Q. Then will you kindly also investigate the loans in Renville county at the same time. I think I asked you the other day—I might be mistaken. It might not have been you, it might have been Mr. Johannsen, but I asked for a list of the rediscounts as of October 30, 1920. Was it you, Mr. Cathro, or was it Mr. Johannsen? A. I have no recollection of any such question.

Q. Well, one or the other, but I will ask you to produce it, and if you haven't it here, would you kindly get that list of rediscounts as of October 30, 1920, or 31st, if the 30th happens to fall on Sunday—one of the last days in October? A. Yes.

Q. Now, these statements that you have brought us here, those printed statements, show that \$100,000 was taken from the profits or earnings of the bank, so-called, and deposited with the State Treasurer, I take it for the purpose of paying interest upon the bonds, Bank Series? A. Yes.

Q. And that was to pay the interest falling due on January

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1, 1921, and July 1, 1921? A. Yes.

Q. The interest for the preceding year, that wasn't paid, was it? A. Yes.

Q. By auditor's warrant, however? A. It was paid as a result of taxation.

Q. And you got a warrant from the state auditor for \$100,000 for the purpose of paying that, taken out of the general taxes of the state? A. No.

Q. Well, how was it paid, by taxation? A. We probably receive a state auditor's warrant all right, but it wasn't for \$100,000.

Q. Whatever amount the interest was was paid by state

auditor's warrant, and that came from the general taxes, raised by the people? A. Yes.

Q. That is to cover the preceding year? A. Yes.

Q. Will you also produce for us, Mr. Cathro, the accounts and rediscounts of all of the banks in the City of Bismarck as of December 3, 1920, and also at the present time, and also a statement showing all other liabilities of the various banks of Bismarck to the Bank of North Dakota, as of those dates, that is, the December 3rd and today statements, both rediscounts and other liabilities from these banks to the Bank of North Dakota, in order that we may make a comparison. A. Yes sir.

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Q. Yesterday I gave you my copy of the records which you produced, showing the redeposits in the Scandinavian American Bank of Fargo, and the other banks of Fargo as of December 3rd, and asked you to compare with your originals and state whether or not the copies are correct? The copies of the originals you produced? A. There was an error there (indicating).

Q. You corrected that yourself? A. Yes, that should be October.

Q. Well, you made the corrections wherever they should be? A. Yes.

Mr. Murphy: Now these exhibits were offered in evidence yesterday, but these copies are offered in lieu thereof, Mr. Cathro saying they are correct except for the slight errors which he has corrected in the copies.

Mr. Murphy: Is Mr. Jourgen Olson here. Mr. Marshall, was a subpoena returnable this morning at 9:30 served on Mr. Olson?

Mr. Hendrickson: Yes sir.

Mr. Murphy: I ask that you have the record show that Mr Olson was called for at a quarter of twelve and is not here.

On motion of Mr. Freeman, seconded by Mr. Nagel, an adjournment was taken until 9:30 a. m., February 11th, 1921.

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FEBRUARY 11, 1921

Meeting called to order by Chairman, at 9:30 a. m., all members of the committee present, except Hanson, Weld and Johnson of Steele. The attorneys, reporter and marshal also present.

Minutes of meeting of February 10, 1921, read by the secretary and approved as read.

E. G. LEE,

recalled as a witness, and testified as follows:

Examination by Mr. Murphy:

Q. Mr. Lee, if you will please read the list of banks that I asked you to look up showing the liabilities, into the record.

A. You want just the names of the banks or all of the data?

Q. Well, whatever data you have got? A. Do you want anything more than the net liability for each bank?

Q. If you have got it in the form of redeposits and so forth— A. Yes, I can give you the items right straight across.

Q. Give us the items.

A. Slope County Bank of Amidon:

Overdrafts	\$ 1,905.00
Unpaid drafts and collection account....	10,000.00

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Redeposits	56,693.61
Gross liability	71,381.90
There are no deposits and that is also the net.	
Farmers State Bank of Ambrose:	
Loans	\$19,000.00
Redeposits	14,705.38
Gross liability	33,705.38
Deposits Bank of North Dakota	4,156.07
Net liability	29,549.31
Peoples State Bank of Aneta:	
Loans	\$15,000.00
Current collections	1,009.71
Redeposits	16,936.79
Gross liability	32,013.95
Deposits in Bank of North Dakota ..	..5,550.23
Net liability	26,463.72
Union Bank of Bantry:	
Loans	\$ 6,278.41
Unpaid drafts	2,500.00
Old collections	28.00
Current collections	1,009.71
Redeposits	21,094.86
Gross liability	30,910.98
Deposits in Bank of North Dakota	3,870.53
Net liability	27,040.45
Golden Valley State Bank, Beach:	
Loans	\$25,000.00
(299)	
Current collections	132.35
Redeposits	30,186.84
Gross liability	55,319.19
Deposits in Bank of North Dakota	38.13
Net liability	55,281.06
Bottineau County Bank, Bottineau:	
Loans	\$ 5,010.50
Rediscounts	21,455.67
Unpaid drafts	3,000.00
Old collections	7,589.22
Current collections	9,971.62
Redeposits	13,479.59
Gross liability	60,506.60
Deposits in Bank of North Dakota	622.88
Net liability	59,883.72
First State Bank of Bowbells:	
Loans	\$15,000.00
Rediscounts	630.00
Overdrafts	37.41
Old collections	3,440.50
Redeposits	39,692.31
Gross liability	60,833.33
This is also the net liability.	
Bank of Oliver County, Center:	
Rediscounts	\$ 4,392.60
Old collections	6,500.00
Current collections	1,935.47
(300)	
Redeposits	24,152.04
Gross liability	36,980.11
Deposits in Bank of North Dakota	813.77
Net liability	36,166.34

Security State Bank of Courtenay:

Loans	\$20,339.50
Old collections	10,618.15
Current collections	1,416.85
Redeposits	16,934.47
Gross liability	49,308.97
Deposits in Bank of North Dakota	1,001.91
Net liability	48,307.06

Fort Ransom State Bank, Fort Ransom:

Loans	\$16,023.26
Overdrafts .....	.88
Unpaid drafts	5,000.00
Current collections	805.83
Redeposits	10,431.81
Gross liability	32,261.78

This is also the net liability.

Equity State Bank, Golden Valley::

Loans	\$20,000.00
Unpaid drafts	5,000.00
Current collections	401.97
Redeposits	10,667.47
Gross liability	36,069.44
Deposits in Bank of North Dakota	490.36

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Net liability	35,579.08
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Peoples State Bank, Grand Forks:

Loans	\$40,000.00
Current collections	53.25
Redeposits	17,227.72
Gross liability	57,280.97
Deposits in Bank of North Dakota	19,925.52
Net liability	37,355.45

Citizens State Bank, Hazen:

Loans	\$15,000.00
Rediscounts	2,361.64
Unpaid drafts	15,000.00
Old collections	3,000.00
Redeposits	16,656.20
Gross liability	52,217.84
Deposits in Bank of North Dakota	51.96
Net liability	52,165.88

Peoples State Bank of Hillsboro:

Loans	\$15,000.00
Current collections	239.02
Redeposits	24,691.96
Gross liability	39,930.98
Deposits in Bank of North Dakota	16,633.92
Net liability	23,297.06

Firt State Bank of Kloten:

Loans	\$15,000.00
Rediscounts	11,430.43
Current collections	4,588.91

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Redeposits	34,999.99
Gross liability	65,619.33
Deposits in Bank of North Dakota	4,629.75
Net liability	60,989.58

Peoples State Bank of Leith:

Loans	\$ 9,000.00
Unpaid drafts	5,000.00

Current collections	458.35
Redeposits	18,093.22
Gross liability	32,551.57
Deposits in Bank of North Dakota	2,453.31
Net liability	30,098.26
Ransom County Farmers Bank, Lisbon:	
Loans	\$61,500.00
Redeposits	43,019.36
Gross liabilities	104,519.36
Deposits in Bank of North Dakota	2,831.69
Net liability	101,687.67
Farmers Equity State Bank, Mandan:	
Loans	\$30,000.00
Current collections	506.68
Redeposits	26,341.94
Gross liability	56,848.62
Deposits in Bank of North Dakota	10,429.59
Net liability	46,419.03
First Farmers Bank of Minot:	
Loans	\$16,092.72
Rediscounts	2,415.00
Unpaid drafts	7,500.00
Redeposits	39,958.80
Gross liability	65,966.52
Deposits in Bank of North Dakota	11.90
Net liability	65,954.62
(303)	
Citizens State Bank of Pingree:	
Loans	\$12,500.00
Rediscounts	13,845.86
Old collections	1,000.00
Current collections	608.52
Redeposits	16,533.94
Gross liability	44,488.32
Deposits in Bank of North Dakota	296.29
Net liability	44,192.03
Farmers Bank of Ray:	
Loans	\$38,371.55
Overdrafts	347.34
Old collections	1,157.14
Current collections	3,652.27
Redeposits	9,847.39
Gross liability	53,375.69
Net liability—same.	
(304)	
Farmers State Bank, Regan:	
Loans	\$17,000.00
Unpaid drafts	7,000.00
Current collections	3,385.22
Redeposits	12,306.07
Gross liability	39,691.29
Deposits in Bank of North Dakota	15.72
Net liability	39,675.57
Regent State Bank, Regent:	
Loans	\$10,000.00
Overdrafts	2,246.58
Unpaid drafts	5,000.00
Current collections	4,794.76
Redeposits	29,514.66
Gross liability	51,556.00

Deposits in Bank of North Dakota	None
Net liability—same.	
Farmers Exchange Bank, Sanger:	
Rediscounts	\$ 1,122.54
Overdrafts	281.06
Unpaid drafts	2,000.00
Old collections	1,762.90
Current collections	6,297.51
Redeposits	19,283.35
Gross liability	30,747.36
Net liability—same.	
(305)	
Farmers State Bank, Sanish:	
Loans	\$16,100.00
Unpaid drafts	5,000.00
Current collections	1,214.39
Redeposits	40,810.63
Gross liability	63,125.02
Deposits in Bank of North Dakota	659.68
Net liability	62,465.34
Scandinavian American Bank, Van Hook:	
Loans	\$30,272.00
Unpaid drafts	10,000.00
Current collections	303.58
Redeposits	26,758.41
Gross liabilities	67,333.99
Deposits in Bank of North Dakota	468.08
Net liability	66,865.91
Blaisdell State Bank, Blaisdell:	
Unpaid drafts	\$ 5,000.00
Current collections	983.72
Redeposits	18,039.67
Gross liability	24,023.39
Deposits in Bank of North Dakota	43.94
Net liability	23,979.45
Farmers & Mechanics Bank of Bowman:	
Unpaid drafts	\$ 5,000.00
Current collections	1,535.75
Redeposits	17,887.14
Gross liability	24,422.89
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Deposits in Bank of North Dakota	536.23
Net liability	23,886.66
Farmers Security Bank, Conway:	
Old collections	\$ 1,000.00
Redeposits	8,645.95
Gross liability	9,645.95
Deposits in Bank of North Dakota	1,307.57
Net liability	8,338.38
Citizens State Bank, Tagus:	
Overdrafts	\$ 820.67
Unpaid drafts	5,000.00
Current collections	800.12
Redeposits	17,873.86
Gross liability	24,494.65
Net liability—same.	
American Exchange Bank, Watford City:	
Current collections	\$ 3,497.21
Redeposits	23,050.28
Gross liabilities	26,547.49

Deposits in Bank of North Dakota	433.70
Net liability	26,113.79

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F. W. CATHRO

recalled as a witness and testified as follows:

Examination by Mr. Murphy.

Mr. Cathro, I asked you yesterday to produce for the record one of the receipt books generally used by appraisers in the farm loan department for their expenses. Have you that with you? A. I have.

(Exhibit No. 45)

Q. Is Exhibit No. 45, which you have just handed to me, the customary receipt book carried by appraisers in the farm loan department of the Bank of North Dakota for the purpose of getting vouchers for their expenses so as to return the book to the bank? A. It is.

Mr. Murphy: We offer Exhibit No. 45 in evidence as a part of the examination of this witness.

Mr. Sullivan: I think, Mr. Murphy, we better put on another witness now so as to show the pertinency both of this testimony and the testimony of the other witness.

MAX O'CONNELL,

having been called as a witness on behalf of the committee, was duly sworn, and testified as follows:

Examination by Mr. Sullivan:

Q. Your name is? A. Max O'Connell.

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Q. You live in Bismarck? A. Yes sir.

Q. How old are you? A. Sixteen.

Q. Go to school here, do you? A. Yes sir, I go to high school.

Q. I understand, Max, that you found an envelope the other evening? A. Yes, sir, I found an envelope containing some notes and a receipt book.

Q. Have you that with you? A. Yes sir.

Q. May I see it, please.

Witness produces envelope.

Q. This envelope that you have handed to me is the envelope, is it? A. Yes sir.

Q. Where did you find this, Max? A. That was found in the McKenzie dance hall on Monday night.

Q. You were there that evening, were you? A. Yes sir.

Q. Did you find it? A. Yes sir.

Q. And where was it found, Max? A. In the men's dressing room.

Q. On the floor or some other place? A. Yes sir; after everybody had gone I noticed this envelope and went over and picked it up and it contained those notes.

Q. Is it in the same condition now, Max, as when you found it? A. Yes sir.

Mr. Sullivan: Now let the record show that we ask to have the envelope marked as an exhibit. Marked Exhibit 46.

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(Exhibit No. 46)

Q. This paper marked Committee's Exhibit 46, is the envelope that you referred to in your testimony, is it, Max? A. Yes sir.

Q. This receipt book that is marked Committee's Exhibit

(Exhibit No. 47)

47, that is the receipt book that you referred to that was in the envelope? A. Yes sir.

(Exhibit No. 48)

Q. And the exhibits 48 to 57 inclusive, the notes? A. Yes sir.

Q. That have been referred to in your testimony? A. Yes sir, those are the notes that was in the envelope.

Mr. Sullivan: This receipt book No. 47, is offered in evidence to be used in comparison with the receipt book identified by the witness Cathro, as Exhibit 45.

Exhibit 48 is a note for \$1,000, date blank, drawing ten per cent, signed: Farmers Nonpartisan League, J. A. Johnson, treasurer; payee also blank.

(Exhibit No. 49)

Exhibit 49 is a note with \$1000 in figures and One Thousand and written as to the amount, date blank, due date blank, place where payable blank, interest ten per cent, signed: Farmers Nonpartisan League, J. A. Johnson, Treasurer, N. D.

(Exhibit No. 51)

Exhibit 51 is a note with \$2500 in figures, date blank, due date blank, payee blank, place where payable blank, ten per cent interest. Signed, Farmers Nonpartisan League, J. A. Johnson, Treasurer, N. D.

(Exhibit No. 52)

Exhibit 52 is a note with \$2500 in figures, date blank, due date blank, payee blank, place where payable blank, ten per cent interest. Signed: Farmers Nonpartisan League, J. A. Johnson, Treasurer, N. D.

(Exhibit No. 53)

Committee's Exhibit 53, \$500, date blank, due date blank, place where payable blank, ten per cent interest. Signed: Farmers Nonpartisan League J. A. Johnson, Treasurer, N. D.

(Exhibit No. 54)

Committee's Exhibit 54, amount blank, venue or place blank, due date blank, amount blank, place where payable blank, eight per cent interest, signed: J. A. Johnson, Treasurer, Geo. A. Totten, Jr., Acting State Executive Secretary.

(Exhibit No. 55)

Exhibit 55, \$2,500, venue or place blank, date blank, time due blank, payee blank, place where payable blank, ten per cent interest. Signed: Farmers Nonpartisan League, J. A. Johnson, Treasurer, N. D.

(Exhibit No. 56)

Exhibit 56. \$1000, venue or place blank, due date blank, payee blank, rate of interest blank. Signed, National Nonpartisan League of North Dakota, by Ray Craig, as State Manager.

(Exhibit No. 57)

Exhibit 57, \$25, venue blank, due date blank, payee blank, 8 per cent interest. Signed: J. A. Johnson, Treasurer; Geo.

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A. Totten, Acting State Executive Secretary.

Exhibit 50, amount blank, place blank, date payable blank, payee blank, place to write in amount of money, blank; place where payable blank, 8 per cent interest. Signed: A. C. Townley.

I might say that if there is any person who knows the owner of these notes, that we would be very glad to return them to the proper owner by his coming in and showing his ownership of the property.

F. W. CATHRO,

recalled as a witness and testified as follows:

Examination by Mr. Murphy:

Q. Mr. Cathro, is Geo. A. Totten, Jr., employed as appraiser of the Farm Loan Department of the Bank of North Dakota?

A. He was not.

Q. Have you got the list of appraisers with you? A. I have.

Q. Will you read that list into the record, please? A. Wm. Meyers, L. R. May, G. W. Shiveley, G. M. Townsend, G. A. McIntosh, Seaman A. Smith, Adam A. Lefor, J. E. Goldeman, W. H. McIntosh, H. H. Steele, D. T. Owens, H. P. Goddard.

Q. Is that all? A. That is all that have been appraisers. There have been some that have done special work.

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Q. Those are your regular ones? A. They were at different times.

Q. Mr. Totten ever do any special work for you? A. I don't know that he ever did.

Q. Do you know how many of these appraisers while employed as appraisers by the bank were employed as treasurers by the League, going about with blank notes raising funds? A. I don't know that any one of them ever occupied such position.

Q. I want to direct your attention to the Dunn county seed and feed bond proposition, do you recall that? A. I have some recollection of it.

Q. Is it not a fact that in 1920 Dunn county issued bonds for seed and feed and that those were purchased by the Bank of North Dakota? A. Yes.

Q. And is it not also a fact that the Bank of North Dakota charged Dunn county brokerage on the seed grain bonds, \$4,160; printing of bonds, \$143.50; interest on account of advances, \$1,266.99; making a total of \$5,570.49?

A. I cannot recall the figures at the present moment.

Q. Would you please investigate the books? A. But the bid on those bonds was substantially the bid that was made by Sidney, Spitzer & Company, of Toledo, to whom they were afterwards sold.

Q. That is, the bid by the bank was substantially the same as the other bid? A. Sidney, Spitzer & Co. were represented

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here on the day the bonds were offered for sale, but the wires were down and they couldn't get into communication with their house and were unable to make a bid. They wanted an option on the bonds, as I recall it. The Commissioner of Agriculture and Labor was unwilling to give them an option. However, it appeared that they would take the bonds at that price.

Q. And the Bank of North Dakota actually bought them? A. And it appeared the proper thing to do for the bank to make a bid at that time about equivalent or actually equivalent to the offer made by the Sidney, Spitzer Company.

Q. In other words, the bank was merely acting for that concern in Cleveland in purchasing the bonds? A. Yes sir, that is all.

Q. But the bank made a brokerage charge? A. Exactly the same charge as they were making.

Q. Well, what became of the money received for brokerage? A. The money received from Sidney, Spitzer Company was passed on to Dunn county, or before that it was passed on to Dunn county by the bank and afterwards received from Sidney, Spitzer & Company.

Q. I am not speaking of the money on the bonds. I am speaking of the money paid by Dunn county for brokerage. What became of that money? A. It would go to Sidney, Spitzer

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& Company.

Q. Did it go to Sidney, Spitzer & Company? A. As I recall it, it did.

Q. Have you any records in the bank that would show what became of that brokerage? A. I presume the records are there. I haven't had occasion to refer to them for a long time.

Q. I wish you would do so and let us have them. A. As I recall it now, there was some margin of about \$125 or \$150. I think that grew out of accumulated interest.

Q. Well, there is an interest charge on here, but I wish you would investigate your records and find out about that and bring them here. And while you are doing it, also investigate with reference to the Stark county seed and feed bonds. There was a similar transaction with Stark county, wasn't there? A. Yes.

Q. Now, Mr. Cathro, our information is that within the last day or two you turned over to the Bank Examiner a list of banks that have not paid their drafts. Did you do so? A. I did not.

Q. Was such a list turned over by anyone on behalf of the bank or Industrial commission? A. Not as I recall it on

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any instructions of the Industrial Commission.

Q. My question was, was such list turned over to the Bank Examiner by the Bank of North Dakota or any officer of the Bank of North Dakota? A. I don't know.

Q. Haven't you heard of it? A. I had heard that the Bank Examiner had wired a number of banks to make good their drafts.

Q. Wasn't he instructed so to do by someone in the Bank of North Dakota, giving him this information? A. Possibly. I have no definite knowledge of it.

Q. Well, who did you hear had given him that instruction? A. I didn't hear that anyone had given the instruction.

Q. You didn't learn that anyone had given him instructions? A. The probability is that if such instructions were given they would come through the Audits Department.

Q. That is through Mr. Johannsen's department? A. Yes.

Q. Is Mr. Johannsen in town? A. I haven't seen him this morning. I think he is.

Q. You don't know whether this list contained a list of all banks with unpaid drafts or not? A. I don't know.

Q. Well, now, on this unpaid draft proposition, I asked you to bring me some information with reference to an un-honored and unpaid draft of the Bismarck Bank of this city.

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Have you that information with you? A. I have. A draft of \$30,000 was drawn on and sent to the Bismarck Bank on November 27th, 1920, and paid by them on December 8th, by their draft No. 55564 on Minneapolis, in the amount of \$30,000.

Q. Has that money been returned to the Bismarck Bank since? A. Not that I have any knowledge of.

Q. Drawn on the 27th of November and paid on the 8th of December? A. Yes.

Q. That was a few days after this audit was made? A. Yes.

Q. I asked you, did I not, to produce the rediscount list as of date in October? Have you that with you? A. It wasn't prepared for me at the time I left the bank this morning.

Q. They are working on it? A. Yes.

Q. You will produce that later, will you? A. Yes.

Q. Now I also, I think, asked you to produce some other matters yesterday. Have you those with you? A. Yes.

(Exhibit No. 58)

Q. Exhibit 58, which you have just handed me, is a com-
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pleted list of the Farm Loans in Bottineau county, North Dakota, and Exhibit 59 is the Renville county list? A. Yes.

Q. It contains the name of the borrower, number of the loan, address of the borrower, number of acres, and the amount of the loan? Is that correct? A. Yes.

Q. No. 58, being the Bottineau county list, shows a total of \$234,100 in farm loans in Bottineau county, does it not? A. Yes.

(Exhibit No. 59)

Q. No. 59, the Renville county list, shows a total of \$177,200 in Renville county, does it not? A. It does.

Q. Do you know Henry Bach of Newburg? A. No, I don't recall that I know him.

Q. Do you know N. P. Nordin, of Bottineau? A. I do.

Q. \$5,000 loan—you have known him for some time? A. Yes.

Q. He is a customer of your bank? A. To some extent.

Q. You know Oscar Flanery of Bottineau? A. I do.

Q. \$14,000 loan—he is a customer of your bank? A. To some extent. That loan, however, wasn't made through our bank.

Q. I am not asking through what it was made. I want to know if he is a customer of your bank? A. To a moderate extent only.

Q. L. J. Williams of Bottineau? A. Yes.

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Q. \$9,000 loan—he is a customer of your bank? A. No, I think not. I don't know that he has done any business with me.

Q. Do you know Alexander Condie? A. Yes.

Q. Has he ever done business with your bank? A. Only a very moderate amount.

Q. \$5,000 loan—John Podlesel—he is a customer of yours? A. Yes, to some extent.

Q. And Duncan Cameron, Kramer—\$4,000 loan—is he a customer of your bank? A. Yes.

Q. Quite a few of these have done business, I take it, from time to time with the First National Bank of Bottineau? A.

Probably less than fifteen per cent. The majority of these loans over \$150,000 of them, from the last calculation I had submitted to me, probably \$165,000, are over twenty miles from Bottineau.

Q. How does it come that these men are listed as from Mohall? A. Mohall—

Q. Mohall is in Renville county, is it not? A. Yes.

Q. And Rugby, which is in Pierce county? A. Mohall is one-half mile from the Bottineau county line, and the post-office of a great many people in the west end of the county.

Q. That is just the post office address, the land is in Bottineau county? A. Yes, and tributary to Mohall.

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Mr. Murphy: We offer Exhibits 58 and 59 in evidence.

Q. Were there any other matters I asked you to produce that you have with you this morning, Mr. Cathro? I recall I asked you for statements of all the banks of Bismarck as of December 3rd? A. Yes, I have that.

Q. That is of December 3rd and February 10th? A. Yes.

O. E. LOFTHUS,

having been called as a witness by the committee, was duly sworn and testified as follows:

Examination by Mr. Murphy:

Q. What is your name? A. O. E. Lofthus.

Q. You are the Bank Examiner or State Examiner of the State of North Dakota, are you not, Mr. Lofthus? A. I am.

Q. When did you take that office? A. June 16, 1919.

Q. Prior to that time where did you live, Mr. Lofthus? A. At Klotten, Nelson county.

Q. What was your business? A. I was cashier of a bank at Klotten.

Q. What Bank? A. First State Bank of Klotten.

Q. K-l-o-t-e-n? Is that correct? A. Yes sir.

Q. Now, Mr. Lofthus, I want to ask you if you received instructions from anyone in the Bank of North Dakota within

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the last day or two, giving you a list of banks that have not paid their drafts to the Bank of North Dakota, with instructions to advise them to pay immediately? A. I did.

Q. Have you that with you? A. No sir.

Q. What is it, in the form of written instructions? A. It is simply a list of names and amounts of drafts.

Q. Will you make a notation to produce that please; can you telephone up to the office and have some one bring that down or can't they find it? A. Yes, it can be brought down.

Recess taken for ten minutes, after which hearing resumed with all parties present.

F. W. CATHRO,

recalled as a witness, and testified as follows:

Examination by Mr. Murphy:

Q. Mr. Cathro, you asked to make a certain statement with reference to the Bottineau county loans, did you not? A. Yes.

Q. You may make it? A. I have been answering your questions as you propounded them to me without attempting to go into explanation, but it appears as though there would be a misconception arise from the character of your questions. You have asked in regard to certain loans in Bottineau

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county. The inference would be, likely, that the bank with which I am connected has been particularly favored in the

matter of loans. Bottineau county is sixty miles long from east to west. There are fifteen banks located within a thirty mile radius of Bottineau. An examination I made up to February 23, 1920, showed only four loans within that radius, one of which was made through the Merchants National Bank of Willow City; another through the First National Bank of Landa, another through the Bottineau County Bank, which is a competitor of the bank with which I am connected, and another through the Farmers Bank of Newburg, and none through the bank with which I am connected. The first application that came through the bank with which I am connected came from Mr. Nordin, who insisted on making his loan through our bank. During the time these applications were coming in the cashier of the bank with which I am connected had submitted applications to the Federal Land Bank in the amount of \$240,000, for the same territory, the territory in the eastern part of Bottineau county east of the Mouse river. So there were no applications coming in in any appreciable amount from the bank in which I am connected—only one loan up to that time. There has been some two or three since. At the time that the aggregate of all loans in Bottineau county had reached \$219,800, \$150,000 of those were closed through

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the First National Bank of Mohall.

Q. That is Mr. Steele's bank, is it not? A. Yes sir.

Q. A brother-in-law of Miss Benson, who was then the head of the Farm Loan Department? A. Yes.

Q. And he is now one of your regular appraisers? A. No.

Q. Didn't you read his name on that list this morning—H. H. Steele? A. Well, I didn't evidently understand what you asked for. I supposed you asked for a list of all appraisers.

Q. He is a special appraiser? A. There are no appraiser of the bank at the present time.

Q. He was one of them? A. He is one that has been in the employ of the bank after it was organized, but he has not had any connection with the bank for ten months or more.

Q. Is that all the statement you care to make relative to that, Mr. Cathro? A. I believe that covers the situation.

O. E. LOFTHUS,

recalled as a witness, and testified as follows:

Examination by Mr. Murphy:

Q. Do you know one P. E. Haldorson? A. I do.

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Q. In October, 1920, or 1919, and prior thereto, he was a deputy state examiner, was he not? A. Yes sir.

Q. Under you? A. Yes sir.

Q. Mr. Haldorson, as you recall, filed an affidavit in the case of the State of North Dakota on the relation of the Scandinavian American Bank of Fargo vs. The State Banking Board—do you recall that? A. I don't recall it, for the reason I don't believe I ever saw it.

Q. Well, you recall there was such a lawsuit? A. Yes.

Q. Well, in that statement—I will read it to you now—he says that he made an examination of the Scandinavian American Bank on or about the 18th of September, 1919, and submitted a report and that in said report he called attention to excess loans and other violations. Do you recall any such report in your office? A. Yes sir.

Q. Will you make a note of that and produce that report,

and also any other reports filed by Mr. Haldorson with reference to the Scandinavian American Bank during the year 1919—just Haldorson's reports? A. Yes sir.

Q. Now, on or about the 27th of October, 1919, Mr. Haldorson made another examination of the Scandinavian American Bank, did he not? A. Yes.

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Q. And as a result of that he closed the bank and purported to act as temporary receiver, did he not? A. Yes sir.

Q. And he also made a complete report as to that examination, did he not? A. I have never seen that report.

Q. Well, you know his signature? You have doubtless seen it a good many times. That is Mr. Haldorson's signature, is it not? A. I believe it is, yes sir.

Q. Now, I will show you Exhibit A attached to his affidavit, and being a part of the Committee's Exhibit 44, and ask you to read into the record what he says about the description of the individual excessive loans listed above—the Consumers United Stores Company—read what he says about that? A. "The Consumers United Stores Company has a line of credit extended through a system of individual loans to twenty-three individuals, aggregating in all \$170,000. The individual paper is given for accommodation purposes only, and is secured by notes representing farmers' liabilities in the sum of \$100 to \$50, together with post-dated checks of \$32 and less, amounting in all to \$554,364.88. It should be here noted that it was impossible to make an examination or even check this vast amount of collateral, and that the figures in the bank have been taken for the purpose of this report as correct. It should also be noted, however, that \$291,435.55

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of the amount of the above notes and post dated checks are not now in the bank, but are in the hands of the Consumers United Stores Company for the purpose of collection. All that the bank has to show for this amount of collateral out for collection is receipts for the same, signed by the officers and employes of the Consumers United Stores Company. It is estimated that the farmers' notes held as collateral are not worth in excess of fifty per cent of their par value. This is a liberal statement as to this class of collateral hypothecated for the loans under discussion.

The post dated checks are held as a portion of the collateral for this loan, and since they are held as collateral for the second largest loan made by the bank, require some explanation. These post dated checks are in the sum of \$32 and are payable at future dates. It is our opinion that these checks are not in law or in fact collateral at all. A current dated check, in itself, is not collateral, and a post dated check would be for the same reason of a smaller value for similar purposes, for the purpose of collateral and security for loans. It is our opinion that post dated checks are without any validity or substantial value.

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"The method by which all this collateral above mentioned is handled requires comment. The collateral held by the bank for the United Consumers Stores Company loan and for the National Nonpartisan League, is in control and custody of one Mrs. Emma Clayton, who is in the employe of the two debtors mentioned herein. This collateral, while kept in the vault of the bank, is accessible to her at all times, and under

her direction, and by her it is taken from the bank and is placed in the control of the debtors, ostensibly for the purpose of collection, and not until recently have even the receipts previously mentioned been given to the bank to show that such certain specific collateral had been so removed. Mrs. Clayton is the only person who has knowledge of the amount of collateral on hand and its correctness. She has her office in the rear of the building and her figures are accepted by the officials of the bank as true and correct.

The collateral to the Consumers Store loan and the Nonpartisan League loan was not checked at the time the bank went under the wire for the state guaranty board, nor at three subsequent examinations made thereafter by the state examiner's office, nor has it been checked this time. The task is entirely out of proportion to the amount of time and assistance per-

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mitted in gathering material for this report. It is our opinion that the collateral should be examined and verified and would so recommend."

Q. Now he also made a comment with reference to the National Nonpartisan League loans held in the bank at that time, did he not? A. I presume so, yes.

Q. At No. 2 of his report—read that please. A. The National Nonpartisan League line of credit consists of twenty-two individual notes ranging in different amounts from \$840 to \$8,000, and aggregating in all \$148,824.26. A consideration of the names of the makers of these accommodation notes will illustrate that the same condition attends the extension of this line as has formerly been explained in the line of credit extended to the Consumers United Stores Company. The individual notes represent only accommodation paper. The individual notes represent a single line and are so considered by the bank. The security held by the bank as collateral for its loans made to the Nonpartisan League for \$148,824.26 consists principally of post dated checks in the sum of \$274,864.01. As to the value of this class of collateral reference is here made to the discussion and opinion of the same made above, and which is now made a part hereof.

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"There is also fifty-seven shares of the Peoples State Bank of Hatton bank stock with an estimated market value of \$115 each amounting in total to \$6555, held by the bank as security for this line of credit. Discussion of the value of this class of collateral will be made hereafter.

"In addition to this Consumers United Stores Company bonds in the sum of \$20,000 is held as collateral. It is our opinion from an examination of these bonds that they represent nothing more than individual liability of the Consumers United Stores Company, a corporation. These bonds represent collateral already discussed in the form of farmers notes as security for the United Consumers Stores line of credit and constitute a pyramiding of that collateral. In fact, they amount to nothing more than the signature of the Consumers Stores Company to the indebtedness which they secure."

Q. There is also at No. 3 a comment and statement relative to the line to the League Exchange, is there not? A. Yes sir.

Q. Please read that?

A. "This line consists of \$66,182.21, and comprises nine notes ranging from \$2,149.34 to \$9,000, aggregating that total. The

security which the bank holds for this advancement comprises farmers notes of the kind previously described, with a par value of \$20,181.58; also bank stock of the following banks:

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Security State Bank of Courtenay, ten shares, market value \$1,200; Peoples State Bank of Hillsboro, ten shares, market value, \$1,200; Scandinavian American Bank of Fargo, sixty-seven shares, market value, \$13,400; Peoples State Bank of Grand Forks, eighteen shares, market value, \$2,160; Peoples State Bank of Casselton, ten shares, market value \$1,000; First National Bank of Cheyenne, one hundred twenty-eight shares, market value \$19,200; total, \$38,160."

Q. Now I direct your attention to No. 10, the A. M. Grosvenor deal.

A. "This line consists of notes ranging from a memo unsigned notation in the sum of \$59.60, to a \$10,000 note, and aggregating a total of \$29,426.33. This deal came into the bank in the late spring or early summer of 1918, at the instance of Thomas Allen Box and J. J. Hastings. Mrs. A. M. Grosvenor is a woman who lives at Casselton and was, prior to that time, a very wealthy widow. For this line of credit the bank holds several second mortgages as security for the larger proportion of the line extended. There is a prior incumbrance, however, ahead of all the bank security for this loan, of something around \$70,000, held by the bank's prior creditors. It should be stated that the bank security consists of second loans on eight quarter sections of land and a valuable piece of city property. This line is entirely too large, and it is very

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questionable whether it will ever pay out in full. It was extended without any regard to the collateral behind it, and it is a fair illustration of much of the random banking done by this institution."

Q. You subsequently, with Mr. Thatcher, made an examination of the Scandinavian American Bank, shortly after the examination by Mr. Haldorson? A. I did.

Q. And you became familiar, doubtless, with all of that paper and the borrowers, as a result of that examination? A. I did.

Q. Now you also, among your official duties, are required to make an examination of the Bank of North Dakota, are you not? A. I am.

Q. Twice a year, isn't it? A. Until the last initiated law went into effect. I consider that my duties as examiner of the Bank of North Dakota is now at an end.

Q. But prior to that time you made examinations at least twice a year? A. I did.

Q. Now do you not know it to be a fact that there is at the present time, or was on December 3, 1920, held by the Bank of North Dakota, as collateral to a loan to the Scandinavian American Bank, notes signed by A. M. Grosvenor for \$1,912.90, without security, and another note signed by the

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same person for \$9,000, without security. Do you know whether that is true or not? A. I don't know.

Q. Did you make any examination of the collateral when you examined the Bank of North Dakota? A. The examination was made by my deputies.

Q. Which one? A. It was made by—one examination was made by seven of my deputies.

Q. Did they make a report to you? A. Yes.

Q. Will you please produce that report and make a list or note of it so you won't forget it. A. Yes sir.

Q. Now will you please turn to what is described there as the Porter-Kimball line, in Mr. Haldorson's report, and read what he says? I think it is No. 11 on the list? A. Yes.

Q. Read that please A. "This line of credit consists of four notes amounting in all to \$15,066.57. This consists of two notes signed by the Peoples Clay Products and Fuel Company, aggregating \$7,891.77, and two notes signed by the National Briquetting Company, aggregating \$7,174.80. All of these notes are endorsed by Porter Kimball and J. W. Deemy, owners and officers of the two companies. The above line is excessive. It is without security of any kind and is wholly unjustified by the worth of the company or its officers. This

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line is extremely poor and has been ordered out repeatedly both by the banking department and the directors. Both of these concerns have heavy obligations with other banks in this state and are failing to meet them."

Q. Is that a fact that the banking department had ordered those loans out of the bank several times? A. I am not positive. It must have happened before my time as examiner. My report will show. Only one examination was made of the Scandinavian American Bank of Fargo at the time that I was state examiner and before the controversy.

Q. You just went in in June, 1920? A. June 16, 1919.

Q. There was an examination made that September, was there not? A. Yes sir.

Q. Well now, don't you know it to be a fact that the Bank of North Dakota at the present time holds as collateral to a loan of the Scandinavian American Bank a note signed by the Peoples Power, Fuel and Clay Products Company, by Porter Kimball, for \$9,000, with no security, and another note signed by the Peoples Power, Fuel and Clay Products Company by Porter Kimball for \$5,041.75, with no security, making a total of \$14,041.75 of that paper in the Bank of North Dakota on December 3, 1920? A. I don't.

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Q. You are not prepared to say that is not true? A. No.

Q. Look at what is called the E. J. Wheeler deal, at No. 18 in his report? A. (Reads): "This liability consists of several notes signed by E. J. Wheeler personally, and two notes signed by the Peoples Realty Company, amounting to \$1,429.31, and aggregating \$9,159.78. The Peoples Realty Company is a co-partnership consisting of E. J. Wheeler and M. G. Myhre. This is considered a very poor claim. It has been under criticism by the Banking Department for years past, but has been gradually increasing in the bank. Wheeler's financial responsibility is very questionable. The bank claims to have some security which is supposed to consist of second real estate mortgages on some land, the value of which is very questionable. The total removal of this claim is desirable."

Q. Don't you know that it is a fact that on the 3rd of December, 1920, the Bank of North Dakota held as collateral to the loan of the Scandinavian American Bank of Fargo, the note of E. J. Wheeler for \$8,642.54? A. I don't.

Q. Well, turn to what is called No. 19, M. G. Myhre deal?

A. (Reads): "This loan is made up as follows: Direct liability of M. G. Myhre, \$7,700, and notes signed by the People's

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Realty Company, amounting to \$1,429.31, and aggregating \$9,129.31. This loan is excessive in law and also considered excessive from a credit point of view. Myhre's responsibility is questioned for a line of credit anywhere near this limit. This loan should be materially reduced."

Q. I will ask you if you know whether it is a fact or not that the Bank of North Dakota now holds the note of M. G. Myhre for \$1,800 as collateral to the loan of the Scandinavian American Bank, or rather did on December 3, 1920? A. I do not.

Q. Well, look at the P. C. Jahnke deal, No. 20?

A. (Reads): "P. C. Jahnke, \$9,523.69. This note is secured by sixty-nine shares of stock in the People's Bank of Casselton, the par value of which is \$6,800. The maker of this loan is the assistant cashier of the People's State Bank of Casselton, and is without financial responsibility, as all his property holdings consist of 117 shares of stock in the People's State Bank of Casselton. This party owes the Casselton Bank over \$5,000. These two liabilities constitute a considerable excess over the actual value of the stock. This loan is highly objectionable and a removal of the same is recommended."

Q. How much was that? A. The total was \$9,523.69.

Q. Now I will show you Exhibit 43, temporarily, and ask
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you to look at the affidavits of Mr. Hagen, Mr. Eggen and Mr. Sherman and read what they say? A. (Reads): "P. C. Jahnke, \$2,307.90 removed, being a portion of the obligation of \$9,523.89, and leaving a balance thereon of \$7,215.99."

Q. \$7,215.99—Now Mr. Lofthus, do you not know that the Bank of North Dakota, on December 3rd, 1920, held the note of P. C. Jahnke for \$7,215.99, and secured by the same shares described in Mr. Haldorson's report? A. I do not.

Q. Look at what he says about O. N. Hatley—I think you will find it towards the end. A. (Reads): "Mr. Hatley has in the bank, notes which he has discounted, in the sum of \$12,820. In this amount there is also included some direct liability obligations of his own. Mr. Hatley's financial responsibility is questioned for so large an extension of credit. The paper is without security adequate for such an excess of outside paper. It should be reduced."

Q. How much was that? A. That was \$12,820.

Q. Do you not know that on the 3rd day of December, 1920, the Bank of North Dakota held the following paper of Mr. Hatley's on which he was liable directly or by endorsement: Note of O. O. Ganslow, for \$2100, endorsed by Hatley; note of Ingvoid Johnson, \$7,000, endorsed by Hatley; note of John H. Killian to Ingvoid Johnson and O. N. Hatley for \$3,000;
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note of O. N. Hatley for \$7500; and a further note of Ingvoid Johnson, connected with Hatley, for \$3,000? A. I did not.

Q. Mr. Haldorson made some criticism about the holding of bank shares of other banks as collateral in his report, did he not—you noted that when you read through there before? A. Yes.

Q. Now I will ask you if the Bank of North Dakota, on December 3, 1920, held as collateral either to certificates of deposit or loans, bank shares of the following banks: People's State Bank of Leith, \$14,531.91? A. No sir.

Q. By the way, will you please bring the last published

statement of the People's State Bank of Leith when you come back? A. Yes sir.

Q. And also the Ransom county Farmers Bank for \$15,649.50—you may bring the statement of that bank—and the People's State Bank of Hillsboro; the Peoples State Bank of Casselton; the Security State Bank of Courtenay; DeLamere State Bank; Peoples State Bank of Grand Forks. If you will note in the list of bad debts there, the page where that long list is, has he got in there any St. Johns certificates of deposits list as bad debts. See if you can find any reference to St. Johns C-D's and the amount? A. Yes.

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Q. What is it? A. \$2664.86.

Q. And Mr. Haldorson listed that under the head of "Bad Debts," did he not? A. Yes sir.

Q. Don't you know that the Bank of North Dakota on December 3, 1920, held C-D's of the St. Johns Bank for \$5,000? A. No sir.

Q. That bank went defunct, didn't it? A. It happened before I came to the office.

Q. You have heard of it? A. Yes.

Q. And the cashier was arrested for embezzlement in Rollette county? A. Yes.

Q. And the bank has always been in bad condition, hasn't it? A. Yes, I believe so.

Q. Well, I want to complete this examination later, so after I get through with some other questions I will ask you to step down and come back later. Have you got that list I asked you to bring up here? A. Yes sir.

Q. Were there two lists or just one? A. In two parts, just one list.

Q. Also make a note to bring the statement of the Michigan City Bank and any reports you have on it, and also bring statements and reports upon the American State Bank of Burlington, the Scandinavian American Bank of Van Hook, the Blaisdell bank—I don't know the name of it—there is only one there, the Tagus bank and the Sanish bank—the Jourgen

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Olson line of banks is what I want. Mr. Lofthus, what is the limit allowed by law of loans to any one concern? How is that fixed, or how do you figure it? A. I figure it at fifteen per cent, not to exceed fifteen per cent of the capital and surplus.

Q. Have you any idea of the capital and surplus of the Michigan City Bank? A. I can't tell off hand. I think the figures I have here in this directory—I think they are about nearly two years old now—a capital of \$10,000 and undivided profits of \$10,300. I presume it is \$10,000 capital and \$10,000 surplus.

Q. About \$20,000 altogether? A. Yes.

Q. And 15 per cent of that would be how much? A. \$3,000.

Q. So you would consider a loan to any one concern by that bank of \$27,800 rather excessive, wouldn't you? A. Yes.

Q. Mr. Lofthus, it has been reported that ten days before the Beach State Bank was closed \$20,000 was sent to it by the Bank of North Dakota under your request, orders or directions. Is there anything to it? A. Yes.

Q. Ten days before it closed? A. Yes sir. Ten days before it closed I was there and we arranged for it and expected to keep the bank open.

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Q. What do these check marks on here mean? (Showing Exhibit No. 60)

witness Exhibit 60, being list of banks with unhonored drafts to Bank of North Dakota.) A. I don't know. I don't know who placed those on there.

E. G. LEE,

recalled as a witness by the committee, and testified as follows:

Examination by Mr. Murphy:

Q. Mr. Lee, I will hand you Committee's Exhibit 41, being schedule to collateral loans held by the Bank of North Dakota, as of December 3, 1920, and I will ask you to look at page No. 59 of that schedule? A. Schedule one or two.

Q. Well, it is page 59. A. Well, they are paged separately.

Q. Look in index 110 then you will get it. Page 59. A. 110 is page 56.

Q. Well, look at page 59 following it. Do you find on there any notes signed apparently by A. M. Grosvenor? A. Yes.

Q. Read the date there? A. "Dated April 10, 1920, due January 10, 1921, 8 per cent interest, \$1,912.90."

Q. Any security to that particular note? A. None listed here.

Q. Look on page 62. Do you find any A. M. Grosvenor note there? A. "Dated April 10, 1920, due January 10, 1921, A. M. Grosvenor, \$9,000."

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Q. No security listed as to that note, is there? A. No sir.

Q. That makes a total of \$10,912.90, does it not? A. Yes.

Q. Now, if you will please look on page 59 again, see if you find a note thereof the Peoples Power, Fuel and Clay Products Company down towards the bottom, I think? A. Yes.

Q. Read it? A. "Date June 10, 1920, due May 12, 1920, that pobably should be 21—Peoples Power, Fuel and Clay Products Company, endorsed' Porter Kimball, \$9,000."

Q. That is December 5, 1920? A. Yes.

Q. How much? A. \$9,000.

Q. Look on page 63? A. —Well, that is October 6, 1920, instead of June 10th, dated October 6, 1920, and due December 5, 1920.

Q. Now look on page 63? A. "Dated Oct. 6, 1920, due in sixty days, Peoples Power, Fuel and Clay Products Company by Porter Kimball, \$5,041.75.

Q. No security to either one of those? A. None listed.

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Q. How much is the total? A. \$14,041.75.

Q. Look on page 60, and see if you find any notations relative to E. J. Wheeler right at the top of the page; I think you will find that? A. "Sept. 28, 1920, due March 28, 1920. E. J. Wheeler."

Q. How much? A. \$8,642.54.

Q. Now look on page 59 and see if you find any reference to M. J. Myhre? A. M. J. or M. G.

Q. M. G., I guess? A. "July 21, 1920, date, due January 21, 1821. M. G. Myhre, \$1,800.

Q. Now look at page 61 and see if you can find the P. C. Jahnke deal. You will find that at the top of the page—Jahnke? A. "Dated July 16, 1920, due November 1, 1920. P. C. Jahnke. \$7,215.99."

Q. What is the security listed after that? A. Secured by

Certificate No. 49, sixty-eight shares, par value \$100, stock in Peoples State Bank of Casselton, North Dakota.

Q. Please look at page 59, see if you find O. O. Ganslow, \$2,100, endorsed by O. N. Hatley? A. "Dated Sept. 28, 1920, due March 28, 1921. O. O. Ganslow, endorsed by O. N. Hatley and Ingvold Johnson.

Q. How much? A. \$2,100.

Q. On the same page see if you can find any by Ingvold Johnson, endorsed by Hatley, for \$7,000? A. "Dated September 28, 1920, due March 1, 1921, Ingvold Johnson, endorsed by O. N. Hatley, for \$7,000."

Q. On the same page see if you can find a note of John H. Killian to Ingvold Johnson and O. N. Hatley, for \$3,000?

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A. "Date August 30, 1920, due January 21, 1920, John H. Killian to Ingvold Johnson and O. N. Hatley, \$3,000."

Q. On page 62, see if you can find a note of O. N. Hatley for \$7,500? A. "Dated October 18, 1920, six months, O. N. Hatley, \$7,500."

Q. On page 63, see if you can find a note of Mr. Ingvold Johnson for \$3,000, dated October 26, 1920, and due April 10, 1921, \$3,000? A. "Ingvold Johnson, \$3,000, secured by collateral note of Myhre Bros., and Ward Land Company, due April 10, 1921, \$3,000."

Q. Look on page 60, and find whether or not the Bank of North Dakota is holding as collateral—by the way, all of these loans that you have read were notes held by the Bank of North Dakota on December 3, 1920, as collateral to the loan of the Scandinavian American Bank of Fargo, are they not? A. Yes.

Q. Now look on page 60 and see if you can find whether or not the Bank of North Dakota was holding as collateral to a loan or C-D's of the Scandinavian American Bank of Fargo, any of the stock of the Peoples State Bank of Leith? A. "Certificates of deposit, dated Nov. 10, 1919, due Nov. 10, 1920, Peoples State Bank, Leith, North Dakota, No. 52, J. I. Cahill, No. 53, Frank J. Emsch, No. 54, Adolph Zeller, endorsed by the Scandinavian American Bank, Fargo.

Q. You haven't given us the amounts. J. I. Cahill? A. Is \$4,846.61; Frank J. Emsch, \$4,846.60, and Adolph Zeller, \$4,846.60.

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Q. How much is the total? A. \$14,539.89.

Q. On the same page you will please investigate and say whether or not the Bank of North Dakota holds stock in the Ransom County Farmers Bank as collateral to the loan of the Scandinavian American Bank of Fargo, or certificates of deposit? A. "Certificates of deposit issued by the Ransom County Farmers Bank, Lisbon, as follows, and endorsed by Scandinavian American Bank, Fargo: "Dated August 8, 1919, due November 1, 1920, No. 3287, Western National Fire Insurance Company, \$3,150. November 1, 1920, due December 31, 1920, No. 3592, Matt Linzbach, \$5,000; dated November 1, 1920, due December 31, 1920, No. 3593, P. A. Suhumskic, \$5,000; dated November 1, 1920, due December 31, 1920, No. 3594, M. J. Kennedy, \$2,499.50."

Q. Is that all of them? A. Yes.

Q. What is the total? A. \$15,649.50.

Q. Does that record show that the Scandinavian American Bank gave these certificates of deposit as collateral or gave its certificate of deposit to the Bank of North Dakota and as security therefor gave these different certificates of deposit on

the Ransom County Farmers Bank, that you have read? A. Those are all C-D's. Yes, to notes of the Scandinavian American Bank.

Q. Collateral to the notes of the Scandinavian American
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Bank? A. Yes.

Q. But this particular item show, does it not— A. Shows certificates of deposit.

Q. And what you have read are C. D.s issued by the Ransom County Farmers Bank to the various person whose names you read? A. Yes.

Q. And they are brought here by the Scandinavian-American Bank of Fargo, as collateral to its loan from the Bank of North Dakota? A. Yes.

Q. Now look on Page 61 and see if there are not some more of that same bank's certificates? A. Yes, dated Nov. 6, 1920, due Jan. 5, 1921, Ransom County Farmers Bank, Lisbon, to J. H. Hagen, \$4930.

Q. Now add them to the other \$15,000, and give us the total of the Ransom County Farmers Bank stuff? A. \$20,-579.50.

Q. Now on page 57, see if you can find any paper of the Peoples State Bank of Hillsboro? A. "Dated Nov. 10, 1919. Due Nov. 1, 1920, I. C. Frenberg, \$1218."

Q. What is it, a certificate of deposit? A. Secured by stock certificate No. 3 for ten shares Peoples State Bank of Hillsboro.

Q. That is Frenberg's note is secured by ten shares of stock in the Peoples State Bank of Hillsboro? A. Yes.

Q. Look in Page 61, and see if there is any of the Security State Bank of Courtenay? A. Yes. "Dated April 16,
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1920, due Dec. 16, 1920, Security State Bank, Courtenay. \$1,-290. C. D."

Q. Look at Page 61, DeLamere State Bank? A. "Dated Nov. 15, 1920, due 90 days, Frank Bennett, \$300. Dated Oct. 6, 1920, 90 days, A. C. Bergeson, \$400. Dated Oct. 8, 1920, 90 days, A. R. Bergeson, \$900. Dated Nov. 3, 1920, 60 days, H. H. Berg, \$5,000. Secured by note of J. C. McDermott, twenty-five shares in DeLamere State Bank, \$300 per share."

Q. What is the total of the notes? Those twenty-five shares secures? A. \$6,600.

Q. Now look on Page 63, do you see any item with reference to the Peoples State Bank of Grand Forks? A. Dated Oct. 2, 1920, 60 days, Ole Knutson, \$1,000. secured by fifteen shares capital stock, Peoples State Bank of Grand Forks, par value, \$1,500.

Q. Look at page 187, and tell us whether or not the Bank of North Dakota hold a certificate of deposit of the St. Johns State Bank for \$5,000? A. Collateral C. D. \$5,000.

Q. What bank? A. St. Johns State Bank.

O. E. Lofthus, recalled as a witness, and testified as follows:

Examination by Mr. Murphy:

Q. I will show you signature appearing upon Committee's Exhibit 42, O. E. Lofthus and ask you if that is your signature? A. Yes sir, it is.

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Q. Do you know Mr. Myron W. Thatcher? A. Yes sir.

Q. Do you know his signature? A. Yes sir.

Q. Is that his signature? A. Yes sir.

Q. And that is attached to an affidavit made by yourself and Mr. Thatcher to the Supreme Court in the case of State of North Dakota on the relation of the Scandinavian-American Bank, O. E. Lofthus, et al, vs. William Langer, et al? A. Yes sir.

Q. And attached to that is a statement which you have denominated in your affidavit as Exhibit A. is there not? A. Yes.

Q. And as a part of your affidavit? A. Yes.

Q. Now I want to direct your attention to the statement made in that affidavit with reference to the Sisal Trust Loan of the Scandinavian-American Bank, and have you read it? A. "The Sisal Trust Loan, is shown as outstanding and unpaid in the financial statement that is submitted. These parties have at just the hour this report is being made paid their notes in full."

Q. Just at the hour this report was made? A. Yes.

Q. That was in the form of a check, was'nt it? Do you recall? A. I believe so, yes.

Q. Mr. Brinton presented that check for \$11,000? A. Yes.

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Mr. Murphy: Is Mr. Jourgen Olson here. I direct the Committee's attention to the fact that this man has not appeared.

Mr. Chairman: Is Jourgen Olson here? No answer.

Mr. Shipley introduced a resolution, with respect to a communication addressed to the Governor, which resolution is set forth at length in the minutes, and moved its adoption.

Mr. Freeman seconded the motion.

On roll call, all members present voted aye, and the motion was declared carried and the resolution duly adopted.

On motion of Mr. Nagel, seconded by Mr. Ulland, an adjournment was taken until Monday morning, Feb. 14, 1921, at 9:30 a. m.

End of Feb. 11th, 1921.

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February 14, 1921.

Meeting called to order by the chairman at 9:30 a. m. with all members present, excepting Johnson of Steele, Weld and Hanson.

Minutes of previous meeting read and approved as read.

F. W. Cathro, recalled as a witness, and testified as follows:

Examination by Mr. Murphy:

Q. Mr. Cathro, I asked you to bring some data relative to— A. Just a moment please, I would like to make a statement to the committee.

Mr. Murphy: I have no objection to your making statements, but I wish that you would complete your statement of all you want to say and get through with it.

Mr. Chairman: What is the nature of the statement you are about to make, Mr. Cathro?

(Statement made by Mr. Cathro afterwards by resolution ordered expunged from the record and not here included.)

Mr. Murphy: Just a moment, Mr. Cathro, I suggest, Mr. Chairman that the statements now being made by the gentleman are merely broad generalities, not specific and merely his own view point.

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Mr. Cathro: I have the specific statements here. I have been —

Mr. Murphy: I haven't called this witness for the purpose of engaging in an argument with him. And I want to make a suggestion to you, Mr. Cathro. There are three copies of the Bishop, Brissman report. You knew that. One copy is in the possession of the Senate Committee and another one in the possession of the Board of Auditors. Have you made any effort to look at those copies of the Bishop, Brissman report at any time. There are in the hands of your attorneys and have been all the time, where you could have access to them. Secondly, I desire to call your attention to the fact that the Senate Committee is in session constantly, and you have a full opportunity to appear there and make any statements that you wish. Now we would prefer Mr. Cathro, if you have no objection to it, to conduct this examination in our own way and suggest that the publicity, if that is what you are seeking, and opportunity to make these particular statements and arguments are open to you before the Senate Committee, I have no doubt, any time you wish to make them there. I would like to proceed with this examination. We haven't much time. We have been delayed and hampered here and our time is slipping away. I would suggest Mr. Chairman that I be permitted to proceed and ask

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this witness my questions.

Mr. Cathro: This opportunity was promised me by the attorneys of this committee. It is a matter I am entitled to of right, and I demand it and it is my intention to proceed and make these statements that I have prepared for you.

Mr. Murphy: I think you misinterpret me somewhat. You have made statement after statement here and come in here with a written statement prepared by yourself perhaps with the able assistance of your counsel, which consisted of nothing but broad argument. They will avail us nothing here. We are not looking for arguments with anyone. We are after the facts. You imply in all of your statements that both the committee and counsel have been unfair. We have no such desire and have made no such effort, and you ought not to expect us to sit here and have you stand up and read a broad, general indictment of this committee and of its counsel and I insist, Mr. Chairman, that the gentleman be instructed to take his seat and answer the questions propounded to him.

Mr. Shipley: I have a motion I want to make at this time.

Mr. Murphy: Just another thing I want to suggest. There have been numerous copies of the transcripts made of this evidence, which have always been available to Mr. Hanson,

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and Mr. Johnson of Steele and Mr. Weld, and they have availed themselves of the opportunity, ever since leaving this committee, to get their copies and they have been open to you if you wanted to use them, and your counsel certainly had the opportunity.

Mr. Shipley: I move at this time that the speech of Mr. Cathro, as made before this committee, be expunged from the records of this investigation, and that he nor any other witness at any future time be permitted to make speeches when called here for the purpose of an investigation; that the balance of the speech that he has so carefully prepared be now laid aside and he be required to answer the questions put to him by counsel.

Johnson of Ward seconded the motion.

Mr. Cathro: Mr. Chairman, I wish to enter my protest at this time, in view of the promises made to me by your committee through their attorney.

On roll call Grangaard voted no; Freeman, aye, Nagel, aye; Ulland, aye; Johnson of Ward, aye; Shipley, aye, and the motion was declared carried.

Mr. Shipley: Now I insist that the motion be observed from now and that Mr. Cathro answer the questions.

Mr. Chairman: That of course is understood in view of
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the fact that the motion has been put and carried.

Mr. Cathro: Mr. Chairman, may I proceed with these explanations that I have prepared, answering specific questions that have been propounded in this hearing.

Mr. Chairman: Are they relevant to the hearing.

Mr. Cathro: Absolutely relevant to the questions already asked and in evidence.

Mr. Murphy: If they have been asked, they have been answered. I understood Mr. Shipley's motion was that the witness be instructed to answer the questions and I would like to proceed with this examination.

Mr. Shipley: Absolutely.

Mr. Chairman: Mr. Cathro, you will comply with the motion as made and carried by the committee and answer the questions as propounded and asked by counsel.

Mr. Cathro: I at no time have indicated any unwillingness —

Mr. Shipley: I don't think that is a proper procedure here, and Mr. Cathro has been called in here as a witness, not to make a speech, not as counsel for him or counsel for the Industrial Commission. We are here for the purpose of getting the facts regarding this investigation and at this
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time, I as a member of the committee insist that he observes the rules as laid down by the committee and that he answer the questions of counsel.

Mr. Sinkler: Mr. Cathro I think you had better comply with the decision of the committee, they having refused to allow you to give that testimony. Just sit down and answer the questions.

Mr. Cathro: It seems to me that I was promised an opportunity to make a statement to the committee.

Mr. Shipley: Have you any other witness, Mr. Murphy.

Mr. Murphy: Yes I have, but I would like to go through with this one, if we are ever going to.

Q. Did you produce the data asked of you the other day with reference to the Duan and Stark county bond propositions? A. I have.

Q. Will you produce them? Witness produces papers.

(Exhibit No. 61)

Q. You have handed me Committee's Exhibit 61 which consists of a memorandum slip of the Bank of North Dakota, and loose leaf ledger sheet of Dunn County account in the Bank of North Dakota, commencing July 20th, and a memorandum of agreement between the Bank of North Dakota and the Board of County Commissioners of Dunn County;

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an order signed by J. N. Hagan as Commissioner of Agriculture and Labor, as of March 15, 1920, and the order signed by J. N. Hagan, as Commissioner of Agriculture and Labor as of the 26th of April, 1920, relative to what is known as the Dunn County seed and feed bonds, did you not? A. Yes sir.

Q. Now your loose leaf ledger sheets show that this account was credited with \$91,094.72 on the 30th day of June, does it not? A. That has no relation, however—it is credited, but it has no relation to the seed and feed bonds.

Q. This loose leaf ledger has nothing to do with that? A. It has, but the whole sheet does not show exclusively that transaction. It shows other transactions.

Q. Could you point out on that portion that refers to the seed and feed transaction only? A. The item of \$4160.

Q. July 3rd? A. Yes.

Q. What is that item? A. That is the brokerage. The item of \$1266.99.

Q. What is that? A. That is interest received by the Bank of North Dakota.

Q. What is the next? A. Item of \$143.50 consisting of printing charge paid to the Bank of North Dakota.

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Q. Those are debits on the account of Dunn County on the ledger? Debited to the account of Dunn county were they not? A. Yes. And the item of \$1519.70 consisting of interest paid to Dunn county by the Bank of North Dakota. The difference between these debits and credits amount to \$109.21, which the Bank of North Dakota is short on the transaction.

Q. Now the memorandum agreement which has been offered here, between the county and the bank, provides does it not that the county will issue its bonds under the provisions of Article 24, Chapter 42, Laws of 1913? A. It does.

Q. And of the Laws of the Special Session of 1918, and also Chapter 54, laws of the Special Session of 1919, being amendments of the original? A. It does.

Q. And that these bonds are to be in the sum of \$100,000, dated March 15, 1920, with interest at six per cent per annum? A. It does.

Q. Payable on the 15th of March and the 15th of September, each year? A. Yes.

Q. And the bonds mature five years from date, that is five years from the 15th day of March, 1920? A. It does.

Q. And these bonds, it is provided, are to be delivered to the Bank of North Dakota, and upon the delivery of the bonds to the Bank, the Bank agrees to pay the treasurer of

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Dunn County \$100,000? A. That is correct.

Q. Signed: Board of County Commissioners by Charles

M. Pugh, Chairman, T. J. Anders, Commissioners, Bank of North Dakota, by F. W. Cathro, Director General.

Q. The following notation: "I hereby approve the foregoing contract this 15th day of March, 1920. J. N. Hagan, Commissioner of Agriculture and Labor?" A. Yes.

Q. And other provisions in there you think ought to be read into the records? A. None occurs to me.

Q. Now there is the order dated March 15, 1920, signed by J. N. Hagan, in which he says as follows: "Ordered, in consideration of a certain contract of even date herewith made by and between the county of Dunn, through its Board of County Commissioners, and the Bank of North Dakota, at Bismarck, N. D., by virtue of the power vested in me under the provisions of Section 3473 of the laws of the State of North Dakota, 1919, I as Commissioner of Agriculture and Labor, do hereby order and direct that the said County of Dunn shall pay to the Bank of North Dakota, a brokerage fee of 4.16 percent of the amount of the bonds covered in said contract heretofore referred to, and shall pay the cost of preparing bonds and shall pay the cost of advertising heretofore incurred in the advertising of the bonds for sale,

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and shall pay the fee for an attorney's opinion as to the validity of the bonds, said opinion to be rendered by an attorney acceptable to the Bank of North Dakota, the said brokerage fee, for preparing the bonds, advertising fees and costs of an attorneys opinion are to be paid before any other payments are made from the proceeds of the sale of such bonds. Signed: J. N. Hagan, Commissioner of Agriculture and Labor, Bismarck, North Dakota, March 15, 1920." And the following order: "I, J. N. Hagan, Commissioner of Agriculture and Labor of the State of North Dakota, do hereby certify that I have accepted the bid of the Bank of North Dakota for seed grain bonds of Dunn county, North Dakota, in the amount of One Hundred Thousand Dollars, (\$100,000) at par less a brokerage of four and sixteen one-hundredths per cent (4.16%) and less cost of preparing the bonds, and less cost of advertising for sale, and less fee for attorney's opinion as to the validity of said bonds. Dated at Bismarck, N. D., this 26th day of April, 1920. J. N. Hagan, Commissioner of Agriculture and Labor, State of North Dakota." That is correct? A. Yes sir.

Q. Now Mr. Cathro, as I understand the method, you credited the account of Dunn county with the amount of money that was to be sent them as the proceeds of these bonds, did you not? A. No.

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Q. Well, how did the bank pay Dunn County? A. Paid by remittance of \$95,000 to the Bank of Manning, and it was transferred to the county treasurer, and \$5,000 additional is credited on this account.

Q. And then you charged Dunn county—it was then carrying an account of course—the treasurer carried an account in the Bank of North Dakota, did he not, a general account? A. Yes.

Q. And these items that you read to us were charged to that account? A. This is the account of the county treasurer of Dunn County.

Q. And the various items consisting of cost of advertis-

ing and interest and brokerage were charged to the account of the county treasurer of Dunn County? A. Yes.

Q. And with what were they credited? What opposing entry was made on the books of the bank of these items charged to the treasurer of Dunn county? In other words, where did the money go? Who got it? Let me ask you this question: Have you any record of the bank showing that at the time these entries were made charging the county treasurer of Dunn County the various sums that have been mentioned—is there any record of the bank showing what opposing entry was made at that time on the books of the bank. Naturally you would have to credit some account or
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you would be that much long, wouldn't you? A. Well, I can't tell you now without making a further examination of the books.

Q. Well, I wish you would do that. That was the very thing I wanted to get at. I wanted to get at your method of making this charge and then what counter entry was made so as to show what became of the money? A. It seems to me that this contract with Sidney, Spitzer Company will settle that question.

Q. Well, I don't believe it would. I would like to find out just what was done on the books of the bank with the money, if it did finally get into the hands of Sidney, Spitzer Company, well and good? A. I have a contract in my hand which shows a disposition of the money.

Q. That doesn't show anything except an agreement to pay it? A. This is the agreement.

Q. That doesn't show the actual disposition of the money. I want to see whether you did it or not. Then as I understand the transaction these bonds were subsequently sold to Sidney, Spitzer and Company for enough below par to absorb the amount of brokerage and expense and charges that were made against Dunn county? A. Yes.

Q. Now who was the attorney that gave the opinion on
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that? A. In this case, as I recall it now there was no attorney's fee paid.

Q. Aren't you mistaken about that? The Commissioners of Dunn County contend there was an attorney fee of \$500 paid or charged against the county. I am curious to know what lawyer got \$500 because I haven't seen that much myself for a long while? A. There was no charge made here for attorneys fees.

Q. Well, how about Stark county. Was there a charge made in that matter? A. I believe there was.

Q. Who was the lawyer? A. I don't know.

Q. Could you find out for us? A. I presume I can.

Q. The contract, I assume, with Stark County had a similar provision that the lawyer must be someone acceptable to the Bank of North Dakota? A. Yes.

Q. Would you be kind enough to let us know. Now I understand, the Stark county transaction is just the same kind of a transaction this one was, was it? A. Yes, same kind of a transaction. The plan was the same throughout.

Q. And the procedure was completed in the same way?

A. Except there was an attorney's fee in one case and not

in the other, and in one case there was a small margin of profit to the bank and in the other a loss to the bank.

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A. Johannsen, recalled as a witness, and testified as follows:

Examination by Mr. Murphy:

Q. Mr. Johannsen, I asked you to bring some data up the other day. Have you that with you? A. Yes sir, here is the ledger sheet of the Mercantile State Bank of Minneapolis.

Q. Showing the activity of the account? A. Showing the activity of the account.

Q. And it starts with? A. October 11, 1920, and runs down to date.

Q. Well, let's see if I get this through my noddle here. On the 11th day of October, 1920, the account of the Mercantile State Bank shows a deposit of \$50,000? A. Yes sir.

Q. And on the 6th day of November, \$10,000 more? A. Yes sir.

Q. Is that correct? A. Yes sir.

Q. And on the 6th day of November they were debited \$10,000, showing a balance as of that day of \$60,000? A. That is right.

Q. Then, of course, interest charges were made? A. Yes.

Q. Then the balance is shown in this column, and it starts with \$50,000 and runs down to one place as low as \$14,000, and another place it is \$10,000 and another down as low as \$4000 for a few days, and then it finally comes up on the 13th day of August to twenty, thirty, forty, fifty, sixty,

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seventy, eighty and ninety thousand dollars, and then gets up as high as \$105,000, and drops down to eighty, ninety, sixty, forty, fifty, twenty, and up again to forty, fifty and sixty thousand? A. Yes.

Q. And the balance then drops down to \$11,000, and on the 10th day of February it is \$467.42. That is correct? A. Yes.

Q. A general survey of it? A. Yes sir.

Q. Those are remittances (indicating) credited to that account? A. Debited to that account.

Q. What other one have you got? A. This is the Merchants Loan & Trust Company of Chicago.

Q. They had a balance on the 4th day of March, 1920, of \$22,040.55? A. Yes sir.

Q. And they run the same scale up as high as sixty, sixty-five thousand, twenty, thirty, sixteen, and go up as high as \$11,000 on the 24th day of July? A. That looks like \$1,116,421.98.

Q. And you gradually cleaned that down so it runs nine hundred thousand, eight hundred thousand, seven hundred thousand, six hundred thousand, five hundred thousand, three hundred thousand, down to two hundred thousand, and then you jump up again to four hundred and eighty-eight thousand down here, four hundred ninety-five thousand, five hundred and three thousand, and on December 3rd your bal-

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ance here shows \$140,401.74, does it not? A. That is right.

Q. January 21st is the last item? A. No, here is February.

Q. February 11th there was \$8,229.81? A. Yes sir.

Q. Now I asked you for certain other documents—have you those rediscount statements? A. You didn't ask me for those.

Q. What other matters have you brought with you? A. You wanted a list of the expense. There is the total of the expense and date—

Q. Give us the total? A. '\$274,361.48.

Q. That represents general expense as distinguished from interest paid out? A. For 1919, 1920 and 1921.

Q. That is ever since the commencement of the bank? A. Yes, that includes the \$23,954.10 that was placed in the reserve account to repay the legislative appropriation.

Q. It includes that? A. Yes, because that worked out in interest proved.

Q. The amount of money you mentioned has been actually paid out in operating this bank since it has been open? A. Yes sir.

Q. Now what other items? A. Sheets of these various banks.

Q. You have brought here—? A. The Peoples State Bank of Sanish, Blaisdell State, Citizens State of Tagus, (364)

American State of Burlington, and Farmers State of Sanish, Scandinavian-American of Van Hook.

Q. The Peoples State Bank of Sanish, these are the loose leaf ledger accounts with the Bank of North Dakota showing redeposits? A. Yes sir.

Q. The Peoples State Bank of Sanish, on the 13th day of August, 1919, had a balance of \$2251.19, is that correct? A. Yes sir, that is correct. This is the balance right today (indicating).

Q. A balance on January 31, of \$7633.25? A. Yes.

Q. On June 30, 1920, a balance of \$13,800.20, which appears to be the peak or maximum carried in that bank. Is that correct? A. Yes sir.

Q. And the First Farmers Bank of Minot, on August 11, 1919, started out with \$214.30 on that date? A. Yes.

Q. That was the balance in any event, and on April 8, 1920 they had \$26,563.14, April 13th, \$29,563.14, April 27th, \$29,595.44, May, \$29,686.94, May 27th, \$36,686.94, June 23rd, \$36,786.04—that was 1920, was it not? A. Yes sir.

Q. And on June 30th, \$36,786.04; July 24th, \$36,910.99; August 25, 1920, \$37,032.35; September 12th, \$47,032.35—there was \$10,000 sent them on that date? A. September 12th, yes.

Q. September 24th, they had \$47,158.15, and on August 26th, \$47,303.30. Is this the last sheet?

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Q. Up to date they have \$47,623.06? A. Yes.

Q. That was formerly Grant Youman's bank? A. Yes.

Q. The Blaisdell State Bank—that is a Jourgen Olson bank? A. Yes.

Q. Starting with \$4591.76 on August 13, 1919? A. Yes sir.

Q. And going up as high as \$23,632.56 on March 15, 1920; \$23,900.96 on June 23, 1920, and never below \$23,309.67 until Nov. 26, 1920, dropping down on November 28th to \$18,309.57, and up to date they have \$17,651.22 in that bank. Is that correct? A. Yes sir.

Q. The Citizens State of Tagus. Is that another of Olson's banks? A. Yes.

Q. And that bank started August 11, 1919, with \$688.41, did they not? A. Yes sir. You see these are certificates that they formerly held prior to the organization of the Bank of North Dakota, and as these certificates became due they were credited to the account.

Q. The account ran up to September 13th, \$13,800.94, and on the 25th of March, 1920, up to \$22,113.05; on the 23rd of June, \$22,337.62; the 24th of August, \$25,639.26; and up to date they have \$23,029.28. That is correct? A. Yes sir.

Q. The American State of Burlington is another Olson Bank, is it not?

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Q. August 11th, they started with \$1,565.30—1919 that is? A. Yes sir.

Q. And they ran up until June 13th they had \$43,238.51? A. Yes sir.

Q. And on February 2, 1920? A. \$68,291.45.

Q. June 23, 1920? A. \$69,339.25.

Q. And they ran up until June 13th they had \$43,238.51? there was \$70,007.45, and they have to date \$70,480.66 in that bank? A. Yes.

Q. And the Farmers State Bank of Sanisa, is that another Olson Bank? A. Yes sir.

Q. That bank started with \$2530.90 on August 23, 1919, and when we get to March 31, 1920, they had \$49,491.28; on April 27th, they had \$49,654; June 29th, \$49,985.89; August 25th, 1920, they get up as high as \$50,319.67; and they have to date \$46,116.33 in that bank? A. Yes.

Q. Of redeposits? A. Yes.

Q. And the Scandinavian-American Bank of Van Hook is also a Jourgen Olson Bank is it not? A. Yes.

Q. And that Bank started August 13, 1919, with \$2500? A. Yes sir.

Q. And on April 30, 1920, they gradually increased until they had \$36,876.40, and on April 21, they had \$37,019.78, there remained at approximately the same amount until November 28, 1920, when they went down to \$26,758.41? A.

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That is a draft drawn.

Q. A draft for \$10,000, but not paid. In other words when you drew a draft you charged the account, and when they didn't pay it it was charged back. January 13th you charged them back and raised them back to \$36,758.98? A. Yes sir.

Q. And up to date, \$37,003.98? A. Yes sir.

Q. That was the custom when a draft was drawn. Mr. Johannsen, to credit the account at the time of drawing the draft? A. Yes.

Q. And if the draft was not honored it was charged back again against the account? A. Yes sir.

Mr. Chairman: Mr. Johannsen. was there any theory, any policy or influence that caused these redeposits to be made by you in this manner in contradiction to your better business judgment?

Mr. Johannsen: Well, these deposits in these banks, these Olson banks, were placed there under the instructions of J. R. Waters.

Q. He was then manager of the Bank of North Dakota?
A. He was.

Q. You merely followed his instructions? A. Absolutely.
Mr. Chairman: You wouldn't want this manner of re-depositing to be a criterion of your business judgment? A.
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Not in this particular instance.

Q. In other words, as I understand it, Joe, you don't exactly approve of that? A. Absolutely not.

O. E. Lofthus, recalled as a witness, and testified as follows:

Examination by Mr. Sullivan:

Q. Mr. Lofthus, you are the state examiner of the State of North Dakota? A. I am.

Q. And who were you appointed by, Mr. Lofthus? A. By Gov. Frazier.

Q. And do you remember when you were appointed? A. June 16, 1919.

Q. And since that time you have been examiner continuously up to and including this time? A. Yes sir.

Q. Mr. Lofthus, possibly some of the members of the committee are not familiar with the manner and duties of an examiner in the examination of a state bank, and I am going to ask you if you will outline for us just what is done by a bank examiner in examining a state bank in the state of North Dakota. Just outline it in a general way? A. The first thing we do is to count the cash and prove that with the books.

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Q. What is the next thing? A. I don't know as to whether—the order may be different with some examiners, but some take the bills receivable and prove them.

Q. Well, take the way you approve of? A. Yes—and run them off on the adding machine and prove them with the ledger. Then prove the time certificates of deposit, the demand certificates of deposit, the cashier's checks, savings deposits, individual deposits, then examine the loans and discounts.

Q. What next? A. And securities—as to the value of securities; also as to past due paper, and class the loans as to securities, as to one name paper, two name paper and paper secured by chattels or collateral; paper secured by other real estate; examine the stock book to ascertain the amount of stock outstanding and see if all stock has been receipted for; examine the minute book of the corporation—of the bank to ascertain if meetings had been held regularly and legally; ascertain whether or not indebtedness of officers has been approved by the Board of Directors. Some of my examiners follow this rule, that they list loans on the adding machine, leaving space enough for writing in the names. Some don't do that.

Q. This manner that you have described, however, is the manner that you approve of? A. Yes sir.

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Q. Now you say, Mr. Lofthus, that you prove the time certificates of deposit, for instance. Just explain what you mean by proving the time certificates of deposits? A. In the time C. D. records there is a space where you mark in the record when a time C. D. is paid. You take the time C.

D. pads that have been returned cancelled—you take the time C. D. pad that is in daily use and you account for all of the numbers missing from the pad, and in that way compare it with the books, to ascertain that all C. D.s that are not shown to have been cancelled by that book are outstanding and show on the books of the bank as being outstanding.

Q. Now that is true also with the demand C. D.s or cashier's checks, the savings deposits and the individual deposits. How about the individual deposits—do you prove those? A. Well, we don't prove those. We assume that they are correct unless there is some reason why we might investigate certain accounts. We usually go over large accounts in there and inquire as to certain large deposits and as to the possibility of them being suddenly withdrawn.

Q. Now you say you examine the loans and discounts as to value? A. Yes sir.

Q. And examine the securities—now just what do you do with reference to examining the loans and discounts—make an investigation in the community, do you, generally?

A. No sir, not generally.

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Q. Well, how is it generally done, Mr. Lofthus? A. It is generally gone over. If the notes aren't past due and small amounts we don't make much inquiry about, but assume that they are honestly on the books and they are honestly a true indebtedness and assets of the bank.

Q. Well, do you make any inquiry or examination as to the financial responsibility of the makers of any of the bills receivable or discounts? A. Yes sir.

Q. Just how do you get at it to determine the financial responsibility of these makers? A. By inquiry of the cashier—the directors in some cases.

Q. In other words, you satisfy yourself as to the financial responsibility of the people who are owing the bank? A. Yes sir.

Q. Then you say you class these loans as to their security by the one name paper, two name paper, and paper secured by chattel mortgage and so forth. I assume also that you look over the chattel mortgages, do you not to determine whether or not the security named in the chattel mortgage is ample to secure the amount of the debt? A. Yes sir.

Q. I suppose on paper that is known to be secured by

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real estate, you make inquiry generally or when the occasion should arise for it, to determine the value of the real estate? A. Yes, securities where real estate—first mortgage loans are listed usually, and in a way so that we can look it up if at any time we feel there may be any suspicion of value or title.

Q. I assume also, Mr. Lofthus, that in the examination of a state bank, your examiners and yourself keep in mind the matters of law that apply to banks and banking institutions, for instance as to the amount that they had invested in real estate, banking house and fixtures? A. Yes sir.

Q. And the amount of their loans, as to whether or not the amount of the loans in the bank are more than the amount permitted under the statute for one banking institution? A. Yes sir, they are listed.

Q. And I assume also that you pay particular attention to the matter of the bank's reserve? A. Yes sir.

Q. One of the principal requirements of the statutory law of the state, outside of the bank regulations by the banking department, one of the particular legal requirements is in the matter of the reserve of the bank? A. Yes sir.

Q. Now explain to the committee, Mr. Lofthus, if you will, just what is meant by a bank's reserve? A. A bank's re-
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serve is available cash, either in the vault—a certain percentage in the vault and the rest with approved correspondent banks.

Q. Now let's explain about that right there—what is meant by approved correspondent banks? A. Approved correspondent banks—there is an application filed with the Banking Board—

Q. By some bank? A. By some bank, yes—with the bank examiner—it doesn't come before the Banking Board, but we ascertain, if it is a bank that we are not familiar with—we ascertain its standing—before we approve it as a correspondent bank.

Q. Now then, you take into consideration, in determining the reserve, the cash that is in the bank? A. Yes.

Q. And also take into consideration the amount that is deposited with these approved depositaries that you refer to? A. Yes sir.

Q. And these two items are taken into consideration in figuring what amount of money the bank has in reserve? A. Yes sir.

Q. Now will you explain to the committee just why there is any necessity for a reserve in a bank? We will assume these men are not bankers? A. The necessity for reserve is because we don't know at any time what the demand may be, and we assume there is going to be some demand each
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day and the reserve is to be able to pay such a demand when it is made.

Q. In other words, then, the reserve of a bank is the money that is available any minute for payment immediately upon demand? A. Yes sir.

Q. And that is the banks protection against insolvency, isn't it? A. Yes sir.

Q. Because when a bank cannot pay its current payments in the usual course of business, in other words, when its reserve gets below the amount of present demand upon it, then it is insolvent, isn't it? A. Yes.

Q. Now, then, Mr. Lofthus, I think you have explained to us the manner of your examination of an ordinary state bank. Now I want to direct your attention to the examination that you are permitted to make under the law of the Bank of North Dakota. There is a very substantial difference, is there not, Mr. Lofthus, between the duties that are imposed upon you under the law, with reference to your examination of the state banks of the state and the duty that the law imposes upon you with reference to the Bank of North Dakota? A. Yes sir, there is.

Q. Now, let us make that plain to the committee, I have prepared a little memoranda on it Mr. Lofthus, and I am
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going to give you a few minutes to look this over and compare it so you will have it in your mind.

Recess taken for ten minutes, after which meeting called to order with all parties present, and the examination of Mr. Lofthus resumed.

Q. Mr. Lofthus, you gave us an itemized statement of the things you or your examiners do in connection with the examination of a bank, which I have tabulated as fourteen different things. Now, there was another matter that I think, possibly, you overlooked, Mr. Lofthus, and that was the question of verifying the accounts of the state banks with other correspondent banks? A. Yes, sir. I verify that by sending out letters.

Q. You send out letters to correspondent banks? A. Yes.

Q. And then you take the letters that you get back from the correspondent banks as to the amount of balances that the bank being examined has with the correspondent bank and see whether that amount agrees with the amount that the bank being examined has on its books? A. Yes, sir.

Q. Now, then, Mr. Lofthus, let us balance those fifteen items against your examination of the Bank of North Dakota, tell us what you do in the matter of the Bank of North Dakota? A. I examine the loans and discounts, verify them
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with the books, examine as to value, list or prove the real estate loans, and we assume that the values in the real estate loans after going through a committee are correct, so we don't go out and try to verify the value of the real estate loans. We examine all the assets of the Bank and verify the assets and liabilities by sending out letters to the State Treasurer, to all county treasurers, to all township treasurers and school treasurers, and ascertain whether the balance agree.

Q. Now, you can include those first three in one statement, can you not? A. Yes sir.

Q. That is, the examination of loans and discounts and proving of real estate loans can be included in the statement that you examine the assets and liabilities of the bank and verify them by sending out these letters? A. Yes, sir.

Q. Now, that is about a short and concise statement of your examination of the Bank of North Dakota, isn't it? A. Yes sir.

Q. In other words, you have no power under the law in your office to give any directions to the management of the Bank of North Dakota, with reference to their compliance with the laws? A. No, sir.

Q. And you have no power to require the Bank of North Dakota, or its officers to do any particular or specific thing,
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have you? A. No, sir.

Q. Do you have any power under the law, Mr. Lofthus, with reference to the Bank of North Dakota, to direct or supervise the affairs of the Bank of North Dakota, such as you have with reference to state banks? A. No, sir.

Q. Then the matter of state banks, I think you said that you are in direct supervision of their affairs, and may direct them in the manner of the conduct of their business so that they must bring it within the provisions of the law, and regulations of the State Banking Department? A. Yes.

Q. That power, however, is entirely absent with reference to your duties in the Bank of North Dakota? A. It is.

Q. And as a matter of fact, all you are permitted to do, substantially, under the law, with reference to the Bank of North Dakota, is simply to see that the figures on the books are kept correctly and properly added, subtracted, etc.? A. Yes, and also to call attention in my report to any regulations or any criticism I might have as to their method of keeping accounts, to the Industrial Commission.

Q. In a state bank, however, you can direct them yourself as to what to do when they violate the law? A. Yes, sir.

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Q. But in the Bank of North Dakota, if you find any violations of the law, in the Bank of North Dakota, you call the attention of the Industrial Commission, which has charge of the operation of the Bank, to those specific things that you may find? A. Yes sir.

Q. And your duties or at least your powers end with that? A. Yes, sir.

Q. Now, Mr. Lofthus, in an examination of a bank, just how was the reserve figured prior to the special session of 1920? A. I believe it was figured fifteen per cent on time liabilities.

Q. Just a minute, possibly you could get that better if you were referred specifically to the statute (hands the witness statute)? A. Twenty percent on demand liabilities and ten percent on time deposits.

Q. You would figure then under this statute that "each association shall at all times have on hand in available funds an amount which, after deducting therefrom the amount due to other banks, shall equal twenty percent of its demand deposits and ten percent of its time deposits." That is correct is it? A. Yes, sir.

Q. In a state bank, let me inquire, how are the moneys that are due to the county treasurers, for instance—did you call those demand deposits before they were deposited in the

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Bank of North Dakota? A. They were carried in the individual ledger as individual or commercial deposits.

Q. And that is also true, is it not, of all the public moneys that were deposited in the State Banks? They were carried as individual deposits and as demand deposits? A. All, except such as were placed on C. Ds.

Q. That was simply the sinking funds in most instances? A. Yes, sir.

Q. Now, this act, with reference to reserve, provides that three-fifths of this amount, that is of the reserve, shall consist of balances due to the association, meaning the bank,—make a note of this so you can figure it—from good solvent state or national banks or trust companies, which carry sufficient reserve to entitle them to act as depository banks, and are located in such commercial centers as will facilitate the purposes of banking exchanges, and which depository bank shall have been first approved by the State Banking Board of the State of North Dakota. Now, that simply means, does it not, and is construed by the Banking Department, as three-fifths of the reserve in the depository banks, that is three-fifths of the reserve may be in the depository banks? A. Yes, sir.

Q. Reading further: "and the remaining two-fifths of
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such reserve shall consist of actual cash on hand?" A. Yes
sir.

Q. That means that in each state bank in the State of North Dakota, up to the time of the special session of 1920, when this percentage was changed a little bit, two-fifths of the bank's reserve funds must be actual cash on hand in the vault? That is correct? A. It should be.

Q. Under the law? A. Yes.

Q. I assume that that is one of the particular and principal reasons, Mr. Lofthus, why the first thing you named as the duties of the bank examiner was to count the cash? A. Yes, sir.

Q. Now, then, let us apply that, Mr. Lofthus, to the balance sheet statement of the Bank of North Dakota, as made by Bishop, Brissman & Co., under date of December third. In figuring reserves, first, we take the demand deposits, do we not? A. Yes, sir.

Q. Well, individual deposits would be demand deposits, wouldn't they? A. Yes, sir.

Q. Due depository banks would be deemed deposits, wouldn't they? A. Yes sir.

Q. Public treasurer's open accounts would be demand deposits? A. Yes, sir.

Q. Public treasurer's sinking funds on open account would be demand deposits, where there had been no C. Ds. issued for them? A. Yes.

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Q. Now, you can figure this very shortly, by reference to this statement, I think. The total of the deposits including Certificates of Deposits as shown on the balance sheet is \$15,298,923.40. The certificates of deposits which appear to be time deposits and which are included in that amount are \$169,923.02. Now, then if you subtract the certificates of deposit, which are time certificates, from the total of deposits, it would leave the demand deposits? A. Yes, sir.

Q. All right, will you do that? A. Yes, sir.

Q. You have done that? A. Yes.

Q. Will you tell us then what were demand deposits in that bank as of that date? A. \$15,129,000.38.

Q. Now, then, in order to get at this correctly, we would then have to deduct, would we not, the amount due to other banks, how do you make that deduction Mr. Lofthus, but no, you would deduct that from the result, wouldn't you? Now then it says we must have on hand twenty per cent of the demand deposits? A. Was this on the third day of December, 1920?

Q. Yes. A. Well, we are working under the new reserve then.

Q. On the third of December? A. On the third of December, 1920. The reserve law went into effect July 1, 1920.

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Q. That 1919 section hasn't got it in. It was not put in until the special session of 1920? A. Well, the special session was held in December, 1919.

Q. Do you remember what the percentage is under that new act? A. Yes, sir, ten percent on demand deposits, and seven per cent on time.

Q. Well, you take the amount due from other banks, after you find out this result, don't you? A. Yes.

Q. You say you would take ten percent of the demand deposits? A. Yes.

Q. Well that would be how much? A. \$1,512,900.03.

Q. Now, you take the time deposits. Your time deposits on December third, as shown by the Bishop, Brissman report as \$169,923.02. Now, under the 1919 special session, you would take seven per cent of that, wouldn't you? A. Yes, sir, \$11,894.61.

Q. Now, then, that would be seven percent of the time deposits? A. Yes, sir.

Q. Now, then in order to find the total reserve required under this law, you would have to add the seven percent of the time deposits to the ten percent of the demand deposits? A. Yes.

Q. Well, add those and let us see what that amounts to? A. \$1,524,794.64.

Q. As I take it, you would deduct it from the amount of money— A. We have very few correspondent banks to ex-

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amine. Our state banks, very few of them act as correspondent banks, for our state banks.

Q. Well, let us assume that there is not any deduction from that at all. Under the statute that you refer to, two-fifths of that amount would consist or should consist under the law of cash on hand, should it not? A. Yes, sir.

Q. Two-fifths of the reserve that you refer to should consist of cash on hand? A. Yes, sir.

Q. Well, two-fifths would be forty percent? A. Yes, sir.

Q. Forty per cent of the amount you have referred to amounts to how much? A. \$609,917.85.

Q. Then on the third day of December, the bank of North Dakota, to have its cash reserve up to the requirements of the law should have had on hand \$609,917.85? A. Yes, sir.

Q. Well, under this report, Mr. Lofthus, which has been admitted to be substantially correct the Bank of North Dakota had on hand at that date \$46,767.63? Now will you make that deduction and tell us how far the Bank of North Dakota on December third was below its cash reserve? A. \$563,150.22.

Q. In other words, the Bank of North Dakota, was short in its reserve under this statute, \$563,150.22? A. In cash.

Q. They should have had that much more cash on hand? A. Yes, sir.

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Q. And that is without making the deduction, the deduction I refer to would be the amount the Bank of North Dakota owes other banks, which should be deducted from this amount, that is from the amount they had on hand? In other words, the amount of money that a bank has on hand, to determine what its reserve is you must deduct from the amount on hand the amount it owes other banks? A. I don't remember just how the law reads.

Q. Well, we will read it: "Each association shall at all times have on hand in available funds an amount which after deducting therefrom the amount due to other banks shall equal twenty per cent, of its demand deposits,"? A. Yes.

Q. Now, I will show you the balance sheet of December third, and ask you whether or not the item "due depositary

banks" would be at least one of the items that should be deducted? A. We don't have any situation like that in the state banks.

Q. Excepting in the examination of a depositary bank? A. That is all, and I am not clear on that.

Q. Haven't you some depositary state banks in this state that you examine? A. I don't think we have over two or three.

Q. Well, the Scandinavian-American bank was a depositary bank, was it not? A. It was at one time. It has not been for the past year.

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Q. Well, under the statute, you would deduct the amount due depositary banks under this section? A. Yes.

Q. Now, you would deduct the amount due to depositary banks from available funds. Of course, you couldn't do it in this instance, because the amount in this statement is \$1,192,989.76? A. Yes, sir.

Q. And you couldn't very well deduct that from \$46,000.00, could you? A. No, Mr. Sullivan, are you not in error in figuring this \$46,767.63?

Q. I have only taken the cash side of the reserve the two-fifths side of it. If you can figure the other side of it, I would be awful glad to have you do it. A. Oh, yes, all right, all right.

Q. Was the Scandinavian-American Bank an approved depositary on October 29, 1919, Mr. Lofthus? A. Yes, sir.

Q. Well, let's figure that out and see now that reserve looked at that time. It appeared to have on hand liabilities subject to demand, \$914,124.06. That would come under the 1915 Act wouldn't it? A. Yes.

Q. Well, at that time it required twenty per cent of its demand deposits, so to figure that out, you would take first twenty per cent of \$914,124.06, wouldn't you? A. Yes, sir.

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Q. Now let's see what that amounts to? A. \$182,824.80.

Q. Now, add to it the time C. Ds. \$454,668.63, and under that Act you take 10 per cent of that amount? A. Yes, sir.

Q. And that would amount to \$45,466.86? A. Yes, sir. In the examination of the banks, this matter—the customary way of examiners—they had never examined it in that way.

Q. Well, the statute had it that way, didn't it or did I misread that statute. (Reads.) "Each association shall at all times have on hand in available funds an amount which, after deducting therefrom the amount due to other banks, shall equal twenty per cent of its demand deposits and ten per cent of its time deposits." A. Yes.

Q. Have you added those two figures together, Mr. Lofthus? A. \$228,290.98.

Q. The total would be \$228,771.67, is that right? A. \$228,290.98.

Q. Now, this statute says you must have on hand in "available funds, an amount which, after deducting the amount due to other banks,"—then we would take from that the amount due to other banks? A. That would be the way then.

Q. The amount due to banks was \$572,904.10? A. Yes, sir.

Q. Can you make that deduction, Mr. Lofthus? A. Not very well.

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Q. Well, make the deduction on the minus and we will see how much we are short anyhow? A. \$344,613.12, providing my figures are correct.

Q. They may be a few cents off, but they are substantially correct, I think. Then at that time and on that theory and the following this laws, the Scandinavian-American Bank had \$344,613.12 less than no reserve at all, didn't they? A. It appears that way from that method of figuring.

Q. Now, you may check these figures up Mr. Lofthus with the report from which I have taken them, signed by yourself, as State Examiner, and Mr. Thatcher for the Equitable Audit Company (Hands report to witness). Mr. Thatcher signed this report with you, did he? A. Yes, sir.

Q. And which one of you, Mr. Lofthus, if you now remember, prepared these figures in this report to the Supreme Court? A. Mr. Thatcher prepared the figures.

Q. And you took his word that they were correct? Did you? A. Yes.

Q. Did Mr. Thatcher include in that statement from which I have taken these figures, this predominating idea, "the bank is in good liquid condition"? A. I presume that is a true copy.

Q. That is the original? A. Yes

Q. That was Mr. Thatcher's idea, however? A. Yes, sir.

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Q. And was that your idea also, Mr. Lofthus, or did you just take their word for the situation? A. I believed that was the condition.

Q. The condition was that you simply took Thatcher's word for it? A. Well, I believed it was a fact.

Q. Well, just how did it occur that Mr. Thatcher was hired to make these figures and make this examination Mr. Lofthus, if you know? A. Why, I wanted a competent auditor to make the audit.

Q. You didn't have enough help yourself to make the audit, is that it? A. I had help, yes, but I wanted it gone over thoroughly by what I considered more efficient help that I had at the time.

Q. Do you know who it was that suggested to you that in your search for competent help you might get the services of Mr. Thatcher and the services of the Equitable Audit Company? A. No, sir.

Q. Somebody did suggest it. I assume? A. Well, they were there, or in the city, at that time.

Q. Did you say they were there? A. Yes.

Q. Mr. Sullivan: I'll say they're there.

On motion of Mr. Freeman, seconded by Mr. Nagel, adjournment taken until 9:30 A. M., February 15th, 1921.

End of February 14th, 1921.

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February 15, 1921.

Meeting called to order by the Chairman, at 9:30 A. M., all members of the committee present, excepting Johnson of Steele, Weld and Hanson. The attorneys and reporter also present.

Minutes of previous meeting read and approved as read.

O. E. Lofthus, recalled as a witness, and testified as follows:

Examination by Mr. Murphy:

Q. Mr. Lofthus, when you were on the stand last week I asked you to bring up the reports and statements of certain banks. Have you those with you? A. Yes sir.

Q. May I see them, please? A. There are two published statements that haven't been received yet. The others are there.

Witness produces papers.

Q. Are these all with reference to the Scandinavian-American Bank of Fargo? A. No, two of them are. These two here. These others are the published statements you asked for. I think the Scandinavian-American Bank of Van Hook and the Citizens State Bank of Tagus I have received no published statements yet from those two.

Q. Well, that is recent published statements, you mean?

A. Yes, you asked for the last published statements.

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Q. Do you recall what the last one is that is on file in your office? A. December 29th.

Q. The last? A. Yes.

Q. Could you get that? A. No, I haven't it here.

Q. Would you please get it? A. This is the latest of all that I have. There are two that I haven't received yet of the last.

(Exhibit No. 62)

Q. Exhibit 62, Mr. Lofthus, is the Examiner's Report of the condition of the Scandinavian-American Bank of Fargo at 3 o'clock P. M., September 8th, 1919, is it not? A. September 15th.

Q. But it refers to the condition at 3 o'clock on September 8th—the examination commenced at 9 o'clock September 9th and closed at 5:00 o'clock September 15th? A. Yes.

Q. But as of the 8th of September? A. Yes sir.

Q. And made by Mr. P. E. Haldorson, who was then a deputy examiner? A. Yes sir.

Q. In that report he lists, does he not, the loans exceeding the limit prescribed by law as follows: United Consumers Stores Company \$194,675.71? A. Yes sir.

Q. The Nonpartisan or N. P. League, \$129,148.55? That is correct, isn't it? A. Yes sir.

Q. The League Exchange, \$66,182.24? A. Yes sir.

Q. The Publishers National Service Bureau, \$47,952.06? A. Yes sir.

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Q. U. S. Sisal Trust \$12,000? A. Yes sir.

Q. Danielson Brothers, \$22,782.16? A. Yes sir.

Q. A. M. Grosvenor, \$18,066.33? A. Yes sir.

Q. The Haggarty deal, \$47,088? The Porter Kimball deal, \$15,082.45? A. Yes sir.

Q. The Knack deal, \$23,000? A. Yes sir.

Q. P. C. Jahnke, \$9538.89? A. Yes.

Q. Then he makes a grand total of these loans of \$683,290.85? A. Yes. You left out a number there.

Q. I know I have, but the others are immaterial. There is a grand total of \$683,290.85? A. Yes.

Q. Out of a total of Loans & Discounts of \$1,144,910.15?

A. Yes sir.

Q. In other words, considerable over fifty per cent of them at that time? A. Yes sir.

Q. Now he made this statement, didn't he? "General character of loans very poor. In fact there is no change for the better since my April Examination, if anything the situation is worse. Nothing has been done or accomplished to improve the situation, while credit lines grossly excessive at that time have been further increased. New excess lines have been added and some bad deals taken on. While the total of past due paper has nearly reached Two Hundred Thousand mark. Heavy losses are inevitable, but owing to the nature of some of these bad deals it is impossible at this time to make any

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close or accurate estimate as to their ultimate amount. And while the officers of the bank are exceedingly optimistic, and do not seem to regard the situation as serious; it is the first time that they admit the necessity of cleaning house here." He made that statement, didn't he? A. Yes.

Q. I assume that you read that report when it was sent into your office? A. I did.

Q. Did it make any impression on you? A. Yes sir.

Q. What action, if any, did you take with reference to it? A. I made a trip to Fargo.

Q. You know the Bank of North Dakota statement shows that about that time more money was sent down to the Scandinavian-American Bank as redeposits? Did you have anything to do with that? A. No sir.

Q. It wasn't done at your request? A. No sir. I would like to make a correction of a matter that happened last Friday.

Q. What was that? A. In regard to the Beach State Bank, a statement was made that I helped to get \$20,000 for the Beach State Bank ten days prior to its closing, to which I replied, yes. I wasn't certain as to the amount, nor the date. It is on October 29th that I made an estimate that \$25,000 was needed for the Beach State Bank. On the 19th

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of November it closed its doors so I helped the Beach State Bank to \$25,000 twenty-one days prior to its closing, expecting that that would carry it through.

Q. Then you wish the correction to show that instead of being ten days prior to its closing it was about twenty or twenty-one days? A. Yes sir.

Q. That is the important part of it that you desire to change? A. Yes, and the amount was \$25,000 instead of \$20,000.

Q. So that, as I understand it, you examined that bank on the 29th of October or thereabouts? A. I didn't make a thorough examination, but I was there and went over the matter with the directors.

Q. And you became convinced that the bank was in a very precarious condition at that time? A. Yes sir, for lack of funds.

Q. And so you came back to Bismarck, and you took up the question of helping them out by using the money in the Bank of North Dakota, and suggested or advised that \$25,000 of the public money be sent to that bank, which was then in a precarious condition? A. I called up by telephone.

Q. Called up who? A. The Bank of North Dakota.

Q. Whom did you talk with? A. I am not positive, but
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I think it was either Mr. McAneney or Mr. Johannsen.

Q. And your idea was that in order to save that bank, which was in such bad shape, that you should take \$25,000 out of the Bank of North Dakota, and put it in there? A. Yes sir.

(Exhibit No. 62A)

Q. Now Exhibits 62-A and 62-B accompanied Mr. Haldorson's report, known as Exhibit 62, did they not? A. Yes sir.

(Exhibit No. 62B)

Q. In this Exhibit 62-B he makes specific reference to certain past due loans, as he calls them, does he not? A. Yes sir.

Q. With reference to the E. G. Knack deal, he says: "The E. G. Knack deal is practically in the same class. This deal has been acquired by the bank since last examination. All the notes are past due since April first. (Note similarity in due date). This is composed of four notes as follows: (C. G. Gunhus, \$6,000.00) E. G. Knack, \$6,000.00; Lorenz Schubert, \$6,000.00; and E. D. Boelter, \$5,000. The last three of these notes are endorsed in blank by E. G. Knack. There is no security of any nature. This deal I consider a twin-brother to the Hagerty deal, as a matter of fact Knack used to be one of the principal members of the Hagerty ring of high financiers. E. G. Knack died lately and there appears
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to be a strong rumor that he committed suicide. The bank here tells me that he carried \$200,000.00 life insurance payable to his estate. The payment of this insurance will have a strong bearing upon the collectability of these notes here, but it is also admitted that Life Insurance Companies are contesting the payment of this insurance upon the suicide theory." He so informed you, didn't he? A. Yes sir.

Q. And he also informed you with reference to what is known as the Hagerty deal? Did you know H. D. Hagerty yourself, personally? A. Yes sir.

Q. And did you know F. M. Ridings? A. Yes sir, I met him.

Q. He was the man that got into trouble down in Kansas or Nebraska somewhere? A. Kansas, I believe.

Q. Arrested on some criminal charge—and where is Mr. Hagerty now, do you know? A. I don't know.

Q. You know Mr. John J. Hastings was interested in the Hagerty transaction, didn't you? Jack Hastings? A. No, I didn't.

Q. He also called your attention to the E. J. Wheeler deal at that time, didn't he? A. Yes sir.

Q. And the H. D. Ellis deal—H. D. Ellis, the maker of this loan is cashier of the Peoples State Bank of Casselton, and he goes on and gives you the deal there? A. Yes.

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Q. Did you know the Bank of North Dakota now has, Mr. Ellis' paper in it as collateral to the loan of the Scandinavian-American Bank? A. No sir.

Q. Do you, when you examine the Bank of North Dakota, examine the collateral in any detail at all? A. Why I didn't examine personally, but my men are supposed to examine the collateral.

Q. Is that a supposition or did they really do it? Do you know or don't you? A. I don't know.

Q. Now he also calls your attention to the League Exchange, in which he says: "This entire line has been taken on since last examination, and is made up as follows: one note for \$20,717.44, signed by the League Exchange and endorsed by Wood and Lemke." He says that, doesn't he? A. Yes sir.

Q. I assume that Mr. Wood is F. B. Wood, is it not? A. I believe so.

Q. And Mr. Lemke is the present attorney general of the state. Is that correct? A. Yes sir.

Q. "One note signed by G. U. Griffin, for \$9,000." Do you know who Mr. Griffin is? That is Griffith, isn't it? A. I don't know that.

Q. He also calls your attention to what he calls the Publisher's National Service Bureau line, and says: "This entire line has been taken on since last examination, and security held by bank consists "of farmers notes aggregating \$74,773.00." That is correct? A. Yes sir.

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Q. "At the present time this bank is carrying"—I want to call your attention to this language—"the League and the three other allied concerns for the grand total of \$437,958.56." A. Yes sir.

Q. He made that statement? A. Yes.

Q. What action did you take with reference to that, Mr. Lofthus, if any? A. I wish to make a statement about what action I took. On September 23rd, 1919, I was in Fargo, to take up matters in regard to this report. I thought—

Q. You refer to this report here, Exhibit 62? A. Yes, the last report made by Mr. Haldorson that came to my office. I thought he—well, prior to that—I wish to go back to August 18, 1919. When I was in Fargo I called on Mr. Haldorson and asked him to make an examination of the Scandinavian-American Bank because there had been some criticism of this bank at the time it was admitted under the depositors guaranty fund law. For that reason I asked him to make an examination; to make it very thorough; to criticize it severely, even more severely than it was necessary for the reason that I desired that all old matters should be taken account of and that as this was prior to the collection date, that no time would be lost in collecting, that all effort would

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be made to collect. The examination or report came in to my office some time after the 15th.

Q. This is the report here? A. Yes sir, and on the 23rd I met, as I stated, with the directors at nine o'clock and we spent three straight hours in the office going over the report, and called their attention to every item; went through every item and called attention to the necessity of immediate action on some. I left that evening for Bismarck, and upon my return home I wrote a general criticism of this report.

Q. To whom? A. The directors. I addressed it to Mr. Sherman, who was then cashier.

Q. I assume you have a copy of that letter? A. I have a copy, but not here.

Q. Would you bring it down? A. Yes, I can bring it down. This criticism was general, but didn't go into detail,

being that I had spent three full hours with the officers of the bank going over the entire report. Then on the 25th I left for Florida.

Q. Why did you go to Florida? A. I went to Florida to investigate the Sisal Trust.

Q. That was the organization that had this note in the bank? A. Notes for \$12,000. yes sir.

Q. Who did you see when you got to Florida? A. Why, Mr. Brinton followed me from Minneapolis to Florida, and
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Mr. Joe Doane—I think he was the president or vice-president of the company in whose office the management of the company was carried on at Miami, Florida.

Q. Mr. Waters was down there at that time, was he? A. No sir.

Q. May I ask at whose request or instruction you took that trip to Florida? A. At the instructions of the Banking Board.

Q. Particularly the Governor, was it not? A. No sir, it was at a meeting of the Banking Board. The motion was carried.

Q. There was a motion made? A. And all members present.

Q. Would you look through your minutes and find that motion so we could have it? A. Yes sir.

Q. Your object was to go down there and investigate the property of this so-called Sisal Trust? A. Yes sir.

Q. Did you do that? A. I did.

Q. And did you report back? A. Yes sir.

Q. To whom? A. I reported back to the Banking Board.

Q. Was the report in writing? A. Yes sir.

Q. Will you bring that down so we can see what you said about it? A. Yes.

Q. Go ahead, Mr. Lofthus? A. There has been some criticism why this report was not found in the examiner's office.
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On my return from Fargo, I had the report either in my grip or my pocket, and when I left for Florida the report was left at my home.

Q. This Exhibit 62, you mean? A. Yes sir.

Q. This report of September 8th. A. Yes sir.

Q. Any further statement you wish to make at this time? A. No sir.

Mr. Murphy: We offer Exhibits 62, 62-A and 62-B in evidence.

Q. It is fair then, to say that prior to the time that you and Mr. Thatcher made the examination in October you were very familiar with the condition of affairs of the Scandinavian-American Bank? A. This was the first report that I had ever gone over.

Q. But you went over this report, Exhibit 62, in detail? A. Yes.

Q. And as a result of it you made a personal trip to Fargo and spent, as you tell us, some three hours with the directors, going over the paper? A. It was with the officers—I might give the names. It was Mr. H. J. Hagau, Mr. P. R. Sherman, and Spurgeon O'Dell. Those three.

Q. Who was Spurgeon O'Dell? A. Mr. O'Dell was one of the directors, I believe, of the bank.

Q. He was representing the League Exchange, was he not,
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at the time? A. I believe so.

Q. As a matter of fact —? A. He had ten shares of stock, I think.

Q. This report shows the stockholders here somewhere?
A. Yes, on the last page.

Q. Spurgeon O'Dell—ten shares. The League Exchange had sixty-seven shares. Is that not correct? A. Yes sir.

Q. And F. B. Wood, as trustee for the Non-Partisan League held one hundred twenty shares? A. One hundred shares.

Q. That is correct, isn't it? A. Yes sir.

Q. And Porter Kimball had twenty-five shares, didn't he?
A. Yes sir.

Q. Well, then, I am correct in saying, am I not, that you were very familiar with the affairs of the Scandinavian-American Bank at the time it closed? A. As far as I could be from that report.

Q. Well, that is a fair statement. You knew the details of the paper that had been criticized and had investigated it personally, had you not, and made some criticism of it? A. Well, I investigated this report, that's all I investigated.

Q. Did you investigate the minutes of the Board of Directors to ascertain whether there was a showing made as to
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loans to stockholders such as the League Exchange, and Porter Kimball and those fellows? A. That is all included in this report here. We have a complete report of those matters.

Q. Well, you knew what the general condition was there in that bank when you and Thatcher went down there in October, after Mr. Haldorson had gone in and assumed to be receiver of it? A. From my instructions to Mr. Haldorson I assumed that the report was, if anything, exaggerated, because it was my instructions that I wanted to make as strong an impression upon the officers as possible to call their attention to the necessity of action in the collection and cleaning up of this paper.

Q. Well, what I am really trying to get at is this, and that is that at the time you and Mr. Thatcher went in and reopened this bank you were fairly familiar with the condition of the bank at that time from the report that Mr. Haldorson had made on September 15th, and from your own personal investigation? A. Yes sir.

Q. Well, now, in the showing made to the Supreme Court in the case of State of North Dakota on the relation of O. E. Lofthus and others vs. William Langer, Attorney General,
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and others, Mr. Thatcher, with reference to the Consumers United Stores Company loan says this; does he not — "Examiner Haldorson reports a line of credit to the Consumers United Stores Company of \$170,000. This is a misstatement as the loans are made to several individuals and the notes of these individuals are adequately secured by farmers notes. These notes, aggregating \$170,000, have since been reduced by payments in amount exceeding \$53,000, a material reduction covering a few days time. These facts readily recommend the loan as desirable and a profitable business for

this bank." You coincided with that statement, did you? A. Yes sir.

Q. Well, how was that payment made reducing it from \$170,000 down to \$53,000? A. The payment was made by collections.

Q. Collection of what? A. Collections of post dated checks and farmers notes—by farmers notes I think.

Q. Well payment was made by farmers notes? A. By collection of farmers notes there were collected.

Q. Was it put in in actual cash? A. Yes sir.

Q. You observe that the footings, do you not, from the time Mr. Haldorson made his examination on the 27th of September, and the time that you and Mr. Thatcher made
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yours in October, were considerably reduced? A. I believe so, yes.

Q. And you say now to us that the actual cash was put in in this Consumers United Stores Company proposition? A. It was put in either in money or credit with some other bank.

Q. Well, that is what I want to get at exactly. Now what did that credit with some other bank consist of? A. These items—it became necessary for these items to be cleared and they were cleared through other banks.

Q. Well, for instance, the Hatton bank? A. No sir.

Q. Or the Prosper bank? A. No sir.

Q. Isn't it a fact —? A. No remittance was made to these banks.

Q. But isn't it a fact that many farmers or several farmers put up their accommodation notes with these allied banks like the Hatton Bank and Hillsboro bank and Casselton bank that we have referred to here, and the banks in turn issued their certificates of deposit, and they were put in the Scandinavian-American Bank in lieu of some of this questionable paper? You know that was true to some extent, don't you? A. I can't recall at this time.

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Q. You observe Mr. Thatcher, in his statement with reference to the League Exchange loans, says that: "It is secured by collateral consisting of stock in the First National Bank of Sheyenne, the Peoples State Bank of Hillsboro, Peoples State Bank of Grand Forks, Peoples State Bank of Casselton, Security State Bank of Courtenay, and the Scandinavian-American Bank of Fargo, and among other things farmers notes and post dated checks?" A. Yes sir.

Q. Now he says: "The value of the Scandinavian-American Bank stock has not been included but left blank. That is in accordance with instructions from O. E. Lofthus, state examiner. O. E. Lofthus also demanded more collateral of \$48,437.75 in post dated checks." A. Yes sir.

Q. And you accepted those post dated checks, did you? A. Yes sir.

Q. And you instructed him not to give any value to the 67 shares of the stock of the Scandinavian Bank of Fargo? A. Yes sir.

Q. As a matter of fact you didn't think it had any value at that time? A. It couldn't be placed in its own bank, Mr. Murphy. That is the reason why. Even if it had a value,

if it had a value of \$200 a share it couldn't be placed in its own bank.

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Q. They couldn't hypothecate shares of stock of the Scandinavian-American Bank of Fargo in the same bank?

A. No sir. And here it says: "The loans are excessive but fully secured."

Q. But secured in the manner I have indicated? A. Yes sir.

Q. And that satisfied you? A. Yes sir.

Q. You knew these various banks, or some of them, that I have read, were created in the first place by issuance of certificates of deposit from the Scandinavian-American Bank of Fargo, didn't you? A. No sir.

Q. Do you know who organized the Peoples State Bank of Hillsboro? A. Mr. Hastings did some work.

Q. Mr. John J. Hastings—and isn't that true also of these other banks, aside from the First National Bank of Cheyenne—the Peoples State Bank of Grand Forks—it is true likewise of them? A. I think so.

Q. And also the Peoples State Bank of Casselton? A. Yes.

Q. And the Security State Bank of Courtenay? A. Yes sir.

Q. Those were all created by Mr. J. J. Hastings, and other gentlemen who were associated with him? A. Yes sir.

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Q. You observe, of course, and agree with Mr. Haldorson's statement that the loans to the Consumers United Stores Company were excessive? A. Yes sir.

Q. And you knew that the fact that the individual notes were carried was a mere device, did you not, that they were merely employees of this concern or employees of the Non-partisan League? A. Yes sir.

Q. Did you so state to the Supreme Court when you made this showing? A. I don't recollect that I did.

Q. So Mr. Thatcher made an unfair statement there when he said that Mr. Haldorson made a misstatement? He says: "This is a misstatement, as the loans are made to several individuals and the notes of these individuals are adequately secured." Mr. Thatcher knew at the time he made that statement to the supreme court the situation just as well as you did? A. Yes sir.

Q. So it is fair to state, and you and I will agree, that Mr. Thatcher was trying to deceive the Supreme Court when he made that statement? A. I think it was quite well understood in regard to these loans, but it is a matter, an abuse that has been more or less used by banks.

Q. You figured the supreme court knew about it too? did you, at the time, as men, if not as judges, did you? A. I

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don't know.

Q. Well, now, let's get down to this Ridings deal, the fellow that you and I have agreed got into some criminal trouble down there in Kansas, and that was prior to this time too? A. No.

Q. Wasn't it prior to October, 1919, that he got into this trouble? A. We knew of it some time afterwards.

Q. How long afterwards? A. I can't say now.

Q. Well, he says: "Mr. Ridings is a man of good char-

acter," doesn't he? A. Yes sir. He says, "good character." If he knew about it he wouldn't have said "good character."

Q. You really believe if Mr. Thatcher had known that he wouldn't have said that? A. Yes, I do.

Q. Now take the Great Western Life Stock Company. There was a loan endorsed by Mr. Ridings and Warren H. Reck, individuals? A. Yes sir.

Q. That concern issued some bonds, did they not? A. Yes sir.

Q. And that concern that this man E. G. Knaack was interested in, the man who committed suicide down in Iowa, is it not? A. Yes.

Q. And representation is made in the report of Mr. Thatcher

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cher to the Supreme Court that these bonds have some value? A. They have.

Q. Is it not a fact that the Scandinavian-American Bank of Fargo or its representatives have recently been in the state of Iowa, representing that the bonds have no value so they can participate in the estate, or didn't you know that? A. No.

Q. You didn't know that they had been down there representing to the probate court in Iowa that these bonds are worthless, so they could get in with the other creditors and participate in the estate? A. No sir.

Q. Never heard of that before? A. No sir.

Q. You wouldn't say that wasn't true? A. I don't believe that the statement has been made. It may be that they are of uncertain value, but I don't believe it could be stated that they were of no value.

Q. Now he says, with reference to the H. D. Hagerty deal—Mr. Thatcher knew Mr. Hagerty, didn't he, at the time? Hagerty was well known, wasn't he? A. I cannot say.

Q. You knew that the Hagerty concern consisted principally of John J. Hastings at that time and that Hagerty was merely an employee of Hastings and Box? A. No sir.

Q. Did you ever hear that before? A. No.

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Q. Didn't you know Hastings was interested—? A. Hastings was interested with Hagerty, but I didn't understand that Hagerty was an employee. Hagerty was the principal man in the corporation.

Q. You thought that, did you? A. Absolutely.

Q. Well Thatcher says about him—"that he is very successful, meets his obligations promptly." That is referring to Mr. Hagerty? A. I believe he was up to that time.

Q. And then he quit being successful right then and there? A. Yes sir.

Q. Now how about this man Porter Kimball? Didn't you know he was with the firm, of Kimball, Hastings Company prior to that time? Ever hear of the Kimball, Hastings Company? A. No, I knew that Kimball was backing John J. Hastings at one time.

Q. So that you knew that John J. and Mr. Kimball were close business friends and so forth? A. Yes sir.

Q. Well, it couldn't be possible, could it, that because of the influence of Mr. Hastings that you and Mr. Thatcher were willing to pass on this stuff and say that it was all right?

That had nothing to do with it, did it? A. I believe it is all
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right yet, only it is very slow.

Q. Now the Danielson outfit, you remember that transaction? A. Yes sir.

Q. That is in litigation right now, isn't it? A. Yes, and the attorneys for the litigants has offered to discharge it provided the bank would be willing to finance Danielson Brothers this year.

Q. They need financing, do they? A. Yes sir.

Q. Are the sheep all dead, do you know? A. I don't know. Therefore, their suit cannot be very valuable. I believe they sued for some Seventy Thousand Dollars damage.

Q. Now you say, with reference to Porter Kimball and the Peoples Power, Fuel and Clay Products Company, Mr. Thatcher says: "This loan is properly secured by seven National Briquetting Company mortgage gold bonds of \$500 denomination" does he not? A. Yes.

Q. And he says: "This paper is endorsed by Porter Kimball? A. Yes sir.

Q. "Several reliable people stated his endorsement makes this paper good. This loan is excessive." A. Yes sir.

Q. As a matter of fact you knew perfectly well that the National Briquetting Company located at Kenmar, in this state, was defunct and insolvent and had been for years? A. No sir.

Q. You never heard of that? A. No sir.

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Q. Did you investigate to find out the facts with reference to it? A. No sir.

Q. And didn't you know that the Peoples Power, Fuel & Clay Products Company is also practically defunct? A. No sir.

Q. Now in Schedule A, with reference to the United States Sisal Trust, he states: "This loan should be removed." A. Yes sir.

Q. And you concurred in that? A. Yes sir.

Q. Well, this report from which I have been reading was then followed by a supplementary report of a later date, Exhibit 42, was it not? A. Yes sir.

Q. Signed by yourself and Mr. Thatcher? A. Yes sir.

Q. In which was set forth a comparison of financial statements of the Scandinavian-American Bank of Fargo. That is, you compared the findings of Mr. Haldorson as of September 27th and the findings of yourself as of October 2nd, did you not? A. Yes sir.

Q. And I assume you concur in everything that was said in there by Mr. Thatcher? A. I do.

Q. This statement as to the Sisal Trust loan — (reads) "These parties have at just this hour that this report is being made paid their notes in full." You concurred in that too, did you? A. Yes sir.

Q. Well, that wasn't true, was it? It wasn't paid, was it?

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A. It was paid by check and the check was honored.

Q. Later on the check was honored, was it not? Is that correct? Is it not a fact that no payment was made at the time that that report was put in, and as you represented to the Supreme Court? No answer.

Q. Do you want to answer that or don't you, or would you prefer the advice of counsel? A. I refuse to answer that.

Q. Why? Because you think it might incriminate you? Is that the idea, that you might be charged with making a false statement? Is that correct? You see, Mr. Loftus, the committee is entitled to know why you refuse to answer, and if you desire to refuse on the grounds that it might incriminate you I will not pursue it any further. Is that what you wish to do? A. Yes sir.

Q. Do you know, R. W. Fraser, Mr. Loftus? A. No sir.

Q. I see your bank,—your bank is the First State Bank of Klotten, isn't it? A. Yes sir, that was my bank.

Q. Mr. Fraser is clerk of the district court of Divide county, isn't he? A. I believe so.

Q. And lives away out in the western part of the state? A. I believe so.

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Q. What county is Klotten in? A. Nelson county.

Q. Down toward the eastern part of the state? A. Yes sir.

Q. It is not customary, is it, for your bank to make loans to gentlemen in Divide county, as a rule? That is outside of your area, isn't it? A. We have a number of loans in both Williams and Divide counties.

Q. Yes, I observe you have, but that is not the custom of banking, is it? You criticize a bank that you find making loans clear out of its territory, don't you? A. The situation there at Klotten—until recently we had funds from outside, so we carried a lot of outside paper, but this is one of the associated banks.

Q. The First State Bank of Klotten—what is its capital? A. \$10,000.

Q. Any surplus? A. \$10,000.

Q. You know Mr. S. S. Semingson? A. I have met him.

Q. He likewise lived out in Divide county? A. Yes sir.

Q. And I assume you know George H. Moelling? A. Yes sir.

Q. He is district judge, living out in Williams county? A. Yes sir.

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Q. And H. A. Nelson also lived out there? A. Yes sir.

Q. Now these gentlemen are all stockholders and officers or directors of the Consumers United Stores Company, weren't they, every one of them? A. I don't know.

Q. Well, don't you know that this paper they have given to the First State Bank of Klotten, was, as a matter of fact, paper of the Consumers United Stores Company, and that your bank was carrying it merely for the purpose of financing that concern? Now let's be frank with one another? A. Yes, I knew it but I couldn't say whether it was the Consumers Stores or some other one of the allied concerns.

Q. And that is the method you adopted of financing those concerns? A. Yes sir.

Q. And it finally found its way down here to the Bank of North Dakota, did it? A. Yes sir.

Q. Exhibit 63 is the publishers certificate showing the statement of the Ransom County Farmers Bank. What is that date? A. It is December 29, 1920.

Q. And Exhibit 68 is what? A. Peoples State Bank of Leith statement.

Q. Of what date? A. December 29, 1920.

Q. Hasn't there been a statement since that some in January, 1921? A. No sir. This is the last published statement.

Q. And Exhibit 67 is what? A. Michigan City Bank, December 29, 1920.

Q. And Exhibit 64 is what? A. Blaisdell State Bank, December 29, 1920.

Q. And Exhibit 66? A. American State Bank, Burlington. December 29th, 1920.

Q. And Exhibit 65? A. Farmers State Bank, Sanish, December 29, 1920.

Q. Now I overlooked one or two—I want that Tagus bank too? A. We haven't received those. They have not been received by our office yet.

Q. As of this date? A. Of that date.

Q. They haven't sent them in? A. No.

Q. Well, have you called on Mr. Olson to produce them? A. We have called on him and written for them.

Q. Well, the Van Hook bank, the Scandinavian-American bank? A. Also that one—those two are missing from our files.

Q. Mr. Olson's banks at Van Hook and Tagus have neglected to send in a report as of December 29th? A. Yes sir.

Q. And you have asked him to do so? A. Yes.

Q. How long prior to that was there a report put in? Prior to December 29th? Can you recall? A. I believe September 8th.

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Q. 1920? A. Yes sir.

Q. See if you have got those statements of the Van Hook and Tagus banks? A. Yes sir.

Recess taken at this time for ten minutes, after which meeting was called to order with all parties present, and examination of Mr. Lofthus resumed by Mr. Murphy.

Q. Going back to this paper carried in the First State Bank of Kloten— A. Mr. Chairman of the Committee I have had a talk with Mr. Sinkler, and I wish to change a matter that went on record in regard to the fact that to reply to this question would incriminate me.

Q. In other words, Mr. Sinkler advised you that it wouldn't? A. Yes sir.

Q. But you are just as ashamed of it, as though it would, aren't you? That is correct, isn't it, Mr. Lofthus? Your conscience told you that the deal wasn't right whether it is criminal or not, and I believe you are an absolutely honest man who has gotten himself in a bad hole—but that is correct, isn't it? A. The fact that his has been—the suggestion came afterwards is the reason for it. At the time I accepted it as perfectly honest and in an honest manner.

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Q. Yes sir, and I think you are today, as far as I am concerned, and I think everybody else does, and like an honest man you are ashamed of that transaction, but you are up against it. That is correct, isn't it? Isn't that right now, just between you and me? No answer.

Q. Well, let's get back to the bank of Kloten. Who is E.

A. Bowman, who had a note in there for \$2049.33. Isn't he a member of the legislature down here now? A. Yes sir, I believe he is.

Q. He is from what town? A. Kulm.

Q. And Christian Hall, who had a note in there for \$2556.10. He is likewise a member of the house right now? A. Yes.

Q. From Williams county? A. Yes.

Q. And this paper, of course, you understand, is over here in the Bank of North Dakota right now? A. Yes sir.

Mr. Grangaard: In what connection is that paper carried?

Mr. Murphy: It is carried in connection with the same transaction, with the S. S. Semingson, R. W. Fraser, Geo. H. Moellring paper that was put in the First State Bank of Kloten and is and is now in the Bank of North Dakota.

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Q. The record here shows Mr. Lofthus, that the Bank of North Dakota is carrying \$14,539.87 worth of certificates of deposit of the Peoples State Bank of Leith, issued originally to J. I. Cahill, Frank P. Emsch and Adolph Zeller.

Q. Who is J. I. Cahill? A. He used to be state senator.

Q. What is he now? A. He is on the Board of Administration.

Q. And Exhibit 68, which you handed to me is the last statement of the Peoples State Bank of Leith, is it not? A. Yes sir.

Q. That shows, does it not, that as of December 29th, the Peoples State Bank of Leith had footings of \$95,790.87? A. Yes sir.

Q. They had, including individual deposits, guaranty fund deposit, time certificates of deposit, and cashier's checks outstanding a liability of \$61,290.87, did they? A. Yes sir.

Q. And bills payable of \$13,000 of that date? A. Yes.

Q. And they had actual cash on hand of \$58.94? A. Yes sir.

Q. And cash items of \$11.15? A. Yes sir.

Q. And due from other banks only \$998.77? A. Yes.

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Q. So if a man drew a check on them, for a little over a thousand dollars it would have busted the bank, wouldn't it? A. Yes.

Q. That is the bank that has \$14,000 of certificates of deposit over here in the state Bank of North Dakota, isn't it? A. I presume so.

Q. The record shows also that this same bank, Mr. Cahill's bank, has borrowed \$9,000 from the Bank of North Dakota—the Peoples State Bank of Leith? A. Yes sir. That is a loan?

Q. Yes. And the C. Ds. that I read to you Mr. Lofthus came from the Scandinavian-American Bank of Fargo, and were put up as collateral to their loan. Now the situation is something like this: The collateral to that \$9,000 loan consists of certain notes—I didn't know but what this would be interesting to you—Mr. Emsch, you notice is on for \$250 Frank P. Emsch—do you know who he is? A. No.

Q. Well, he is evidently related to Mr. Charles Emsch who signs this report. He is down here for \$416 and \$1202. And you notice that J. J. Cahill is down there on this note? A. J. I. Cahill?

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Q. Well, it is J. J. here, but is I suppose meant for J. I.?
A. Are they the makers?

Q. Yes, they are the makers. Here is Wright C. Emsch for \$1400—another one of the Emsch family. I would like to call your attention, Mr. Examiner, that in that same bank in addition to the loan of \$9,000, to which I have just called your attention, the Peoples State Bank of Leith had \$18,095.22 of redeposits, did it not, apparently? A. Yes sir.

Q. And of course that is off-set to some extent because they had deposits with the Bank of North Dakota of \$2,453.-31? A. Yes.

Q. Leaving a net liability of approximately \$16,000 on redeposits? A. Yes sir.

Q. And \$9,000 on loans? A. Yes sir.

Q. A total of \$25,000? A. Yes sir.

Q. A bank that has not a thousand dollars in cash in it?
A. Yes sir.

Q. Would you consider that good banking? A. No sir, but conditions are such now that many of the banks haven't the required reserve and no attempt is made to compel them.

Q. Conditions which have been brought about by all of the money of public institutions centered into one place and the reloading of it to state institutions and farm loans has kind of put these banks in bad shape, hasn't it? A. That is not the true reason. You know the condition of this wheat

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strike, and difficulty of collecting, the light crops—there are several causes.

Q. But this is a contributing cause—I don't claim it is the sole cause? A. I don't know as to that locality, because I believe they have more than their share as it is.

Q. Well, it would look like it? A. Yes.

Q. Well, don't you agree with me on this, that the absorption of all of this money and the failure to redistribute it in proper shape, so that some got more than their share, as you have just indicated, has contributed to some extent to the present condition, that is one of the contributing causes, don't you think? A. The shortage is mostly in the places where they have most of the public funds at this time.

Q. And most of the banks that are in bad shape are the ones that had most of the public funds, aren't they? A. Yes sir.

(Exhibits Nos. 65, 66, 64, 67, 63 and 68)

Mr. Murphy. We offer Exhibits 65, 66, 64, 67, 63 and 68 in evidence.

Mr. Sinkler: We would like to use those exhibits in the Senate investigation.

Mr. Murphy' Do you use exhibits up there?

Mr. Sinkler: Certainly.

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E. G. Lee, recalled as a witness, and testified as follows:

Examination by Mr. Murphy:

Q. I wish you would turn to page 28 of the schedule. Have you got it? A. Yes sir.

Q. What is the total amount, as of December 3rd, advanced by the Bank of North Dakota to State Institutions? A. \$882, 716.72.

Q. That includes that Pike item advanced to the State Industrial Commission, of \$7,716.72, does it not? A. Yes sir.

Q. What was the total amount advanced to the Mill and Elevator Association? A. \$650,000.00.

Q. And what was the total amount advanced to the Home Building Association up to that date? A. \$225,000.00.

Q. I don't know whether you are aware that further advanced of \$200,000.00 to the Mill and Elevator Association, and \$60,000.00 to the Home Building Association were made? A. I am not aware of that.

Q. Well, assuming it is true because the record here shows it, that \$260,000.00 has been advanced, tell us what the total is? A. \$485,000.00.

Q. No, add the \$260,000.00 to the \$882,000.00? A. \$1,142,716.72.

Q. Please turn to page 35 of the schedule. That shows a Crocus State Bank transaction, does it not? A. Yes, sir.

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Q. What did the Crocus State Bank have, a note or a C. D., according to that showing, with the Bank of North Dakota? A. A note.

Q. How much? A. \$25,000.00.

Q. That was secured by what? A. A Mortgage.

Q. A mortgage of the Home Lumber Company of Washington? A. Yes.

Q. On property in the State of Washington? A. I presume so, it is filed in Stevens County, Wash.

Q. Well, it says so on its face, it describes the property here in detail by sections, and filed with the Register of Deeds in Stevens County, Wash.? A. Yes, sir.

Q. Did you make any investigation of the Home Lumber Co.? A. I did not.

Q. Now, I call your attention to page 50 of the schedule. At the top of the page, there is a bond No. M-3, State of North Dakota, Bank Series, \$1,000.00. That shows, does it not, that the Farmers State Bank of Dawson has up a Bank of North Dakota bond as collateral to a loan? A. To a C. D.

Q. That is one of the Bank of North Dakota bonds? A. Yes sir.

Q. Look at Page 52, down at the bottom of the page, you find that the Dunseith State Bank have put up a number of the Bank of North Dakota bonds, do you not? A. Yes, sir.

Q. One, two, three, four, five of them? A. Yes, sir.

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Q. Now look at Page 80. Top of that page shows the Equity State Bank of Golden Valley put up Bank of North Dakota bonds Nos. C289, 290, 291, 292, 293, 294, 295, 296, 297, and 298? A. Yes, sir.

Q. That would indicate that this bank was holding its own bonds as collateral to a loan or C. Ds. of some of these country banks? A. Yes, sir.

Q. Look at Page 84, index 132. Read the items there at the bottom of the page, under First State Bank of Grace City? A. B. C. Larkin.

Q. Give us all of that data next to the bottom? A. Date, July 21, 1920, due October 1, 1920. B. C. Larkin, secured by chattel mortgage on one hundred forty-three head of sheep and 1920 crop, fourteen hundred twenty-eight dollars and twenty cents (\$1428.20.)

Q. That would indicate, wouldn't it, that the Grace City Bank had made a loan from the State Bank of North Dakota

and put up Mr. B. C. Larkin's note as part of the collateral to that loan? A. Yes sir.

Q. Do you know Mr. Larkin? A. No sir.

Mr. Murphy: It is a fact, is it not, Mr. Chairman, that he is a member of the House?

Mr. Chairman: I don't know.

Mr. Murphy: There is a B. C. Larkin in the House at this time, isn't there?

Mr. Chairman: There is a Mr. Larkin.

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Q. Well look at Page 86, and read the items under J. C. Miller? A. Date, Nov. 4, 1920, demand, J. C. Miller, \$1500.00.

Q. And the next one? A. Nov. 4, 1920, due March 15, 1921, J. C. Miller, \$1,000.00.

Q. That would indicate that the Farmers State Bank of Gwinner, N. D. had hypothecated Mr. Miller's notes with the Bank of North Dakota? A. Yes.

Q. For \$2,500.00? A. Yes.

Q. Look at Page 129, Schedule 206, read the item P. A. Berg? A. Dated Oct. 29, 1920, due April 29, 1921, P. A. Berg, \$500.00.

Q. What is next? A. Another dated Oct. 9, 1920, due April 9, 1921, P. A. Berg, \$700.00.

Q. That would indicate that the Farmers State Bank of Ransom County, at Lisbon, had hypothecated P. A. Berg's notes with the State Bank of North Dakota for \$1,200.00? A. Yes, sir.

Q. Now look at Page 142, if you please, now read that item under the First Farmers Bank of Minot. No. 1002, the second transaction on that page, index No. 227? A. Date, June 5, 1920, demand, Equity Cooperative Packing Company, secured by note to same by same, dated March 19, 1920, due June 1, 1920, like amount and rate \$20,000.00.

Q. That shows that the First Farmers Bank of Minot has hypothecated the note of the Equity Cooperative Packing Company for \$20,000.00 with the State Bank of North Dakota?

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ta? A. Yes.

Q. The note ran from the Equity Cooperative Packing Company to the First Farmers Bank of Minot? A. Yes.

Q. Look at Page 17, at the bottom, index No. 55, Farmers State Bank of Baker, N. D., and read that item? A. Demand note, 10%, dated Oct. 21, 1920, \$3,667.00, signed W. J. Church, to the Farmers State Bank, Baker, secured by storage receipt of John S. Aker, Baker, N. D. to W. J. Church, dated Sept. 16, 1920, No. 93, six hundred twenty-five bushels, No. 1-A Durum; Sept. 16, 1920, No. 94, 1029 bushels No. 1-s. D. N. wheat; dated Sept. 16, 1920, No. 95, 76 bushels 40 pounds No. 1 Flax.

Q. That would indicate, would it not, that W. J. Church has put up his note for \$3,667.00 in the Farmers State Bank of Baker, secured by storage receipts on the grain that you have described here? A. Yes, sir.

Q. And the Farmers State Bank in turn passed that on to the Bank of North Dakota? A. Yes, sir.

Q. Do you know Senator Church? A. I think I have met him.

Mr. Murphy: He is on the Senate Investigation Committee, you will probably meet him up there.

Q. Look at Page 391, or rather index 391, Page 12, A. Yes.

Q. There is an item there showing a note of the Lucky
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Strike Coal Co. to the German State Bank of Beulah dated the 7th of Oct. 1920, and due the 5th of January 1921, for \$2561.64? A. Yes, sir.

Q. Which would indicate that the German State Bank of Beulah had hypothecated the Lucky Strike Coal Company's note with the Bank of North Dakota for that amount? A. Yes, sir.

Q. Look at schedule 465, do you find another item there at Page 23, Lucky Strike Coal Company to the First National Bank of Zap for \$2,561. 64? A. Yes, sir.

Q. Dated the 7th of Oct., 1920, and due the 5th of January, 1921? A. Yes, sir.

Q. Now, look at Schedule 410, do you find an item showing a note of the Lucky Strike Coal Company to the Citizens State Bank of Hazen, dated the 7th of Oct., 1920, and due the 5th of January, 1921, for \$2561.64? A. Yes, sir.

Q. Now, there are three of these items, how much do they foot up to altogether, how much paper has the State Bank of North Dakota got of this Lucky Strike Coal Company? A. \$7,684.92.

Q. Then the schedule of the paper of the Peoples State Bank of Grand Forks, I haven't got the number down here? A. Page 4, C. Ds., deposits, loans, and discounts.

Q. What I was looking for was the C. H. Starry note of \$2,073.50, but it appears in the rediscounts as October 31st,
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and, of course, you wouldn't know anything about it. We will take care of that later when we introduce this exhibit in evidence. Look at Schedule No. 426? A. Page 16.

Q. No, the loan of L. L. Stair for \$3652.50. That is also of Oct. 31st, we will have to put that in the other way.

Q. Have you been furnished with the consignment accounts that you asked for of the Mill and Elevator Association at Drake Mill? A. I haven't received any.

Mr. Murphy: Where are they Mr. Sinkler, I asked for them the other day?

Mr. Sinkler: I don't know where they are, but I supposed they would be here at any time.

Mr. Murphy: I requested them and I wish you would bring them into court tomorrow morning.

Mr. Sinkler: Well, I am not going to cart this stuff around here, if you want it, send the fellow after it. Wasn't it in evidence who had control of it?

Mr. Murphy: Mr. Lemke stated Mr. Paddock had control of it.

Mr. Sinkler: Mr. Paddock is in Chicago, I understand.

Mr. Murphy: Yes, I heard he was. Well, won't you make an effort to get the consignment of the Drake Mills?

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Mr. Lee: We need beside the record of consignment, the production account.

Mr. Sinkler: You go to these gentlemen and ask for them.

Mr. Lee: What gentlemen?

Mr. Sinkler: The Industrial Commission or Mr. Paddock, I suppose.

Mr. Lee: Well, I believe Mr. Murphy wants them before I want them.

(Exhibit No. 69)

Mr. Murphy: We offer Exhibit No. 69, being a statement of rediscounts, of the Bank of North Dakota, as of October 31, 1920, consisting of six sheets, in evidence. These were produced by Mr. Cathro or Mr. Johannsen, I have forgotten which. And I direct the committee's attention to the item, State Bank of Newburg, L. L. Stair, \$2,362.50; Tioga State Bank of Tioga, C. F. Dupuis, \$2,016.68; Citizens Bank of Grano, Gilbert Semmingson, \$1,200.00.

Mr. Sinkler: That has been offered three times.

Mr. Murphy: No, this is the first time, we tried to get it three times, and we finally got it. The Peoples State Bank of Grand Forks, note of C. H. Starry, \$2,073.50; The Bank of Oliver County, Center, note of R. H. Walker, for \$3,792.00.

On motion of Mr. Ulland, seconded by Mr. Freeman, recess

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taken until 9:30 A. M. February 16, 1921.

End of February 15, 1921.

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February 16, 1921.

Meeting called to order at 9:30 A. M., all members present, except Messrs. Johnson of Steele, Hanson and Weld. The attorneys and reporter also present.

Minutes of previous meeting read and approved.

O. E. Lofthus, recalled as a witness and testified as follows:

Examination by Mr. Sullivan:

Q. Mr. Lofthus, I will show you a paper designated as an

(Exhibit No. 70)

Examiners Report and marked Committee's Exhibit No. 70 and ask you what that is please? A. That is an examiner's report of the Peoples State Bank of Leith as of September 22nd. 1920.

Q. That was an examination that was made by Mr. L. E. Dickinson, as examiner of your office? A. Dickerson.

Q. That is a report that Mr. Dickerson made to you as to what he found at that bank? A. Yes.

Q. And as to what its condition was on September 21, 1920? A. Yes sir.

Q. From this report it would indicate, Mr. Lofthus, that the capital of this bank was \$20,000.00? A. Yes sir.

Q. And its surplus was \$1500.00? A. Yes sir.

Q. It is a fact, is it not, that the surplus of the Leith Bank was taken in at the time of the organization of the bank. That is, this surplus was arranged as a part of its original

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capital in a way? A. I know nothing about that. The Bank was organized before I was in the office.

Q. Well, there is no knowledge that you have of this surplus being earned surplus? A. No knowledge. I can tell from the record but I have no information at the present time.

Q. Now, in looking at the figures on the book as a bank examiner, and in order to get the actual condition of the bank it is necessary for us to make some inquiry and obtain knowledge other than what we find by just going over the figures on the books isn't it? A. Yes sir.

Q. You notice in this report that the examiner states as

follows: "They are carrying stock notes aggregating \$8,000.00." That would indicate that notes had been given for a part of the capital stock and that these notes were carried in the bank? A. Yes sir.

Q. Then \$8,000.00 of the capital stock of this Leith State Bank was being carried by the bank itself, in the form of notes signed by its stockholders? A. It appears so.

Q. It indicates that the following are long overdue, meaning the following stock notes? One of Jacob Heier for \$562.50; one by Erick Myberg, \$112.50; one of Julius Frygstad, for \$112.50? A. Yes, sir.

Q. Now your attention is directed to the fact that Erick
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Myberg, for instance, with a stock note of \$112.50, is the owner of one share of the stock of this bank? A. Yes sir.

Q. That would be an indication that the stock was sold at the rate of \$112.50, wouldn't it? That would be a reasonable conclusion from your examiners report? A. Yes, it might be that.

Q. The capital surplus was \$21,500.00? A. Yes sir.

Q. And that would be divided into two hundred shares? A. Yes sir.

Q. That would make each share having a par value of \$107.50? A. Yes sir.

Q. So that the chances are that we could come to a reasonable conclusion that somebody made a \$5.00 commission on each share of stock that was sold? A. Yes sir.

Q. Now, Mr. Lofthus, this record would indicate or would account for \$8,000.00 of the capital stock, and I am going to tell you right on the start of this examination what I am getting at by telling you that we have a suspicion that the Bank of North Dakota not only furnished a substantial part of the deposits in the bank, and a substantial portion of their bills payable, that is, loaned them a substantial part of the money that they borrowed, but we also have a suspicion that the Bank of North Dakota furnished them the capital to start
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the bank with? A. Just a moment. The bank was started long before the Bank of North Dakota.

Q. That may be true, but the money that was in capital in the Leith State Bank was eventually, as we suspicion at least, carried by the Bank of North Dakota. Now you being an examiner I wonder if you could tell us just how we might run that down to determine whether or not that is true. You see, we find that the incorporators, or principal incorporator was J. I. Cahill. Who is J. I. Cahill? A. He is an ex-Senator, J. I. Cahill, of Leith.

Q. He was in the Senate of the State of North Dakota? A. Yes sir.

Q. And he was also a candidate for the office of Secretary of State? A. Yes sir.

Q. And was one of the leading figures in the Nonpartisan League leadership in this state? A. Yes sir.

Q. And it would be reasonable in making this investigation then to endeavor to find out where Mr. Cahill might have received money through the Bank of North Dakota, either directly or indirectly. That would be a reasonable indication from the evidence that we have before us at this time, wouldn't it? That is, if our assumption is correct? A. Yes sir.

Q. Well, now Mr. Lofthus, Mr. Cahill being a politician I
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assume that it would be a reasonable inquiry to ascertain whether or not any of this paper in any form from this bank at Leith had gotten into the Scandinavian-American Bank, wouldn't it? A. Yes sir.

Q. And then to ascertain whether or not in the paper that went from the Scandinavian-American Bank into the Bank of North Dakota we could find any paper from the Peoples State Bank? A. Yes.

Q. Well, now in the schedule of the People's State Bank collateral in the Bank of North Dakota we find a note of Mr. Cahill's for \$416.48. The amount of that note wouldn't aid us in any way in figuring out the capital of this bank because of the amount of it is too small? A. Yes, sir.

Q. So it is apparent that the Peoples State Bank of Leith from this report didn't put that into the Bank of North Dakota direct. On page No. 60 of the schedule of collateral paper that was put into the Bank of North Dakota by the Scandinavian-American Bank of Fargo we find the following: November 10th, 1919, due Nov. 10, 1920, certificates of deposit, Peoples State Bank of Leith, N. D., to J. I. Cahill \$4,846.61? A. Yes sir.

Q. Frank P. Emsch, \$4846.60? A. Yes sir.

Q. Adolph Zeller, \$4846.60? A. Yes sir.

Q. And notation "endorsed by Scandinavian-American Bank." A. Yes sir.

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Q. Now that would indicate that the Peoples State Bank of Leith had issued to J. I. Cahill, Emsch, and Zeller, each a certificate of deposit in the amounts indicated? A. Yes sir.

Q. And that those men had turned those certificates of deposit over to the Scandinavian-American Bank of Fargo? A. Yes sir.

Q. And the Scandinavian-American Bank of Fargo had turned them into the Bank of North Dakota? A. Yes sir.

Q. Well, now taking the matter from a standpoint of an examiner, does it seem reasonable to you Mr. Lofthus that a man who owed the Peoples State Bank a note of \$416.00 for which he was paying the Peoples State Bank ten per cent would at the same time have a certificate of deposit on the same identical bank for \$4,846.61. Do people generally borrow money and pay ten per cent for it and then turn around and deposit \$4,000.00 or \$5,000.00 in the same bank at four or five per cent? A. It is not likely in this case.

Q. And especially is it not likely in view of your examiner's report wherein he states that the records in the bank shows certificates issued to the Scandinavian-American Bank of Fargo, aggregating \$14,539.81, due November 1, 1920. Now you will notice that the amount of these certificates I have just given you, as issued to Cahill, Emsch and Zeller amount to \$14,539.81? A. Yes sir.

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Q. And the amount of your certificates that your examiners says were issued to the Scandinavian-American Bank of Fargo is the same identical amount, isn't it? A. Yes.

Q. And it appears to be the same transaction then doesn't it? A. Yes sir.

Q. I notice that one J. J. Hastings is one of the stockholders in this bank? A. Yes sir.

Q. Well, could you give us any information as to who might have received that \$5.00 commission on the sale of the stock in this bank, Mr. Lofthus? A. No, I can't.

Q. You were to bring down some additional reports? A. Now the papers that I brought down I was to get back again. Now if you are through with them I would like to get them back.

Mr. Sullivan: You may have them back.

Q. Then, Mr. Lofthus, just to close up this Leith transaction we find that \$8,000.00 of this paper of the capital is in the Leith bank itself? A. Yes sir.

Q. And fourteen odd thousand is in the Bank of North Dakota? A. Yes sir.

Q. So a reasonable conclusion from this circumstance that you have disclosed is that the Bank of North Dakota furnished in fact \$14,000 of the money that was used as capital in that bank? A. Yes sir. You mean, Mr. Sullivan, is it used there, \$14,000.00 is all of the money that is used in the

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Bank? Isn't that left as collateral at two to one basis?

Q. No, it is the collateral itself. A. Well, it is collateral to a loan, isn't it?

Q. The \$14,000.00 is collateral which the Scandinavian-American Bank has put up with the Bank of North Dakota as collateral to a loan from the Bank of North Dakota? A. Not dollar for dollar.

Q. Well, I don't know what the amount of the loan is? A. I believe it is two to one, isn't it Mr. Cathro. That is the usual manner, so in that event it would be \$7,000.00 of that money was furnished by the Bank of North Dakota instead of \$14,000.00.

Q. If it is two to one? A. Yes, I would make that correction.

Q. The Scandinavian-American Bank, however, would appear from this paper to have furnished the Leith Bank the face value of these certificates? A. Yes sir.

Q. So that the Leith Bank received \$14,000.00 plus of its capital from the Scandinavian-American Bank? A. Yes sir.

Q. Then the transactions between the Scandinavian-American Bank and the Bank of North Dakota resulted in this paper being placed in the Bank of North Dakota? A. Yes sir.

(Exhibit No. 75)

Q. Committee's Exhibit 75 is the examiner's report of the Farmers State Bank of Coleharbor, is it not? A. Yes sir,

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under date of June 22, 1920.

Q. Has that bank been examined since that time? A. No sir.

Q. That is the latest report you have of it? A. Yes.

(Exhibit No. 74)

Q. Committee's Exhibit 74 is the examiner's report of the Prosper State Bank? A. Yes sir.

Q. As of what date? A. Sept. 16, 1920.

Q. And that is the last examination report that you have on them? A. Yes sir.

(Exhibit No. 73)

Q. Committee's Exhibit 73 appears to be the examiner's report of the Peoples State Bank of Casselton? A. Yes, sir.

Q. What date is that? A. Sept. 13, 1920.

Q. And that also is a report of the last examination of that bank? A. Yes sir.

(Exhibit No. 72)

Q. Committee's Exhibit 72, Peoples State Bank of Hillsboro under date of Oct. 2, 1920, that is the last examination of that bank, is it? A. Yes, sir.

(Exhibit No. 71)

Q. And Committee's Exhibit 71, Peoples State Bank of Grand Forks, is that the last examination of that bank? A. Yes, sir. Sept. 8, 1920.

Q. Mr. Lofthus, yesterday or the day before, I don't remember which, in answer to one of Mr. Murphy's questions, you referred to the Associated banks, what banks are the associated banks? Just give us a list of them so we will have them? A. Well, I meant the bank that had the same president that we had at Kloten, no associated banks at all.

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(Exhibit No. 77)

Q. Now. Exhibit 77 is the published statement of what?

A. Of the Citizens State Bank of Tagus, on Sept. 8, 1920.

(Exhibit No. 76)

Q. And Exhibit 76 is what? A. Is the Scandinavian-American State Bank of Van Hook on Sept. 8, 1920.

Q. Well, Mr. Lofthus, you have closed the Scandinavian-American Bank at Fargo, I notice by the public press? A. I have.

Q. Well, the Leith Bank has also been closed by you? Has it? A. I received a report last night.

Q. What was the capital stock of the Scandinavian-American Bank at Fargo at the time it was closed this last time? A. \$50,000.00.

Q. \$50,000.00 capital? A. Yes sir.

Q. And what was the surplus? \$10,000.00.

Q. There was a report which I noticed in the paper that it had \$100,000.00 capital? A. Well, the deal wasn't consummated. The Director's meeting was postponed and the deal was not consummated.

Q. Was the \$50,000.00 for the additional capital paid in, do you know? A. Yes, sir.

Q. It was paid to the Bank, was it? A. Yes, it was paid to the bank.

Q. And the bank had the \$50,000.00 additional money that was intended to be used as capital when the bank was closed? A. Yes, sir.

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Q. All of the steps incident to the increase of the capital stock of the Scandinavian-American Bank had been complied with, had they? A. Yes sir.

Q. Had the \$50,000.00 worth of additional stock been sold, that is, had the persons indicated in writing or otherwise

their desire or willingness to receive that stock, the increase? A. Yes, sir.

Q. Had the Banking Board of the State issued its certificate permitting the increase of capital stock from \$50,000.00 to \$100,000.00? A. It had.

Q. You say the money was in the Bank, how was the money in the bank, Mr. Lofthus, in what manner? A. I think it was in the name of F. B. Wood, as trustee for the capital fund.

Q. Had the stock been issued, the increase capital stock? A. It had not.

Q. Had it been authorized by the directors and officers of the bank? A. Yes, I believe it had.

Q. Well, you say this was deposited in the name of F. B. Wood, as trustee? Who was he trustee-for? A. Trustee for the new stockholders.

Q. Then the situation was the same as though the stockholders themselves had deposited their money in the Bank? A. Yes, sir.

Q. And as I understand you, everything had been done excepting the physical issuance of the stock itself? A. It had.

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Q. At the time the Scandinavian-American Bank had been closed and in your charge, Mr. Lofthus, I think in your report to the Supreme Court, you indicated, and I think testified yesterday, that a substantial amount of papers that were in the Bank that had been criticised by Mr. Haldorson had been taken out or credit had been obtained from other banks? A. Yes sir.

Q. Well, now, tell us what the other banks were, the names of the other banks from whom the Scandinavian-American Bank received this credit upon this paper that was taken out? A. I cannot give that at this time.

Q. Well, would you remember it if I directed your attention to it at this time? A. I think so.

Q. Was some of this paper sent to the Ransom County Farmers Bank at Lisbon? A. It might have been.

Q. Some of it was sent to Mr. Hagen's bank at Prosper? A. I think so.

Q. Some of it was sent to the Farmers Bank at Courtenay, the Security State Bank of Courtenay? A. It might have been sent there, yes.

Q. And some to the Peoples State Bank at Casselton? A. It might have been, I had nothing to do with the details of that part.

Q. Well, who did handle the details of distributing this to the other banks? A. The officers of the bank, those that

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were in charge of the work there, they were ordered to take out \$25,000.00 worth of paper, and they took that out and credit was received by the Scandinavian-American Bank for that amount.

Q. From these various other banks? A. Yes sir.

Q. And who were the officers of the bank, Mr. Lofthus, who had direct charge of distributing this paper to the other banks and getting this credit, who were the persons? A. Well, I don't know which one, there was Hagen, and there was Sherman, and I don't know who else might have participated in it.

Q. You had knowledge of the fact that they were doing it but you didn't have charge of the details in connection with it? A. I didn't have knowledge of it, in fact, I didn't know how it was done nor where the credit was gotten, directly.

Q. That is, you didn't know it at the time? A. No.

Q. You did get information, however, to the effect that they had obtained credit upon this paper at these other banks? A. Yes sir.

Q. Of course, you would find that out when you came to make your final report? A. Yes.

Q. You would find, for instance, that Lisbon, Prosper, Courtenay, Grand Forks, Hillsboro, Casselton had given the Scandinavian-American Bank credit for certain amounts? A. Yes sir.

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Q. And of course, you knew that was the paper that was taken out of the Scandinavian-American Bank and was carried in these other banks, at least, temporarily? A. No, the paper wasn't carried, the paper was actually taken out and was carried not as a part of the assets, but carried as any part that would be collected upon it would be credited to the directors. It was the directors that took out this \$25,000.00 and the directors that raised this money and the notes that they took out was left in the bank as security to be turned back, any portion of it that would be collected would be turned back to the directors.

Q. I don't understand just what you mean by that? How did they get credit at these other banks? How did the Scandinavian-American Bank get credit at these other banks? A. Through the directors.

Q. Then it was the directors that took this paper out and then through this paper obtained credit at these other banks? A. Yes sir.

Q. Well, the directors, apparently, hadn't forgotten the instructions in the now famous letter of "shoot-it-to-the-other-banks" had they? A. I had nothing to do with that letter.

Q. You know whether or not any of this paper that was taken out by the directors and shot to the other banks ever came back to the Scandinavian-American Bank? A. I don't.

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Q. Did you have a list at that time, Mr. Lofthus, of the paper that was taken out of the Scandinavian-American Bank and shot to other banks? A. I did have a list, I don't know whether I have it in this report or not, it was approximately \$25,000.00. No. I haven't the list here. The list of that is in the bills receivable book in the Scandinavian-American Bank.

Q. Well, at the next examination, however, you had turned this bank back to the officers, their own officers, did you? Was there instructions given to your examiner at its next examination to determine whether or not any of this paper that had been shot to other banks had gotten back into the Scandinavian-American Bank? A. No special instructions were given.

Q. Then, of course, you do not know whether the examiner who was down there checked up with a view to ascertaining that fact or not? A. I don't.

Q. I want to inquire, Mr. Lofthus, as to whether or not, you have any knowledge of what occurred as between the Scandinavian-American Bank and the Bank at Prosper at the time of the last examination of the Scandinavian-American Bank at Fargo? A. I don't.

Q. You weren't there at the time? A. I was not in Fargo at the time of that last examination.

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Q. I don't mean the examination that resulted in the closing of the bank, which would be just the other day, but the examination that took place—well, it was the examination of two or three weeks ago, December 29th—do you know anything about a draft that was obtained from the Prosper Bank of the Bank of North Dakota and remitted to the Scandinavian-American Bank to be used by the Scandinavian-American Bank in connection with its examination? A. I don't.

Q. You have no knowledge of that? A. I had none. I have heard since about a draft.

Q. Who did you hear it from? A. I heard it from a party in Fargo. Mr. Tennyson called my attention to it.

Q. The attorney? A. Yes sir.

Q. Mr. Tennyson told you the facts about it? A. I haven't it clear.

Q. Well, if I told them to you, could you tell whether or not they lined up with what Mr. Tennyson told you? A. I believe so.

Q. Do you know Mr. F. C. Heaton? A. Yes sir.

Q. Who is he? A. He is one of the tellers in the bank, or was one of the tellers.

Q. In the Scandinavian-American Bank? A. Yes sir.

Q. Do you know Mr. H. E. Johnson? A. Yes sir. Cashier of the Prosper Bank.

Q. You know Mr. Hagen, of course? A. Yes sir.

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Q. Mr. Hagen is interested in both the Prosper and Scandinavian-American Banks? A. Yes sir.

Q. Well, now, I will ask you Mr. Lofthus whether or not in your conversation with Mr. Tennyson, Mr. Tennyson told you that during the process of this examination, that is examination by your examiner, of the Scandinavian-American Bank of Fargo, Mr. Heaton was sent over to Prosper with \$22,000.00 worth of notes of the Scandinavian-American Bank, that far am I correct? A. I don't know anything about that.

Q. And whether or not he requested H. E. Johnson, the cashier of the Prosper Bank to draw a draft on the Bank of North Dakota for the amount of notes, \$22,000.00, \$20,000.00 or such a matter? A. This was part I got from Mr. Tennyson.

Q. Did he tell you that substantially as I have stated it? A. Yes.

Q. And Johnson told him he didn't have funds enough in the Bank of North Dakota to give him a draft for \$2200.00 let alone \$22,000.00? A. I know nothing about that.

Q. Well, in any event, Johnson told him he had but a very small balance in the Bank of North Dakota and that a draft of the amount Mr. Heaton wanted couldn't be properly drawn

by him on the Bank of North Dakota? A. I think that was the substance of it.

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Q. And then Heaton, on that trip, when Heaton came over and Johnson refused to give him the drafts, as I understand the situation, H. J. Hagen went over to the Prosper State Bank and insisted that Johnson give him the draft for \$22,000.00, and that Johnson did give the Scandinavian-American Bank a draft for that amount or substantially for that amount, that was returned after the examination was over? A. I know nothing about that. I never knew anything about that. The only talk I had was with Mr. Tennyson, and that was less than an hour before the train left, and I went to Bismarck.

Q. Well, is what I have stated to you, substantially the impression you got from what Mr. Tennyson told you? A. Yes, except that Mr. Heaton's name wasn't mentioned in the matter nor anyone else in the bank there.

Q. The only difference between what Mr. Tennyson told you and what I have told you is that I have made it more specific than Mr. Tennyson? A. Yes, sir.

Q. Just go back a moment, the Peoples State Bank of Leith. Mr. Murphy has directed my attention to the excess loans as shown in your examiner's report? A. Yes sir.

Q. One of them is J. I. Cahill for \$3,363.48? A. Yes sir.

Q. And this is the same Cahill we discussed a few minutes ago? A. Yes sir.

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Q. And William Kamrath, \$3,315.48? A. Yes sir.

Q. And this Mr. William Kamrath is also from Leith, is he not, or down in that country? A. I believe so, so far as I know, I am not personally acquainted with him.

Q. He is a member of the legislature from that community, I think? A. I don't know.

Q. Well there is a member in the legislature from Grant County by the name of William Kamrath? A. Yes sir.

Q. Mr. Lofthus, just a question or so, as to whether or not at the time of the Scandinavian-American Bank's first closing, whether or not you connected any of this paper that was taken out of the bank that was to be carried by some other bank—and I have in mind a certain lot with a mortgage on it at Buffalo? A. I believe I stated I believed it was of value.

Q. Well, tell us about that, Mr. Lofthus? A. This particular item, I think, went to the Peoples State Bank at Hillsboro? I think it was placed there by Mr. Sherman.

Q. It was the mortgage that was held by the Scandinavian-American Bank on this lot at Buffalo? A. I think so.

Q. And then when it was taken out of the Scandinavian-American Bank it was sent to the Hillsboro Bank? A. Yes sir.

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Q. To be carried by the Hillsboro Bank? A. Yes sir.

Q. And when it was sent up there, you personally wrote a slip or a little statement attached to it in which you indicated that you believed the security was all right for the loan and ample? A. Yes sir.

Q. You had ordered it out of the Scandinavian-American Bank, however, had you not? A. I don't know.

Q. Well, it was taken out of the Scandinavian-American Bank at that time? A. I presume that is correct.

Q. In other words, it was a piece of paper that wasn't all right for the Scandinavian-American Bank to carry but it was all right and good security for the Bank of Hillsboro to carry, that was your position on it, was it? A. I didn't give it very much thought, and I can't recall just now the situation.

Mr. F. W. Cathro, recalled as a witness.

Examination by Mr. Sullivan:

Q. Mr. Cathro, as I understand it, yesterday up in the Senate, at the suggestion of my friend Mr. Sinkler in the form of questions, you made some statements in connection with the Hastings transactions that Mr. Brinton sometime ago discussed with this committee? Now directing your attention to the Hastings matters Mr. Cathro I want to ask you whether or not Mr. Hastings was employed by the Bank of

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North Dakota at any time during the year 1920 in the capacity of bond salesman, or otherwise? A. Well, as to the matter of employments, I don't know how you would construe that. He was authorized to receive a commission if he negotiated a sale of bonds.

Q. He was authorized to receive a commission if he sold bonds, is that it? A. He was to receive a commission on the sale of the bonds when the sale was consummated.

Q. There was some written memorandum was there of that transaction? A. I made a memorandum.

Q. Did Mr. Hastings sign the memorandum? A. No.

Q. Who did sign the memorandum? A. No one.

Q. And you say you made it yourself? A. I did.

Q. And what was the date of the memorandum? A. As I recall it now, it was the 30th of December, 1919.

Q. And where did you make that memoranda, Mr. Cathro? A. At my desk.

Q. In the Bank of North Dakota? A. Dictated at least.

Q. And what was the occasion for your making that memoranda? A. So I would remember the conversation and basis of settlement.

Q. Who was your conversation with that you wish to remember by this memoranda? A. Mr. Waters was there and the conversation as I heard it, was between him and Mr.

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Hastings.

Q. Then the memoranda includes your recollection of the conversation and your knowledge of the arrangement which you obtained by conversation with Mr. Hastings and Mr. Waters? A. It did.

Q. Now, Mr. Brinton indicated in his testimony that certain moneys had been given to Mr. Hastings did you have any knowledge of any moneys being given to Mr. Hastings, I think you stated in your testimony yesterday there was \$1500.00 given to him? A. Yes.

Q. Now, I want to ask you if there was anything more than \$1500.00 given to Mr. Hastings? A. I believe there was, I have no definite knowledge of it, of my own knowledge.

Q. Is there any way you could find that out definitely from the books of the bank? A. Yes.

Q. What is your recollection, your best recollection, at this time, Mr. Cathro, as to whether or not any money in ad-

dition to the \$1500.00 that you told the Senate about was given to Mr. Hastings? A. He subsequently drew a draft of \$500.00 on Mr. Waters, which Mr. Waters said he had ordered paid and charged to bond sales commission fund.

Q. Now, is that the draft that Mr. Brinton referred to that was drawn through some bank up near Devils Lake?—Oberon? A. I think so.

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Q. There was a draft then drawn through Oberon and paid by the Bank of North Dakota? A. I believe so.

Q. And that was for \$500.00? A. Yes.

Q. This \$1500.00 item Mr. Cathro, was that paid to Mr. Hastings by draft, check, or currency, or in some other manner? A. Paid to him in currency. He was starting for New York and it seems as though he wanted the currency.

Q. And the money was paid to him in that manner because he was starting for New York? A. That is the way I understood it.

Q. Well, is it usual, Mr. Cathro, for a man to carry \$1,500.00 in currency, with the availability of cashier's checks, drafts, etc? A. Well, I don't do it myself as a rule.

Q. The usual way would be to take drafts, cashier's checks or travelers checks that is the usual way it is done, for an amount of that size? A. Yes.

Q. Well, is there any other reason you know of why this money should be given to Mr. Hastings in currency? A. Well, you can probably discover that from Mr. Waters?

Q. Well, I didn't ask you that, I asked you if you knew of any other reason why he should be paid the currency? A. In preference to a draft.

Q. Yes, sir? A. No.

Q. How was this money given to Mr. Hastings, was it

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given to him at the bank or some other place? A. It was delivered to Mr. Townsend to deliver to him.

Q. And Mr. Townsend carried it to Mr. Hastings, did he? A. Yes, met him at the train.

Q. Met him at the train? A. I so understand it.

Q. Well, then, Mr. Brinton didn't miss it very far on this transaction, did he? As I remember his testimony, he said there was an amount of money delivered in person in currency to Mr. Hastings by this man Maley Townsend, that is correct, isn't it? A. That part I never understood was denied.

Q. Well, I don't know that anything Mr. Brinton said was denied—also that a draft was drawn on some bank up near Devils Lake and paid by the Bank of North Dakota in the sum of \$500.00, that is also correct? A. It was drawn on the Manager of the Bank of North Dakota.

Q. Well, Mr. Waters' name was in that draft, was it? A. I don't recall that it was.

Q. You don't want to swear that it was in there—just tell how that draft was drawn, who it was drawn on, Mr. Cathro? A. Drawn on the Bank of North Dakota Manager, as I recall it.

Q. On the Bank of North Dakota Manager? A. Yes sir.

Q. But Mr. Waters' name wasn't in the draft? A. No.

Q. Well, was the word Manager in the draft? A. Yes, as I recall it.

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Q. Well, you have that draft, undoubtedly? A. It is in the Bank.

Q. And I assume it would not be a very difficult thing in view of the fact that you have substantially about the date to find that without any great difficulty? A. I think so.

Q. Will you make a note of that Mr. Cathro and have that brought over to us? A. Yes sir.

Q. What entry, Mr. Cathro, was made on the books of the Bank for this \$1500.00 currency that was given to Mr. Hastings, do you remember? A. Bond Sale Commission.

Q. Mr. Hastings hadn't sold any bonds, had he? A. Not at this time, this was advancement on commissions.

Q. But Mr. Hastings hadn't sold any bonds? A. He entered into extensive negotiations that ultimately might have led to a sale, but on account of the situation of the market it finally fell through and no sales were consummated.

Q. He didn't sell any bonds? A. He made the effort under this contract or arrangement and interviewed the people he intended to see.

Q. I will ask it again? Did he sell any bonds? A. No.

Q. Now, this \$500.00 draft transaction that you have referred to, how was that handled on the books of the Bank?

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A. In a similar way.

Q. That was Commission on Bond Sales? A. Advancements on commission.

Q. Advance commissions on bond sales? A. Yes sir.

Q. And it still shows that way on the books, does it, Mr. Cathro? A. Yes, Now, before you go further on that line, you are trying to create the impression that a transaction of this kind is improper.

Q. I will set you right on that right now. I am not trying to create any impression, I am trying to get the facts in this matter. A. The facts are a contract of that kind is customary and we have been frequently asked by responsible people to make them a contract where we would advance certain funds to furnish or provide for the organization work in order to build up the organization for the sale of bonds.

Q. You say responsible people—it wouldn't be anything extraordinary to advance money to responsible people? A. No.

Q. Have you advanced any other money in this manner to any other responsible people? A. We have been asked to. The point I am making is that it is not unusual.

Q. Have you advanced any other moneys to any other responsible people in connection with the sale of these bonds? A. We have made no advances, we have declined offers of that kind, as a rule.

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Q. You have made no advancements to any other responsible people, excepting Jack Hastings? A. No.

Q. Well, let's see—this Jack Hastings person, who is he? He was the man who was connected with, at least, a charge of embezzlement in the Scandinavian-American Bank? A. I knew nothing of it.

Q. He was also the same Jack Hastings who was mixed up in what is now known as the Valley City Bank deal? A. I had never met him prior to this occasion.

Q. Well, you know he is the name Jack Hastings who was

mixed up in the Valley City Bank deal? A. I have learned since that he was.

Q. Well, you knew it in January, 1920, didn't you, the Valley City Bank deal was in 1919, wasn't it? A. I don't know.

Q. Well, he is the same fellow that took the \$15,000.00 down there at Valley City and was compelled to put it back in the bank by the Bank Examiner, Mr. J. R. Waters, isn't he? A. I knew nothing of that, except newspapers, what I may have gathered from newspaper articles, and didn't know the man at all.

Q. And at the time of the Valley City Bank deal and when he was compelled to pay this \$15,000.00 back Mr. J. R. Waters, at that time, was Bank Examiner of the State of North Dakota, and the Bank of North Dakota, had not been opened up? A. This whole transaction was between Mr. Waters and Mr. Hastings.

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Q. I thought you told us you were present and was the party that made the memoranda on it? A. I made the memoranda on it because I had to keep the records of the bank or see that they were made.

Q. And he is the same Mr. Hastings who organized these league banks, such as was indicated in the testimony here this morning—the Leith Bank down here—that is the same Mr. Hastings? A. I knew nothing of that.

Q. And he was the same Mr. Hastings who was repudiated by Mr. Arthur Townley in connection with the Valley City Bank deal when Mr. Townley said he didn't have anything to do with Mr. Hastings in connection with that deal? And the same Hastings who had connection with the Townley Florida enterprise, you knew all about that, didn't you, Mr. Cathro? And I want to ask you now, on that record, will you say that Mr. Jack Hastings was a responsible person to whom it was properly proper to advance at least \$2,000.00 upon commissions on bond sales or bonds which he never sold? A. In this matter, I have been charged with embezzlement—

Q. I didn't ask you about that? A. And I have denied that there was any embezzlement. And that is all there is to that. As to Mr. Hastings' relations with Mr. Waters, I don't know.

Q. And I haven't asked you— A. This deal was consummated in regard to the sale of bonds, between them. I

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had knowledge that arrangements were being made for Mr. Hastings to go East to see certain individuals who were supposed to be in a position to buy these bonds, and the correspondence of the bank lead me to believe that they were in such a position. And correspondence was conducted for several months. And on account of the change in the bond market, the bonds were not sold. I have every reason to believe the bonds would have been sold had the market remained stable.

Q. And with that belief you made no objection to this transaction? A. I wasn't in a position to make objection.

Q. Well, I didn't ask you that? You didn't make any objection to it, did you? A. I wasn't in position to do so.

Q. Well, then you didn't did you? A. I have been at different times protesting to this committee as to your line of

questioning. You are not furnishing an opportunity for the necessary explanations to accompany the answers.

Q. Well, I am just asking you a simple question Mr. Cathro, and the question can be answered by yes or no, I think, and the question is, did you actually make any objection? A. I have been charged with embezzlement, and there was no embezzlement.

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Q. I didn't ask you that. A. When these contracts were made between Mr. Waters and Mr. Hastings I made a memorandum so I would know.

Q. Now, you have told us that already. And it has been a matter of record. And the only thing I am trying to get your answer to, Mr. Cathro, is this: During these transactions did you make any objection to these arrangements with Mr. Hastings? A. Why, I couldn't and didn't, because I wasn't in a position to do so.

Q. You corresponded with Hastings, yourself, in connection with the sale of these bonds? A. I prepared the transcripts, got a copy of the certificate of the Secretary of State, of the State Treasurer, of the House Journal, of the laws, had them all certified to, a statement as to the population of the state and assessed valuation, and all of those things that are usually required at bond sales, and it was transmitted to Mr. Hastings.

Q. In other words, you cooperated with Mr. Hastings in the matter of the sale of these bonds to the best of your ability? A. I did.

Q. And Mr. Hastings reported to you from time to time as to his negotiations in the east in connection with them? A. I had several letters from him and also from those with whom he was negotiating.

Q. Was there any money that you know of sent by wire to Mr. Hastings? A. Not that I know of.

Q. Was there any money sent to Mr. Hastings, or intended

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for Mr. Hastings, sent by wire in a fictitious name? A. Not that I know of.

Q. You don't want to swear it didn't happen? A. Well, I think I would have known of it if it had happened.

Q. That is your opinion, Mr. Cathro? A. Yes sir.

Q. Now, Mr. Hastings, you say, didn't sell any bonds? A. No.

Q. And the result is that Mr. Hastings didn't carry out the terms of this memoranda and arrangements that you refer to? A. Yes, he did.

Q. He tried to sell them.

Q. You said that under the terms of this arrangement he was to receive this money as advance commissions on the sale of bonds, that is correct, isn't it? A. Yes sir.

Q. Well, he didn't sell any bonds, and what I want to inquire now, did he send the money back that had been advanced to him as commissions? A. He was not expected to. He had expenses to incur, he had to pay railroad fare, and hotel bills, and other expenses incurred.

Q. And it was never intended that he should return this money if he didn't sell the bonds? A. No.

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J. W. Brinton, recalled as a witness, and testified as follows:

Examination by Mr. Sullivan:

Q. Mr. Brinton, you have been sworn heretofore? A. I have.

Q. The last time you were on the stand, we had some talk with reference to the so-called \$11,000 item that was paid by you at the Scandinavian-American Bank? A. Yes.

Q. In order that we may get the connection of this testimony, Mr. Brinton, I am going to ask you to state, if you know, just how that \$11,000 so-called item got into the Scandinavian-American Bank? A. Well, it represented originally a shortage in the bank, on the bank books.

Q. Now, who was the person who was short? A. Mr. Hastings.

Q. And what was the evidence of the shortage in the Scandinavian-American Bank that you refer to? A. It was drafts that had been drawn from Miami, Florida, on Mr. Hastings, that he had paid out of the funds of the bank.

Q. Do you know what Mr. Hastings put into the bank when he took the money out in payment of these drafts that you refer to? A. He put in notes for part of it.

Q. How did it occur, Mr. Brinton, that you were interested in taking up this paper that you refer to? A. As one of the

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employees of Mr. Townley in charge of his Florida enterprise.

Q. Had there been any arrangement between you and Townley by the terms of which you would be expected to take this shortage, so-called, up? A. Well, yes, directly and indirectly through three of us, through Waters, myself, and Townley.

Q. And do you care to state just how it occurred, Mr. Brinton, that you were expected to take this up in connection with this transaction between Waters, yourself, and Townley? A. Well, at the time Mr. Townley came to Mr. Waters and I to engage us, or hire us, to take charge of this Florida enterprise, he wired to us that there was a shortage in the bank caused by Mr. Hastings' taking money out of there, which he referred to as embezzlement, and put in Florida, among other shortages in the bank. And that we were to take charge of the enterprise. It was understood that Waters and I as his agents in charge of this particular enterprise, and as its agents, would raise funds to take up this shortage because of the fact that the money had gone into the enterprise, or approximately, the amount.

Q. Well, about what time of the year was it that this deal between you and Waters and Townley was consummated? A. Well, I don't remember the exact date, but it was at the time they were having the big row over the Valley City Bank.

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Q. Up to that time, up to the time that you and Waters took charge of the Townley interests in Florida, who had been in charge of Mr. Townley's interests down there, if you know? A. Mr. Hastings and Mr. Box.

Q. Mr. Hastings and Thomas Allen Box? A. Yes sir.

Q. What arrangements was made with reference to this so-called shortage in the Scandinavian-American Bank as to how it was to be paid? A. Well, Townley intimated that we

would be given time to take care of it, because the Sisal Company had a lot of pressing obligations down at Miami, Florida, and those were the things that we were to take care of first, and he said he would make arrangements at the bank to carry them until sometime that fall.

Q. Well, do you know whether those arrangements were made? A. Yes sir. Upon our return from Miami, and after the Company was organized—that is the Florida Company—the notes were drawn up in the name of the Company and were signed by Mr. Waters and Mr. Harvey as officers of the Company—a regular promissory note with collateral attached, and those notes were to be put in in place of this so-called shortage at the Scandinavian-American Bank.

Q. And when were those notes made payable, do you know? A. I think one was November, and I don't know about the other, for sure. There was only one that I handled

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personally, and that was made payable November 1st, that is November 1st that fall, and made in April. And there was some other item. This one I made was covering two particular items, and there was some others made by Mr. Waters covering some items that I am not personally acquainted with.

Q. These other items in connection with the so-called shortage? A. Yes.

Q. Now after this deal was arranged in the manner you have outlined, was it carried out just as you have indicated in the matter of the time of payment? A. Well, not exactly.

Q. Well, how was it carried out then, and what changed the arrangement? A. Because of the closing of the Scandinavian-American Bank, we were called on to pay it before it was due, that is, before these notes fell due, that we had executed.

Q. And who called on you to pay them Mr. Brinton? A. Well, now, I don't know, I wouldn't say positively whether it was the officer of the Bank or whether it was Mr. Lofthus, but as I remember it, it was at the time I came to Fargo and they were—I think there was Mr. Lemke and Mr. Lofthus and Mr. Hagen and Thatcher, there was quite a number there. This was upon the return of Mr. Lofthus and myself from Florida.

Q. You and Mr. Lofthus were down at Florida at that time? A. Yes.

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Q. At the time the Bank closed? A. Yes.

Q. What was Lofthus doing down in Florida? A. Making an inspection of the property down there.

Q. Of whose property? A. The Sisal property.

Q. And by the way who paid Lofthus for going down there? A. I did as agent for Mr. Townley.

Q. When you got up to Fargo and had those conferences there, you say, they told you you had to pay it at once, and I think in your testimony you did say you paid a part of these notes in cash at that time, did you? A. I paid the remaining part of it, some of it had been paid prior to that—all the unpaid balance, I paid.

Q. And that was the time that you made the arrangements that you have testified to in your testimony, for the putting in of your check? A. No, it wasn't an arrangement, they

just simply told me I could put the check in and they would give me that much additional time to raise the money.

Q. And you executed a check as of the date that they gave you this permission there at Fargo? A. Right in the bank, yes, sir.

Q. Now, just tell us very shortly, Mr. Brinton, so that the pertinency of this testimony will be shown—tell us just what was said there and what was done in connection with your giving this check. A. Well, I can't give you the exact words, but I have talked with Mr. Lemke regarding the

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transaction, that is, regarding the obligation, and Mr. Lemke impressed upon me that it was very important that it be paid and as we discussed it in the bank the suggestion was made by Mr. Lofthus, I think, in the presence of Mr. Lemke and Mr. Thatcher, that I could get a check and they would hold the check until, as representative of the Company, I could raise the funds to make the check good, and believing it was an obligation—that is an accommodation to them, I gave it to them, and warned Mr. Lofthus to be sure and hold it until I notified him to cash it. And I wrote out the check there for the amount of the notes they held and the interest.

Q. Do you know what date that was? A. I know by having looked at the check, the 22nd day of October.

Q. And I think, in your examination here before, I asked you whether, or not, you had that check and you said you thought you had it? A. Yes, sir.

Q. I think also, my friend, Sinkler, in his cross examination of you up in the Senate indicated or intimated quite strongly the impossibility of your having the possession of any such evidence as that? A. Just a minute, I want to correct you, I think Mr. Sinkler showed a desire to produce it and I got it on his request as well as yours.

Q. All right then, you will assist both Mr. Sinkler and

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myself, if you have that check. Have you got it with you? A. Yes, sir. Be sure and give it back to me.

Mr. Sullivan: You have our assurances that these papers will be read into the records, used by the committee, and returned to you.

Q. I am referring to a check which you have just handed me Mr. Brinton, and which has been marked Committee's

(Exhibit No. 76)

Exhibit 76, I notice this check was made out direct to Mr. O. E. Lofthus, that is correct, is it? A. Yes sir.

Q. It also appears to be endorsed on the back by Mr. Lofthus? A. Yes sir.

Q. Will you observe it while I read it so as to be sure there is no mistake, the check reads as follows'

“Minneapolis, Minnesota,
October 22, 1919.

MERCANTILE STATE BANK— 17-74.

Pay to the order of O. E. Lofthus \$10,419.10, Ten Thousand Four Hundred Nineteen Dollars and ten cents.

(Signed) J. W. Brinton,
Gen. Mgr.”

Q. I have read that correctly, have I? A. You have.

Mr. Sullivan: Impressed in front of the paper appears to be the scroll of the Mercantile State Bank, and endorsements on the back of the check are as follows, at the top "O. E. Lofthus." The further endorsement on the back of the

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check by stamp, "Pay to the order of Mercantile State Bank, Minneapolis, Minnesota, Scandinavian-American Bank, Fargo, N. D. N. G. Eggen, Cashier (77-9)." In the perforated stamp showing date of payment of the check, are the words perforated through the check "Paid 11-3-19."

Q. That perforated stamp would indicate that this check was paid at the Mercantile State Bank on November 3, 1919, that is correct, isn't it? A. Yes.

Q. And it was dated October 22nd? A. Yes sir.

Q. Now, this check appears to have been sent direct by the Scandinavian-American Bank to the Mercantile State Bank at Minneapolis, was there anything said at this talk or conference you refer to that would indicate that that was the manner in which it was intended to handle the check? A. Yes sir. It was stated to me as what would be done.

Q. What was said to you? A. That the check would be sent down there direct for collection.

Q. What did you do, if anything, in the matter of endeavoring to get the money with which to pay this check, Mr. Brinton? A. I got the money and went down and made the deposit.

Q. You made the deposit in the Mercantile State Bank? A. Yes sir.

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Q. At Minneapolis? A. Yes sir.

Q. When did you make the deposit in the Mercantile State Bank at Minneapolis? A. November 3rd.

Q. In 1919? A. Yes, sir.

Q. That is the same day that this check appears to be paid? A. It was paid on that date.

Q. Have you any evidence to indicate when you deposited this money in the Mercantile State Bank with which to take care of this check? A. Yes, sir, I have an exchange charge and a personal check also.

Q. May I receive the personal check, Mr. Brinton, and also the exchange charge that you refer to? A. Yes, sir.

Q. Now, then, in order to get the funds into the Mercantile State Bank at Minneapolis, with which to take care of this check you had given to Mr. Lofthus, you drew a check apparently on the Farmers State Bank of Dickinson, N. D.? A. Yes, sir.

Q. For \$500.00? A. Yes sir. That was one of the items I deposited.

Q. The other item was what? A. A draft.

Q. For how much? A. \$10,000.00.

Q. I notice on the back of this exchange charge slip that you refer to, the following items: 11-3 (Meaning Nov. 3rd) \$10,000.00, exchange \$2.50; 11-3 \$500.00 exchange 50c.

Q. Those items were deposited by you on November 3rd?

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A. Yes, sir.

Q. In the Mercantile State Bank? A. Yes, sir.

Q. This Committee's Exhibit 78 appears to be a bill to you, as follows: "Statement of exchange cost on items deposited by you since last statement was rendered. The total is charged to our account. Mercantile State Bank." A. This was an item of exchange against my deposit because my deposit was two North Dakota items, and this charge of \$3.00 was charged to my account and the slip was put in as an explanation.

Q. The check that you deposited with which to take care of the item on the check, Exhibit 76, reads as follows:

"Dickinson, N. Dak., Nov. 3, 1919.

FARMERS STATE BANK.

Pay to J. W. Brinton \$500.00 Five Hundred Dollars.

(Signed) J. W. Brinton,
Sales Mgr.,
Endorsed, J. W. Brinton."

Q. And the other endorsements show the clearance of the check and the payment of it by the Farmers State Bank at Dickinson? A. Yes, sir.

Q. Now, Mr. Brinton when you made this deposit in Minneapolis, November 3rd, do you remember whether or not anything was said to you at the bank as to whether or not that check was there? A. No, there was nothing said at all.
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Q. Do you remember whether or not you notified anybody that you had made the deposit? A. Well, I told Mr. Lofthus.

Q. That the deposit was made? A. Yes.

Q. You then carried out the original arrangement that had been made there at Fargo? A. Yes, sir.

Q. Now, I think in the examination of you before this committee, before, I asked you to bring some letter that you referred to that you claimed had been written by former Transit Manager, Mr. Snyder, to Mr. Waters, in which there were certain references made to transactions in the Bank? A. Yes, sir.

Q. Do you remember now, what the transactions in the Bank were that were referred to in the testimony at that time? A. This was the five hundred dollar draft.

Q. Well, have you got that letter? A. I have. There are two letters there, one of them leads up to the subject and one discusses it.

Q. These are the letters that you referred to in your testimony at that time? A. Yes, sir.

(Exhibit No. 79)

(Exhibit No. 89).

Mr. Sullivan: They are marked Exhibits 79 and 80, and with your permission we will read the letters into the record and then return them to you:

"San Francisco Federal Reserve Bank Club,
San Francisco, Calif., 8-25-20.

My Dear Mr. Waters:

I was rather interested in reading a paper from Bismarck
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last evening and knowing you had made some sort of a statement about the Bank of North Dakota. I have not read all

about whatever you said, but whatever your statement was it is very plain someone is trying to make a liar out of you. I am writing you solely to let you know if you so desire it, I am with you heart and soul, and if I can be of any use you can call on me at any time, for I believe I know Cathro and his methods well, and I haven't much love for them. Had you remained with the Bank, I would still be with you. I rather like this country, but have a desire to return back where my friends are, and may if I am able to locate a good position. I haven't tried as yet but may. I have a good position here at the Bank, but conditions connected have their drawbacks. They are very nice and all that, but I like the Federal of Minneapolis better. I should be very glad to hear from you, with best wishes and kind regards, (Signed) A. E. Snyder. Care Federal Reserve Bank, San Francisco."

Q. You say this first letter led up to the subject? A. That is one of the letters Mr. Waters gave me.

(Exhibit No. 80)

Mr. Sullivan: The letter, Exhibit 80, dated September 1, 1920, reads as follows: "My dear Mr. Waters: Just received your very welcome letter and am surely very much interested in your action and I shall follow it very closely. I

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know you are right and here is hoping that all the luck is on your side, for that rotten gang ought to get what is coming to them. I hope Cathro gets his, for I have never known a smaller brained, narrower or conceited man in my life. Somehow I wish I had stayed, had I ever known what your intentions were I might have been able to get a lot of information for you. I remember that draft well, for \$500.00. In fact, I got a record of it written up. I used to make a lot of little notes on some of the things that passed through there and if you wish it, you are welcome to it. Let me know, for I absolutely know the entry I made for \$500.00 was destroyed by Johannsen or Cathro and another substituted. Also I remember the wire from Hastings from New York, and I remember telling Cathro the \$500.00 deal looked damned funny to me. If you want any dope, write me. Also, I may be willing to get someone to get the letters for you from the Bank. Best wishes, regards and luck always. Ed, Care Federal Reserve Bank."

Q. That is the letter upon which you based the testimony that you referred to at the time I asked you for the letter? A. Yes.

Q. Now, let's see, who is this man, A. E. Snyder, that is

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the author of these epistles? A. He was introduced to me in Bismarck the first time I met him, as the Transit Manager.

Q. In the Bank of North Dakota? A. Yes.

Q. Do you know how long he was in the Bank of North Dakota, Mr. Brinton? A. No, I don't.

Q. He was formerly with the Federal Reserve Bank of Minneapolis? A. Yes, sir.

Q. And is now, as I understand it, with the Federal Reserve Bank in San Francisco? A. Yes.

On motion of Mr. Freeman, seconded by Mr. Johnson, of

Ward, committee adjourned until 9:30 A. M., February 17, 1921.

End of February 16, 1921.

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February 17, 1921.

Meeting called to order by the Chairman, all members of the committee present, except Messrs. Johnson of Steele, Weld, and Hanson. The attorneys and reporter also present.

Minutes of previous meeting read and approved.

F. W. Cathro, recalled as a witness, and testified as follows:

Examination by Mr. Sullivan:

Q. Mr. Cathro, yesterday, you were to obtain for us the draft, I believe—have you got that with you? A. I have.

(Exhibit No. 81)

Q. This draft is Committee's Exhibit 81, and is the draft that you referred to yesterday which was drawn by Mr. Hastings through the bank at Oberon? A. It is.

Q. This was the draft that you referred to in which you indicated that the draft was drawn, as you remember it on the manager of the Bank of North Dakota? A. Yes.

Q. When you looked up the draft you found that that was not absolutely correct? A. That is right.

Q. The draft is in fact, as follows:

“Chicago, Ill., Feb. 13, 1920.

On demand pay to the order of Bank of Oberon \$500.00

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Five Hundred Dollars, Value Received and charge to account of J. J. Hastings.

To G. M. Townsend,

c/o Bank of N. Dak., Manager,
Bismarck, N. Dak.”

(Exhibit No. 81A)

Q. This paper marked Committee's Exhibit 81-A, is that a true copy of Committee's Exhibit 81, the draft that you have just referred to? A. It is.

Q. And the endorsement on the back “Pay any bank or banker or order, Bank of Oberon, Oberon, N. D. S. O. Bidney, cashier.” I have read that correctly? A. Yes sir.

Q. The endorsement on the back of Committee's Exhibit 81 is as I have just read? A. It is.

Q. Now Mr. Cathro, with reference to these entries that were made on the books in connection with this transfer of the \$1500 in currency and the \$500 draft, as I understand it, these entries are made on the books of the bank from slips that are made in the conduct of the business of the bank? A. They are.

Q. Well, there must have been some slips made to have the entries that are on the books? A. Yes.

Q. Have you those slips with you, Mr. Cathro? A. I have not. I have a copy. The slip wasn't asked of me, and I didn't know that it would be required. I have this copy, how-

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ever.

Q. Well, if you will permit me to have the copy we can arrange with you probably to bring the original over and we can just compare it tomorrow.

Q. You have shown me a paper marked Committee's Exhibit No. 82)

hibit 82, which appears to be a \$500 debit transaction? A. Yes.

Q. Now permit me to inquire, Mr. Cathro as to whether or not this debit slip is the slip that was made to indicate the debit that was charged upon the payment of the draft, Committee's Exhibit 81? A. I didn't make a personal comparison. I asked for a copy of the debit slip from which that entry was made and that was handed me by one of the boys in the bank. I assume that is correct.

Q. This debit slip appears to be signed by O. K. Johannsen. As I take it we may keep this copy, Mr. Cathro, and tomorrow you will kindly bring over the original? A. Yes.

Q. Now this \$1500 transaction—was there a slip made on that entry also, Mr. Cathro? A. There was.

Q. Have you that slip with you? Of the \$1500 payment, the one that was made in currency? A. I have.

Q. You have shown me a paper which is marked Committee's Exhibit No. 83)

(Exhibit Ni. 83)

tee's Exhibit 83, which appears to be dated, Jan. 6, 1920, a debit to expense; the notation is "bond sale commission" \$1500. Endorsed at the bottom is J. R. Waters, Manager. That is correct, is it? A. It is.

Q. Now may we arrange with you Mr. Cathro to have a copy of this prepared or shall we prepare a copy of it?

Mr. Sinkler: We will prepare a copy.

Q. Then the arrangement will be that you will prepare a copy of this and we can have that also tomorrow morning? A. Yes.

Q. As I take it, this Exhibit 83 is the debit slip that was used as the basis for an entry upon the books of the Bank of date Jan. 6, 1920, showing an expenditure of the \$1500 that was given to Mr. Hastings in currency, as testified to by you yesterday? A. It is.

Q. I believe in the opening of your testimony, Mr. Cathro, you testified that you had charge of the bond department of the Bank? A. Yes sir, I believe I did.

Q. That was true of course, Mr. Cathro, that is a true statement of the fact? A. Yes, but there was a superior officer, however, over me.

Q. Who was the superior officer over you? A. Mr. Waters.

Q. Mr. Waters was hired in the bank previous to your hiring? A. Yes sir.

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Q. How long previous? A. Five days.

Q. And is it upon that theory that you state that he was your superior officer, because he was hired five days sooner than you? A. No.

Q. What salary did Mr. Waters get Mr. Cathro? A. Five thousand dollars.

Q. What salary did you receive? A. Ten Thousand Dollars.

Q. Ten Thousand Dollars per year? A. Yes.

Q. Is it because he got \$5,000 and you \$10,000 a year that you figure he was your superior officer? A. No.

Q. What was Mr. Waters office as designated by the regulations of the bank? A. Manager.

Q. And what was your official designation? A. Director General.

Q. Mr. Cathro, under the bank regulations that appear to be approved May 8, 1919, it appears that the General Finance Committee of the bank is composed of the heads of the various departments and that the director general is the chairman of that Committee. That is true, isn't it? A. That is correct.

Q. It says, the directors of the several departments herein established shall constitute the General Finance Committee of which the Director General shall be chairman? A.

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Yes sir.

Q. And you were the Director General? A. Yes sir.

Q. And in that capacity you acted as Chairman of the Finance Committee? A. I did.

Q. Now there is another matter that I would like to inquire about this morning from you, and that is the question as to whether or not in this law that has created the Industrial Commission and the Bank of North Dakota, with which you indicated you were familiar, whether or not there is any provision of law that limits the amount of money that the Industrial Commission may order you, as Director General of the Bank, to pay or to put to the credit of the various industrial institutions of the state? Is there any limit to the amount? A. My recollection is that there is not.

Q. I think that is correct, Mr. Cathro. I have looked through it, and I haven't been able to find any limit. The only reasonable conclusion, therefore, that can be drawn from that situation is that as far as the limitations of the law are concerned, it would be possible for the Industrial Commission to invest all of the deposits in the Bank of North Dakota in the various industrial institutions of the state, providing they saw fit to do so? A. Well, that is not at all a probable conclusion.

Q. I am not talking about the probability of it. I am inquiring as to the possibility of it. A. As I recall it the law is the same as applies in hundreds of other cases under the statute where the sound discretion is granted to certain individuals to perform certain duties.

Q. Well, for your information, I will say that Judge

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Robinson, in a case decided by the Supreme Court, stated that the test of a law wasn't what might be done but what could be done under that law by the worst set of grafters—no reference to you however as a grafter—that was his test as to the interpretation to be placed on the law. Now eliminating the probability of its being done and taking the present condition of the law as we find it, you would agree wouldn't you, that without violating the law the Industrial Commission could put all of the deposits in the Bank of North Dakota into the elevator building at Grand Forks, if they wished to do so? A. Well, I would think that would be an improper question to propound in an examination of the Bank of North Dakota.

Q. Well, you stated your familiarity with it, Mr. Cathro, and certain funds have been transferred, quite a substantial amount, and the inquiry is directed to the purpose in connection with these transfers of determining whether there is any limit to it? I think you could answer that question. I

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think possibly the inference from your testimony given already could be drawn, but I would like to have it specific if you care to make it? A. Well, I am willing to draw any inferences, but as to my making a statement as to the interpretation of the law that could come before the courts for decision, I don't feel I am called upon to do it.

Q. Probably not, but I am getting at your understanding of it from your familiarity with it, and I take it that the reasonable inference to be drawn from this law is that if the Industrial Commission determined to do so it would be possible for them to place all of the deposits in the Bank of North Dakota, and invest them in the elevator at Grand Forks, as an example, if they care to do so, and I am basing that on the possibility and not on the probability? A. Will you let me have the statute for 1919. If you will permit me to draw a conclusion from another section enacted on the same day that the law to which you refer was enacted, I might possibly draw a conclusion as to the interpretation of that law. Section 13 of the Real Estate Bond Series Act, says that "if at the time of the annual meeting of the State Board of Equalization, the moneys in the Real Estate Bond Payment fund shall appear to the State Treasurer to be insufficient to meet the payments of interest or principal upon

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said bonds accruing within a period of one year thereafter, he shall so inform the State Board of Equalization, which shall thereupon proceed to include in the annual tax levy, such tax as in its judgment shall be necessary to meet the indicated deficiency, and the proceeds of such tax shall be placed by the State Treasurer to said fund." If you will permit me to construe that as giving almost unlimited authority or unlimited authority, to the state treasurer and the State Board of Equalization I might construe the other section as giving unlimited authority.

Q. All right—that will be satisfactory to me. Now the section that refers to the Bank of North Dakota transferring funds, to direct your attention specifically to it, it says—"Section 15, The Bank of North Dakota may transfer funds to other departments, institutions, utilities, industries, enterprises or business projects of the state, which shall be returned with interest to the bank." Now is there any limitation on the amount that you know of that may be transferred under that section? There is none that you know of, is there? A. Yes.

Q. Where is it—what is it? A. It is a limitation, wherever it is in the statute, I can't find it.

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Q. What limitation? A. It would be malfeasance in office for any of these individuals to perform an improper act in regard to expenditures of money.

Q. Do you think it would be an improper act? A. To appropriate unnecessary money?

Q. I am not talking about appropriating unnecessary

money? A. They have to keep it in the realm of sound discretion.

Q. Well, suppose that in their sound discretion the uses of the elevator and its success depended upon using all of the money, is there any limitation in this act to prevent them from putting it all over there? A. Well, that is an impossible situation.

Q. I know it, possibly, possibly not? A. Then you are asking me to draw a conclusion on an impossible situation.

Q. No, it is not impossible. I will agree it may be improbable but it is not impossible. The only limitation on this would be the discretion of the Industrial Commission?

A. Sound discretion, yes.

Q. And if they, in the use of sound discretion, required all or a very substantial proportion of these deposits in the Bank of North Dakota, they could transfer them, as far as you know? A. Well, that would not be exercising sound dis-

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cretion. There are certain requirements of the state to be met.

Q. Well, how much of it could they transfer, in your judgment of it, as within their sound discretion? The statute doesn't say anything about sound discretion, does it, which I just read? A. Well, I think you will find limitations on their power in any line of work of public officials.

Q. Well, I will agree with you that it ought to be there, but you have just read your construction into it. You read in the proposition that they could not transfer any more than what they, in their sound discretion, deem to be advisable? A. That is correct.

Q. Of course any of this money that was placed in the Industrial institutions would, as soon as placed in such industrial institution, such as the mill and elevator, immediately cease to be what you designate liquid funds, wouldn't it, necessarily? A. It is hard to define down to a fine point what is called a liquid asset. It would not be classed as cash or due from banks.

Q. It would not be very good reserve, would it? You wouldn't take an investment in an elevator and call that a reserve? A. It would n't class as reserve.

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Q. And to that extent at least it would be in the nature of an investment of the funds? A. Yes.

Q. With a very substantial question as to the term of the investment, as to how long it was there? A. Possibly.

Q. In fact, after it was put in the elevator it might be designated as a permanent investment? A. No more so than of similar character in other banks, and where provision is made for the issuance of bonds or collection of taxes to meet the payments of these obligations it doesn't seem to me as though it is so very non-liquid.

Q. You say you don't think it is very non-liquid when it is invested? A. Provision is made for its payment within a reasonable time.

Q. But that provision you read in the statute is for payment of interest on the bonds. I am talking about the fund that is invested in the elevator by the Bank of North Dakota, not about the elevator bonds? A. It all depends upon what you mean by investment, as to whether you are figur-

ing it as a permanent or temporary investment. It is an investment all right enough.

Q. And instead of being money in the bank or due from
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banks it becomes an elevator, doesn't it, or a mill, as the case may be. You just change the deposit from money into an elevator or a mill. That is true, isn't it? A. Well, you would call a mortgage on a farm an investment in a farm in that case, I suppose.

Q. Yes, to that extent it would be? A. Well, to that extent this may be classed as an investment. Provision is made for the repayment. The bank doesn't take over the mill. It is the duty of the Industrial Commission and the tax payers of North Dakota to refund the money. It has been transferred to be repaid with interest.

Q. It changes then from money or cash on hand or money due from other banks, it changes into a note signed by the Industrial Commission? A. Yes.

Q. The money being invested in the elevator? A. Yes, the obligation that the bank carries is the note signed by the Industrial Commission.

Q. So that to check up, the money or public funds that are deposited in the bank are changed into a note signed by the Industrial Commission agreeing to pay the money back after it has been loaned and invested in the elevator? A. Yes.

Q. Now to carry that out a little further, Mr. Cathro, as
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a matter of fact the money that the banks, the State banks of North Dakota deposit in the Bank of North Dakota are considered under the law by the state banks as reserve. That is true, isn't it? A. Before answering this question I would call your attention to the fact that you added some words that I didn't put it.

Q. Well, I didn't mean to? A. "And invested in the mill."

Q. You want to strike out "invested in the mill"? A. It is all right to leave it in as your remark, but not as my answer.

Q. Well, you are not responsible for what I say. You will have a plenty big enough load to just carry your own, and I also.

Q. Now will you answer the question? A. Money deposited by banks in North Dakota with the Bank of North Dakota?

Q. Yes, that is the reserve of these state banks? A. Yes.

Q. And therefore the money that the state banks of the state deposit in the Bank of North Dakota, that money might also be transferred under this section that we have referred to, as far as any limitation, in the law is concerned? A. If the same situation existed with other banks and the state
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banks deposited in a reserve center, that money so constituting those deposits might be invested in such assets as the bank might see fit.

Q. The state banks of the state are required to keep a certain sum as a reserve fund, are they not? A. They are.

Q. The Bank of North Dakota—is there any law that requires them to keep any reserve? A. There is not.

Q. There is no limitation upon the amount of money then

that the Bank of North Dakota may transfer or invest excepting only the limitation upon investment in real estate?
A. That is all.

Q. In your circular of Feb. 2, 1920, Mr. Cathro, series No. 3, you make this statement: "The very purpose of making the Bank of North Dakota the depository of public funds was to keep this fund mobile and liquid. That purpose would be defeated if any of the funds should, to any considerable extent, be tied up in assets that did not move freely." That was your statement, I take it? A. It was.

Q. That was true when you wrote it, wasn't it, Mr. Cathro—that was your judgment on it? A. Yes.

Q. And it is your judgment still, is it? A. Yes.

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Q. And the funds are still mobile and liquid, are they?
A. They are so far as investments of the Bank of North Dakota are concerned.

Q. Well, the Bank of North Dakota, has made all the investments that have been made with it? A. Yes, but the funds are not all mobile. It arises from a situation throughout the state banks and not in the Bank of North Dakota.

Mr. Murphy: Will you make a note of this, Mr. Cathro, to bring us the ledger sheets, individual deposits, and also whatever you have got in loans to the First State Bank of Walcott for the year 1919; well the whole things, as a matter of fact, all of the ledger sheets showing redeposits in that bank for the years 1919 and 1920?

Mr. Cathro: For this one bank?

Mr. Murphy: Yes, just that bank, and also whatever loans that were made to that bank.

Mr. Grangaard: Who was this G. M. Townsend?

Mr. Cathro: He was an appraiser appointed by Mr. Waters.

Mr. Grangaard: Connected with the bank in the land department of the bank?

Mr. Cathro: Yes.

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J. W. BRINTON, recalled as a witness on behalf of the committee, testified as follows:

EXAMINATION BY MR. SULLIVAN:

Q. Mr. Brinton, I think at the time we adjourned yesterday we were on the matters connected with the Hastings transactions. I want to inquire, Mr. Brinton, if when you had to pay this money, the check for between ten and eleven thousand dollars, to the Mercantile State Bank, at Minneapolis, whether or not you received back any notes or evidence to show what this money was paid for? A. You said the Mercantile State Bank. You mean the Scandinavian American Bank?

Q. Yes. A. Yes sir.

Q. Have you got with you the notes or papers that this check was given for? A. Yes sir.

Q. Mr. Brinton, You have shown me one note which we have marked Committee's Exhibit 84, and one note which we have marked Committee's Exhibit 85. Now I will inquire from you as to whether or not these notes were in the Scandinavian American Bank at the time that you gave the check for \$10,419.10 to Mr. Lofthus? A. Yes, sir, they were.

Q. And state whether or not those notes are the notes

that were referred to in your testimony as the ones that you
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had agreed with Mr. Townley to pay as part of your transactions with him? A. No, those were not the notes. They took the place of the notes that were in there prior to these notes.

Q. Well, have you got those notes here? A. Yes sir.

Q. Showing you Committee's Exhibit 86, I will ask you whether or not, Mr. Brinton, these are the notes which the notes you paid were given to take up? A. The notes that you hold in your hand were the notes that were in the bank that Mr. Townley represented to us represented money taken out or embezzled, and after the agreement entered into between Mr. Waters, and myself and Mr. Townley to take charge of the enterprise, according to that agreement, the company was allowed to put in notes in the bank to take care of that shortage and those were the notes that were put in after the company was organized.

Q. Committee's Exhibit 86, were the notes that were referred to by you and Townley and Waters at the time that you took over the Sisal Trust business? A. Yes.

Mr. Sullivan: Exhibit 86 referred to by the witness, read as follows:

Scandinavian American Bank		
of Fargo		
Our No. 15076	Their No.....	
Name Sisal Trust		
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	Amount	\$6,000.00
	Interest	133.33
	Total	\$6,133.33
	Collected for	„

That is a notation that is attached to a note as follows:
\$6000.00 Fargo, North Dakota, Dec. 28, 1918.
Thirty Days after date, for value received, I promise to pay to SCANDINAVIAN AMERICAN BANK, FARGO, N. D., or order, SIX THOUSAND DOLLARS, at its Banking House at Fargo, North Dakota, with interest at the rate of 8 per cent per annum, payable annually until paid. Should any of the principal or interest not be paid when due, same shall bear interest at the rate of ten per cent, per annum, payable annually until paid.

United States Sisal Trust.
J. J. Hastings.”

No. 15076.

Q. Was J. J. Hastings an officer of the United States Sisal Trust in December, 1918? A. There was no such company at that time.

Q. In 1918, on December 28th, there wasn't any such animal? A. No sir.

Mr. Sullivan: Another note referred to under the caption of Committee's Exhibit 86:

“\$3000.00 Fargo, North Dakota, January 20, 1919.
Ninety Days after date, for value received I promise to pay to SCANDINAVIAN AMERICAN BANK, FARGO, N. D., or order, THREE THOUSAND DOLLARS, at its Banking House at Fargo, North Dakota, with interest at the rate of
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8 per cent. per annum, payable annually until paid. Should any of the principal or interest not be paid when due same shall bear interest at the rate of ten per cent. per annum, payable annually until paid.

United States Sisal Trust,
By J. J. Hastings, Trustee."

No. 15326.

Q. Do you have any knowledge as to whether or not Mr. J. J. Hastings had been appointed as trustee, or in any other capacity by the United States Sisal Trust? A. Except what he told me.

Q. January 20, 1919—well, what did he tell you? A. That he was acting as Townley's trustee.

Q. Well, the papers that I have just read were the papers that were in the bank. I notice that they are marked by a stamp across them "Renewed"? A. Yes, and this paper was with them.

Q. This paper that you have handed me marked Committee's Exhibit 87, you say was with the papers that I have just read and which are marked Committee's Exhibit 86? A. It was attached to the \$3000 note there.

Q. Well this appears to be a draft reading as follows:
"Fidelity Bank & Trust Co.

Miama, Fla., Jany. 9, 1919.

On Demand Pay to the order of Fidelity Bank & Trust Co.
\$3000. Three Thousand Dollars. Value Received and Charge
to Account of

United States Sisal Trust,
By T. P. Harvey,
(497) Secy-Treas.

To. J. J. Hastings,
Fargo, N. Dak.?"

A. They were in the note pouch together, the two pinned together.

Q. The \$3,000 note signed by the United States Sisal Trust by Hasting as trustee, was attached to the draft that I have just read? Yes sir.

Q. It would therefore appear that when this draft was drawn by the so-called Sisal Trust on Mr. Hastings, that Mr. Hastings paid the money on the draft and put a note in the bank of \$3,000, signed by the United States Sisal Trust by J. J. Hastings as trustee. A. He actually did that. So he explained the transaction to me.

Q. Did he explain it to you that way? A. Yes sir.

Q. Well, then to take up these papers that we have just referred to, Mr. Brinton, the United States Sisal Trust executed the notes which are marked Committee's Exhibit 85 and Committee's Exhibit 84, is that correct? A. Yes, sir, that is, these notes here were in the bank, and after we made the agreement and got the deed to the land and the company
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organized, and the officers of the company executed those notes according to agreement and put them in the bank to take up this shortage, or this represented a part of the shortage. I think it was \$12,000 about. There was some items that Mr. Hastings hadn't entered in the form of notes or put on the books.

Q. In addition to those evidenced by Exhibit 86? A. Yes, that is as represented by him to me.

Q. By the way, when was this United Sisal Trust incorporated, if you know? A. It is a common law trust.

Q. A common law trust company? A. Yes.

Q. When was the trust entered into? A. That was entered into after Mr. Waters and I went to Miami. That is, the deal was pending and there had been some papers drawn up, but not executed, under the agreement between Mr. Townley and Mr. Hastings, and we went to some attorney that had acted for Mr. Townley and Mr. Hastings and he redrew the papers and then after the additional sums were paid—the deed was in escrow—it was delivered to us and accepted and then we filed the articles of association or trust agreement, and that was on April 7th.

Q. What year? A. 1919.

Q. Where were they filed? A. In Dade county, Florida.

Q. The execution of the papers was on the same day this note was executed? A. That was one of the notes we took
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care of at the time we organized because that was pending.

Q. Then Mr. Brinton, the inference to be drawn from that would be that on January 20, 1919, when Mr. Hastings signed the United States Sisal Trust by J. J. Hastings, trustee, that as a matter of fact, a corporation or common law trust had not been entered into at that time. A. Well, in justice to Mr. Hastings, it was a proposed company that was about to be entered into.

Q. Committee's Exhibit 35 is as follows:

(Exhibit No. 35)

"The Bank of Bay Biscayne, of Miami, Fla.
\$9000.00 Miami, Fla., April 7, 1919.
November 1st, 1919, After date we promise to pay to the order of J. R. Waters and J. W. Brinton Nine Thousand Dollars. At the Bank of Bay Biscayne, of Miami, Florida, for value received, with interest after maturity at the rate of ten per cent per annum until paid. The drawers and endorsers severally waive presentment for payment protest and notice of protest and non-payment of this note. And should it become necessary to collect this note through an attorney, either of us, whether maker, security, or endorser on this note, hereby agrees to pay all costs of such collection, including a reasonable attorney's fee.

UNITED STATES SISAL TRUST,
J. R. Waters, President.
As Trustee, but not personally.
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T. P. Harvey, Sec & Treas.
No. 15838. As Trustee, but not personally."
Note endorsed J. R. Waters, J. W. Brinton, without recourse. There seems to be a pencil mark through the "without recourse"? A. Well, that was put there by someone else.

Q. Then there is an endorsement "Without recourse, Scandinavian American Bank of Fargo by——" Who was the cashier? A. "P. R. Sherman, cashier."

Q. Then an endorsement "Pay any bank or banker or order, prior endorsements guaranteed, Scandinavian Amer-
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ican Bank, Fargo, N. Dak." A. Yes sir.

Mr. Sullivan: Exhibit 84 is a collateral loan note, reading as follows:

(Exhibit No. 84)

\$1000.00

No. 16459

COLLATERAL LOAN NOTE.

Fargo, North Dakota, June 11, 1919.
On the 1st day of November, A. D. 1919, for value received I promise to pay to the order of Scandinavian Bank, a corporation, One Thousand and No/100 Dollars with interest from date hereto to maturity at the rate of eight per cent, per annum, payable annually, principal and interest payable at the office of Scandinavian American Bank, in Fargo, North Dakota, with current rate of exchange on New York, and in U. S. gold coin of the present standard or its equivalent. Interest and principal not paid when due shall bear interest thereafter at the rate of ten per cent. per annum." With the
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additional fine print pledging as collateral Certificate No. 6 for 500 shares of U. S. Sisal Trust Capital Stock, and signed by U. S. Sisal Trust, by J. R. Waters, Pt.

Q. Now Mr. Brinton, your attention is directed to the paid stamp on these two exhibits, which read, "Scandinavian American Bank, Paid, October 22, 1919, Fargo, N. Dak." The same stamp on each of them. Now I want to inquire as to when you got those notes from the Scandinavian American Bank? A. Well, this was the date that I gave Mr. Lofthus the check.

Q. That was October 22? A. Yes, October 22nd, 1919.

Q. Did you get those notes back from Mr. Lofthus or from the bank at the time you gave them the check? A. I think I did. I didn't make any mental notation of it, or otherwise, but I think so. I take that from the stamp that was the date they were delivered.

Q. Unless they were delivered to you at that time have you any recollection of when they were delivered? A. No, I have no other recollection.

Q. I notice this endorsement on Exhibit 84 for 500 shares of United States Sisal Trust capital stock—what were the circumstances under which that was delivered to the bank, Mr.
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Brinton. A. Well, that was the trust stock held by Mr. Waters and I in accordance with our agreement with Mr. Townley, that we were to use in the financing of the project. That was his interest in it.

Q. That was, you say, trust stock, held by you and Mr. Waters? A. Yes, sir.

Q. Just explain how you obtained possession of this trust stock? A. Well, at the time the company was organized, that is on April 7, 1919, there was a previous agreement entered into between Mr. Hastings and the man in Florida, whereby \$200,000 worth of the stock was to be turned over to Mr. Hastings and North Dakota parties, and that stock was issued and signed in blank, and turned over to Mr. Waters and I according to the agreement, entered into with Mr. Townley.

Q. Mr. Townley had agreed to turn that over to you as trust stock? A. We were to act as his representatives in handling it.

Q. Well, did Mr. Townley agree or consent that you might put up this stock as security for money that you borrowed?

A. Yes sir. We were to use our own judgment in the handling of it.

Q. On this check that you showed us yesterday, Mr. Brinton, under the words "J. W. Brinton" on both checks appears

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to be written "Gen. Mgr." I assume that means general manager? A. Yes sir.

Q. What were you general manager of? A. Mr. Townley's interest in that enterprise.

Q. In the Sisal Trust? A. Yes sir, but I used that form of check in all Mr. Townley's activities that I worked for him in the organization of the Publishers National Service Bureau, the Sisal enterprise and the Consumers United Stores Company.

Q. You also used it in connection with your management of his affairs in the Sisal Trust? A. Yes sir.

Q. Now one of these things just leads to something else, Mr. Brinton. After you gave Mr. Lofthus this check on October 22nd, you were to then go out and raise the money so that finally you might make the check good. Now may I inquire as to where you got the money? A. I went to Mr. Townley's—some friends of Mr. Townley's up in Walsh county.

Q. Back to the farmer, eh? A. Yes sir.

Q. Let's see who the friends of Mr. Townley up in Walsh county were. Who were they? A. Dan Sutherland.

Q. Have you any evidence of this? A. I have the docu-

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ments here with me. They cover the amount raised to make that check good.

Q. Mr. Brinton, these papers, which you have handed me are the documents that you referred to that indicate the source of the financial supply that provided the funds with which to take care of the check that you had previously given to Mr. Lofthus? A. Yes, sir. I was in the process of raising this money at the time I was informed they wanted the check issued to them, and this deal was consummated after the check was issued, that is, it was closed.

Q. These deals with these various persons mentioned here, you say, was closed after the check was given to Lofthus? They seem to be dated— A. Well, these notes were secured prior to my going to the Scandinavian-American Bank. I secured the notes from these farmers and then hypothecated the notes to raise the money.

Q. Afterwards? A. Yes sir. And these are the receipts for the Sisal Stock which I put up with them as collateral.

Q. One appears to be Ole Fauske, of Edinburg, and he got certificates 44, 45, and 46 and 47, for \$10,000 worth of stock in the U. S. Sisal Trust, as security for a \$2,500.00 loan, due November 1, 1920, and the next appears to be a receipt to J. W. Brinton, certificates of shares in the U. S. Sisal Trust for \$20,000.00, represented by certificates No. 12, 85 and 194,

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issued or assigned to J. R. Waters, and assigned by him in blank as security for a \$5,000.00 loan from William Maxwell, and Fred Close of Conway, North Dakota. Another one signed by Dan Sutherland of Conway, North Dakota, where he

acknowledges receipt of certificate 86 for \$12,500.00 of shares in the U. S. Sisal Trust as security for a \$2500.00 loan of even date, receipt being given to J. W. Brinton, signed Dan Sutherland. Another one from Edinburg, N. D., received of J. W. Brinton, certificate 84 for 250 shares in the U. S. Sisal Trust as security for \$1,000.00 loan due Nov. 1, 1920, by Henning Gunhus, a total of \$11,000.00? A. Yes sir.

Q. And you say you had received notes from these men previously? A. Yes, sir. Well, at the time I got these receipts.

Q. At the time you got these receipts? A. They made out notes.

Q. What did you do with the notes, if you remember? A. Well, part of them was put in a Conway bank and I just don't remember without looking up where the others were put. I know where they are now.

Q. Where are they now? A. In the hands of an attorney. They are suing me for them.

Q. They are suing you to make you pay them? A. Yes, to make them good. I am the goat.

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Q. Now, Mr. Brinton, as I remember it you testified it was Mr. Waters or some person in the Bank of North Dakota, who gave you a slip of paper, I think you said it had some typewritten memoranda on it, that indicated the signers and endorsers of a portion of the paper that was sent by the Scandinavian-American Bank to the Bank of North Dakota for rediscount and which paper you and Mr. Waters raised some strenuous objection to receiving. Do you remember that, do you? A. Yes, sir.

Q. What memoranda you refer to? A. Yes, sir.

Q. Now, I think I asked you to produce the memorandum that had on it the notations that you refer to? A. I have it here.

Q. This paper marked Committee's Exhibit 88 is the memoranda you refer to? A. Yes sir.

Q. Do you remember now who it was that handed this memoranda to you? A. Well, it was Mr. Waters or the stenographer that struck it off. I got that upon my requesting Mr. Waters to give me memoranda of the class of paper that they had the controversy over in the Bank, and this is the slip I afterwards took to Mr. Townley and also to Mr. Frazier.

Q. To Governor Frazier? A. Yes, sir.

Q. As I remember your testimony, you were opposing the taking of this paper into the Bank of North Dakota? A. Yes, sir. I joined Mr. Waters as soon as I found it out.

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Q. This slip, Committee's Exhibit 88, appears to be as follows:

Exhibit No. 88)

"List of notes and endorsed liability

Wm. Lemke					
To	Maker	Endorser	Date	Amount	
Scand. Amer. Bk	League Exch.	Wm. Lemke	6-14-19	10,000.	
Do	Con. U. Stores Co.	Scand Amer Bk	4-28-19	5,675.71	
Do	Wm. Lemke	Do	6- 9-19	1,000.00	
DO	Fred Miller	Do	8- 4-19	4,000.00	

20,675.71"

Q. William Lemke, himself, made one of them? A. There was one personal note there of William Lemke's.

Q. Who was Fred Miller, do you know? A. An employee of the league.

Q. Was he at that time? A. Yes, sir, that is he was an employee of one of their companies, the Consumers Stores Co.

Q. Well, now, Mr. Brinton, permit me to ask you that this memoranda that you have shown us here and that has been read into the record, what use, if any, did you make of that memoranda? A. I took it first to Mr. Townley and then later to the Governor.

Q. You took it to Mr. Townley, you say—what discussion did you have with Mr. Townley with reference to it? A. Well, I took it up with Mr. Townley showing what they were doing up there in the Bank, the bad policy of it and raised the question that it might be criminal, but my main argument with Mr. Townley was that it was poor political policy
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to put the paper of the League and papers signed by leaders of the League in the Bank of North Dakota and take out the State funds.

Q. Where did you have this discussion with Mr. Townley that you have referred to? A. In St. Paul, or rather in Minneapolis, in the Star Building, if I remember right.

Q. And how long after you obtained this memoranda and after this transaction at the Bank was it that you saw Mr. Townley at the Star Building in Minneapolis? A. I don't remember exactly, it was at the same time I took up with Mr. Townley, if I remember correctly, the eastern deposits. That was another matter I took up with him.

Q. You discussed with him the deposits in the East at the same time. A. Yes, if I remember right.

Q. Well, what was Mr. Townley's position in the matter as disclosed by your conversation with him? A. Well, he said that he didn't know anything about the banking business and told me to go up and talk to the boys in North Dakota.

Q. Did you arrive at a conclusion as to who he meant by the boys in North Dakota? A. Well, he referred to Lemke and the Governor and the men at the head of the League in North Dakota, I presume.

Q. You, I think, testified the other day that Mr. Lemke
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had some charge or control in connection with the Scandinavian-American BaBnk? A. Yes, sir.

Q. Have you any evidence of Mr. Lemke's connection with the Scandinavian-American Bank during that period? A. Well, I have my personal knowledge as being one of the associates in the Non-Partisan League, and from hearing and taking part in discussion where the policy of the Bank was discussed, from the time it was purchased until I had my final row with him.

Q. Did you yourself have any business with the Scandinavian-American Bank? A. Yes, sir.

Q. That would connect Mr. Lemke with it? A. Yes, sir, I had one personal transaction that Mr. Lemke passed upon.

Q. What was the nature of the personal transaction? A. A personal loan I made there.

Q. You made a loan from the Scandinavian-American Bank? A. Yes, sir.

Q. Well, give us the circumstances connecting Mr. Lemke with the making of this loan that you refer to? A. I approached the Bank for a loan and Mr. Hagen told me that Mr. Lemke—I would have to talk to Mr. Lemke.

Q. Who was Mr. Hagen. A. President of the Bank.

Q. And he told you to talk with Mr. Lemke about it? A. Mr. Sherman was there also.

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Q. Did you talk to Mr. Lemke about it? A. No, I was in a hurry for the loan and they called him up on the telephone.

Q. Who did? The Bank? A. Mr. Hagen, I think talked to him.

Q. Were you there when he talked with him? A. Yes sir.

Q. And he inquired from Mr. Lemke as to whether or not Mr. Lemke would approve of a loan to you? A. Yes, sir, and when Mr. Hagen got thru I talked with Bill myself.

Q. What did you say to him? A. I explained the collateral I was going to put up. He wanted to know as to the security.

Q. He inquired as to what security you could give? A. Yes.

Q. And you explained as to what collateral you would put up for the loan? A. Yes, and he said it would be all right.

Q. Did he tell Hagen or you it would be all right? A. He told both of us, we both talked on the same call.

Q. Where was Lemke at that time? In Fargo? A. No, I think he was in Bismarck.

Q. It was a long distance call? A. Yes.

Q. Well, as a document producer you appear to be a success, I am going to inquire whether or not you have that note you signed up at that time in connection with that transaction? A. Yes, sir, I have.

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Q. Well, let's look at that. (witness produces paper.)

Q. You have handed me a paper which has been marked

(Exhibit No. S9)

Committee's Exhibit 89, which appears to be dated December 4, 1919, \$3,000, thirty days after date, without grace, the undersigned promises to pay to the order of the Scandinavian American Bank of Fargo \$3,000 with interest at the rate of 8 per cent per annum until paid, value received, payable at the Scandinavian American Bank of Fargo, Presentment for payment, protest and notice of dishonor waived by each maker and guarantor hereof.

Interest paid to maturity.

(Signed) J. W. Brinton.

Usual collateral fine print agreement which appears to include thirty-two shares of the capital stock numbered 1 and 9, Farmers State Bank of Dickinson, North Dakota, and appears to be stamped paid on March 6, 1920, with the stamp of the Scandinavian American Bank? That is the instrument for the personal loan that you have referred to, Mr. Brinton? A. Yes sir.

Q. Now when you got this slip, and after you had talked to Mr. Townley about it and Mr. Townley had told you to go up and discuss it with the boys in North Dakota, did you come back to North Dakota after that? A. Yes sir, I was here after that.

Q. Well, did you discuss it with the boys in North Dakota?
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A. I attempted to, some of them, and wasn't successful, and I discussed it personally with others.

Q. By the way, did you direct the Governor's attention to this slip of paper that you have produced. A. I did. That is I had the slip with me and I either read it to him or let him look at it; drew his attention to the particular items so he would know the class of paper they were putting in there or attempting to put in there.

Q. Do you remember when it was that you had this conference with the governor that you refer to? A. I don't remember the exact date. It was after I had taken it up with others and failed to get any action on it.

Q. Meaning Townley? A. Townley and Lemke.

Q. Did you discuss it with Lemke, too? A. Well, I discussed it with Lemke on the train before I talked to Townley about it. I didn't go back to Mr. Lemke because I knew it was of no use.

Q. Then you went, you say, direct to the governor, with it?
A. Yes sir.

Q. How did you discuss with the governor the policy of this bank which you referred to in your testimony the other day? I wrote him a letter and then called upon him, went up to his office a couple times, and I wrote the letter and had
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a talk with him for a little while over my grievance of the policy which I thought was wrong.

Q. The policy that you thought was wrong—now just what was your conversation with the governor with reference to that Mr. Brinton?

A. Well, I set it forth in a letter and I went up to see him to see whether he got the letter or not, and our conversation was rather brief, as I informed him the things I complained of were set forth in the letter, and invited him to call me up if there was anything in the letter I had misstated, or he wanted me to run down or submit further proof on.

Q. Do you happen to have a copy of the letter that you sent to the governor at that time? A. I have.

Q. Do you know whether the governor ever got it? A. Yes, sir, I know in several ways.

Q. How did you send him the letter? A. Well, first, I registered the letter to him. Then I went up and called on Mr. Mason, and told Mr. Mason I was writing the governor a personal communication and not to open it because Mr. Mason was his private secretary, and I knew he had customarily opened his mail, and Mr. Mason informed me he handed the letter direct to the Governor, and later I had an audience with the Governor, and asked him if he received the letter and he
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said he had, and I also got back the receipt card from the post office department.

Q. You say you have a copy of the letter? A. Yes, sir.

Q. This letter which has been marked Committee's Exhibit 90, that is a full, true, correct and complete carbon copy of the letter that you registered to the governor, is it? A. It is.

Q. This return card marked Committee's Exhibit 91, that is the United States post office return receipt for the registered

package in which the letter Exhibit 90 was forwarded to the Governor? A. It is.

Mr. Murphy: I assume you want these documents back so

(Exhibit No. 91)

I will read them into the record. The receipt card, Exhibit 91 is as follows:

"Post Office Department, Official Business. Registered article No. 9019. Stamped Bismarck, N. D., May 18, 6 p. m. 1920. Stamp mark on the side, May 19, 1920. Return to J. W. Brinton, N. D." On the reverse side "Return Receipt. Received from the postmaster the registered or insured article, the original number of which appears on the face of this card. Lynn J. Frazier, By N. A. Mason, Date of Delivery, May 18, 1920."

I will now read Committee's Exhibit 90, which I assume you also want returned to you.

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(Exhibit No. 90)

COMMITTEE'S EXHIBIT 90.

Bismarck, N. Dak., May 17, '20.

Hon. Lynn J. Frazier, Governor,
Chairman Industrial Commission,
Bismarck, N. Dak.

My Dear Governor:

(CONFIDENTIAL)

I am addressing you on a very delicate subject to lay before you a situation which, if allowed to continue, will destroy the Nonpartisan League, its industrial program and disgrace you and hundreds of honorable men like you who have worked unselfishly and loyally for the success of this program.

The situation is delicate, Governor, because of the possibility of the opposition learning of certain facts and conditions before you can correct them. Therefore, Governor, I ask that you guard this communication and only use it for your own information so that you can personally investigate and substantiate the charges herein set forth, and then act quickly and on your own responsibility without giving our enemies an opportunity to make of the present situation campaign material to discredit your organization.

I know you are not aware of the true situation. At least, I cannot believe you are, and I ask that you do not violate my confidence but quickly make an investigation and then correct the evil and thus render a great service not only to the

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farmers organization but to the people of the state.

I am addressing this communication to only two persons, yourself and Mr. Townley, two persons whom I believe are sincerely working for the success of the North Dakota program rather than for self advancement. Mr. Townley, like yourself, cannot be aware of the true situation which endangers us and our future political success. At least I cannot believe he is, as his political judgment would have told him to correct the situation long ago—if he knew it existed. I am registering this letter so that it cannot possibly fall into

the hands of our enemies and be used as a campaign document.

Now, my dear Governor, I wish to set forth the following facts which you can substantiate by calling for the official records as Governor and Chairman of the Industrial Commission, and then call for the resignation of Mr. Cathro as manager of the Bank of North Dakota and insist upon the withdrawal of Mr. Lemke as a candidate for membership on the Industrial Commission as attorney general.

The Bank of North Dakota was created as an institution of service to the people of the state and not as a political machine to reward friends and finance bankrupt institutions; it was established principally to finance the state industries; to keep North Dakota money in North Dakota and to assist

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in financing North Dakota people through North Dakota banks; also to act as an agent in securing money, by the sale of bonds, for real estate loans—cutting out commission mortgage brokers who were charging from two to six per cent commission, especially in the western part of the state. I know you will agree with me as to this purpose of the Bank of North Dakota.

Shortly after the passage of the law creating the Bank, J. R. Waters, then bank examiner, was appointed manager of the institution at a salary of \$5,000.00 per year. At a conference, held in my presence between Mr. Townley and Mr. Waters it was agreed that no greater salary could be paid until the bank was a going and successful concern. Mr. Waters agreed to serve the first year at this salary, and then, if his services were satisfactory, he was to receive \$10,000.00 the second year. This arrangement was probably known to you as a few days later the salary was officially announced at \$5,000.00.

Shortly following this, and in violation of the agreement made with Mr. Waters, Mr. Fred Cathro, of Bottineau County, was appointed "director general" at \$10,000.00 a year and expenses. Just why two managers were appointed for the Bank at that time was not known to me but I felt, with Mr. Waters, that the Bank did not need two managers then any more than

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it does now. Later, however, I learned that Mr. Lemke had promised Mr. Cathro the job at \$10,000.00 a year long before the Bank was created—and this was confirmed by subsequent events.

With two heads to the institution it was only a short time that friction arose over the policy of the bank, and, as you know, this grew and developed into almost continuous strife—until Mr. Waters was forced out which is now a matter of record, except that Mr. Waters' resignation was a forged instrument—evidently written by Mr. Lemke, and published in his Courier-News without Mr. Waters' knowledge and during his absence from the state. As to the merits of the controversy between Mr. Lemke and Mr. Cathro on one side and Mr. Waters on the other, I will leave that to your fair judgment after you have investigated the facts which I here put before you.

The first controversy arose over paying Mr. Cathro \$10,000.00 a year and allowing him his board, room, laundry and auto hire to and from his home in Bottineau, Mr. Waters holding that it was not in accord with his understanding of

the Bank's agreed policy. But in this, Mr. Lemke the attorney of your commission, sustained Mr. Cathro and that became a settled arrangement over Mr. Waters' protest.

The next controversy between the two managers arose over the matter of depositing money with other banks, and par-

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ticularly the matter of the deposit to be placed with the Scandinavian-American Bank at Fargo—known at that time to be in a very delicate condition. Mr. Waters as bank examiner knew that this Bank was not in a strong condition and had not been for a long time; that the bank's stock was being hypothecated and held by persons not financially responsible. In this Mr. Lemke assumed to know more about the bank than did Mr. Waters and the bank examiner's office. Later deposits were made with the Fargo bank with your attorney's approval and over Mr. Water's protest.

Still later another controversy arose between the two Bank heads over the matter of a large loan which the Scandinavian-American Bank requested from the State Bank, amounting to over a quarter million dollars, and in accordance with an agreement made with Lemke and Cathro the Fargo Bank sent notes in that amount to be rediscounted. In this instance, Mr. Waters refused to accept the paper or make the loan, and, in my presence, threatened to resign if the Scandinavian American Bank paper was taken into the state institution. He not only threatened to resign but stated he would make the deal public. As a result the notes were carted back to Fargo by the cashier of the Fargo bank.

And this is what put Bull Langer off the trail, as he was

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being informed by Jack Hastings and a bank examiner as to what was being done at the Fargo end. Langer was given access to the letter files wherein a copy of a letter written by the Fargo bank showed that the quarter million dollars worth of notes had been sent by registered mail to the Bank of North Dakota. But of course the letter didn't show that the notes were taken back to Fargo in a hand bag by the cashier. Thus Bull in his haste to pull off a "midnight raid" forgot to examine or look in the bank vault for the supposed missing notes, but immediately and instead gave out his press notices that Waters was a crook and had rediscounted the notes, and poor Crazy Kositzky failed to get into the State Bank of North Dakota to correct the Bull; and this while my friend Mann was giving headlines to the supposed looting of the state institution and our dear old Fargo Fool'em was barking up a tree, the snug little bundle of a quarter million dollars of questionable paper was securely locked up in the Fargo bank. And Bull Langer failed to win a reputation as a great detective and a follower of evidence.

Now I mention this incident, Governor, which you may not be aware of, as it illustrates and shows not only that Langer was insincere in his charges against Waters, but it shows also that Mr. Waters' position was correct and the embarrassment and sure destruction of the Fargo bank and the

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Nonpartisan League was only prevented by his good business judgment—as the paper turned down by Mr. Waters included notes of League enterprises, league organizers as well as a personal note of Mr. Lemke's and other League em-

ployees. Although this action on the part of Mr. Waters saved the situation, it only widened the breach between the two bank heads, as Waters took too much credit and told too many people of the incident, much to the discomfiture of Messrs. Lemke and Cathro.

The condition of the Fargo bank at that time, and at the present time, was and is very questionable—if the institution is not absolutely insolvent, which condition is not only backed up by Mr. Waters but by the private opinion of bank examiner I have talked to, and matters of which I have personal knowledge—such as embezzlement of bank funds by former officials of the Bank. The report made by the bank examiners department to you and to the supreme court was written and prepared by Mr. Lemke and an accounting firm in the employ of the League. The true condition of the Bank in that report was misrepresented to you and the court and I have a particular item in mind that was absolutely false which I can submit to you if in doubt. Mr. Lemke not only made that report to mislead you then but he has continually insisted since that the Bank is in fine shape in spite of the fact that its pres-

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ident stands convicted of a penitentiary offense, while he passes upon the loans and personally attends to the banks affairs. If the bank is solvent why does he not turn it over to its officers to run and leave its affairs to them.

After the Langer raid Mr. Waters and I insisted that the bank be put on its feet by an assessment of the stockholders, increasing the capital and reorganizing the institution; and further that state funds be withdrawn gradually until such time as there would be no question about its solvency—and that all the bad loans be taken out. To this program, Mr. Lemke violently objected as the control of the bank would pass out of his hands, and instead of proceeding to protect the Bank of North Dakota, more state funds were put into the bank until today it is being operated as a state institution under the guiding hands of Mr. Cathro manager of the North Dakota Bank, and Mr. Lemke the attorney of your commission—While Mr. Hagen, the convicted president of the bank is on a vacation.

The Scandinavian-American Bank today has approximately \$400,000.00 of the state funds deposited with it from the Bank of North Dakota by Mr. Cathro with Lemke's approval, and, according to the Fargo Bank's sworn and published statement of May 4th it only has cash on hand and due from other

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banks, or a reserve of only \$125,000.00 or about one-third of the state deposit alone to say nothing about the deposits placed in the bank by private individuals; or in other words if the state should call for its money, the Fargo bank could pay only \$125,000.00 and the Bank of North Dakota would still show that its expense account has about eaten up its entire have over a quarter million invested in questionable paper and there would be no money left to run the bank or pay off private depositors. I said it was being run as a state owned institution and it is in fact. Of course someone, but it is not publicly known who, holds \$50,000.00 of stock in the bank but the Bank of North Dakota holds a \$400,000.00 interest in it. And the sworn statement of the bank shows that the deposits of the Scandinavian bank have dropped down to about \$800,-

000.00—half of this state money—when at one time prior to Lemke's management it had a million and a half with no deposits from the North Dakota Bank; and its last statement shows that its expense account has about eaten up its entire surplus. And Lemke insists it is in a splendid condition, while I claim it will be only a short time until the stockholders of the Bank will be willing to turn it over to Cathro, Lemke or the state—and I am speaking in all seriousness.

The above is not the only item of criminal management of the North Dakota bank that is endangering a big loss to the

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state, the destruction of the farmers' organization and the discrediting of thousands of men like yourself who have labored long and hard to sustain your administration, withstood abuse, faced false charges and made enemies because of their sincere and determined fight for the organization and the original program which is now about to be carried out.

Another item, which you can verify, and which is criminal, is the payment of \$2,500.00 of official funds to J. J. Hastings an embezzler in the Fargo Bank. I say embezzler because I personally made good this embezzlement by borrowing money from my friends to protect a private concern in which I was interested and which had innocently been drawn into the affair. If you doubt my statements on this charge I can refer you to several good leaguers in Walsh County who loaned me the money to cover this embezzlement because of Hastings' connection with Mr. Townley and the League. This payment of money to Mr. Hastings was approved by Mr. Lemke and Cathro on the excuse that he, Hastings, was going to New York to sell the bank's bonds. Do your Industrial Commission records show this and do you approve of having an embezzler and bank wrecker on the payroll of the Bank of North Dakota to travel around the country representing our state bank. I know you do not and I am setting this forth here so that you may inform yourself and do a little house-

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cleaning in your administration. As a matter of fact Mr. Hastings went to New York on private business.

Another item of mismanagement by Mr. Cathro, and I presume with Mr. Lemke's approval, is the keeping of from \$4,000,000.00 to \$8,000,000.00 of North Dakota Bank funds in the Tw'n Cities, Chicago and New York at 2% interest when North Dakota banks are willing to pay and are charged 4% and farmers 10%. The loss to the North Dakota Bank on this item alone is around \$100,000.00 a year in interest, to say nothing of the loss to North Dakota by taking this money away from local banks and out of the state when it is so badly needed especially at this time of the year. And the bank was organized to keep money in the state. Mr. Cathro has no excuse to offer for this discrimination against our own people and our own banks in favor of the big eastern bankers. I do not charge Mr. Cathro, or Lemke, with receiving a benefit from eastern deposits, but I do charge that he is incompetent, and if not incompetent, or dishonest, has a lack of judgment in this matter equal only to his political insanity when he grafts his meals, laundry and room rent off the state—while receiving a higher salary than you governor, the supreme

court judges or any other official in the state, much to the
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discredit of your administration.

The continued strife between Mr. Waters and Mr. Cathro, well known to you, was all caused over matters like the foregoing and Mr. Waters had decided, as you also know, to retire after his first year was up, April 4th, but Mr. Lemke and Mr. Cathro in their anxiety to get rid of Mr. Waters so that they might have a free hand in the bank affairs, wrote out Mr. Waters' resignation during his absence in Florida and published it in the Courier-News without Mr. Waters' knowledge, his name being forged to the statement in which it stated there was no friction between the two bank heads. This statement was published, apparently, to make it appear that everything that took place in the bank was agreeable to Mr. Waters and put the responsibility of all the transactions upon him—for was he not manager of the bank with \$5,000.00 a year salary and was not Mr. Cathro his subordinate at \$10,000 a year? But imagine there being no friction between Waters, Cathro and Lemke with the foregoing record before you. Can it be that they were so friendly that Cathro and Lemke played a little practical joke on him and filed his resignation and signed his name to it without his knowledge?

While Mr. Waters and I were sitting in a Miami hotel in Florida the postman brought in a copy of the Courier-News
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which I was taking and we learned for the first time that Waters had resigned from the Bank of North Dakota. Mr. Waters was also informed there, by Special messenger, an employee of the bank who made the trip from Bismarck to Miami, that if he did not consent to his resignation he would be prosecuted criminally on the Scandinavian-American Bank affair, but that if he stepped out quietly without shooting any "dynamite" he would be allowed to live the balance of his life in quiet with his family, possibly, although the messenger did not state, as a neighbor to the Scandinavian-American Bank president who also had a promise that he would be taken care of for "services rendered"; and possibly in the same neighborhood Mr. Hastings had been provided for with free "room, meals, laundry and auto hire,"—with Cathro to join them later when his management destroyed the League.

But seriously speaking again, Mr. Waters' resignation was perfected with duress, coercion, and forgery, and today Mr. Lemke and Cathro are living in the belief that the affair is over because Mr. Waters has remained silent, knowing that if he made a public statement he would be branded as a traitor by Mr. Lemke's Courier-News and the country papers which he controls, while Mr. Waters would have no means of defense except as the anti-league papers might defend him. In
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fact, Lemke has said that no man in the League can come out against the League leaders and get away with it as the League papers would brand him a traitor and chase him into the arms of the Fargo Forum, Grand Forks Herald and Bismarck Tribune—and when these papers came to his defense it would be easy to prove in the minds of the farmers that he really was a traitor. But Bill Lemke overlooked a bet. He never lived in Beach, North Dakota, where Jim Waters and I got our training in fighting political skunks.

At the recent League convention in Fargo Mr. Lemke put himself up for attorney general so that he may become a member of the Industrial Commission and become the actual dictator and as well as legal advisor of the Bank of North Dakota. With the bank entirely in the hands of Lemke and Cathro, with their lack of business judgment or experience, and with the record before you of what they have already done, not questioning their honesty, what assurances have you and I and the good farmers of North Dakota that the bank or state industries will be a success? Is it all to be destroyed overnight because of the insane desire of one man for power, a desire not only to control the Nonpartisan League, but the Republican Party, the democratic party, the labor party, the socialist party, the new third party, the League's official newspapers, the farmers' newspapers, the farmers' stores compan-

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ies, the Equity Society, the league newspaper service bureau, and now as a candidate for attorney general, the Industrial Commission, the North Dakota Bank, the Mill and Elevator Association, the Home Building Association and all other departments of state.

Almost daily Lemke prints in his Fargo Courier-News an interview with himself, and now as a candidate for office, in his own paper he lauds himself to the skies as the greatest and only lawyer in the country and public servant in the state, boosting himself up by his own bootstraps, saying he is working for the state for nothing and without pay when the farmers' organization is and has been paying him \$5,000.00 a year and expenses; seeking office and violating the rules of the organization that its officials should and would not seek office; using the organization which pays him to serve others, to get into office and give himself more power and self-anointed glory; making a spectacle of himself in his mad desire for more power, higher position and more autocratic control of the machinery of our government. Bill Langer is an amateur and Townley, in the most wild dream for power that ever entered his head, is a young man without ambition in comparison.

I wish to cite a few incidents to show you the autocratic attitude of Mr. Lemke. My name had been discussed as a

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candidate for national committeeman and immediately Lemke's Newspaper ridiculed the idea and charged that I was not a citizen of the state although I have lived in the state longer than he has and been out of it less. I made the mistake of not asking Lemke's permission and forgot that he has a desire to rule the republican party; I wrote the Courier-News a communication regarding my residence in the state and its publication was refused; Lemke did not want me to use his newspaper to establish a residence in the state as I might interfere with his political ambitions; when my name was mentioned for congress, Mr. Lemke's paper immediately charged me with seeking office and violating the unwritten law of the League, they are only supposed to be violated by him; I addressed a communication to the League convention in which I declared I would not support Mr. Young, asked for the endorsement and stated that I would stump the district for anyone aside from Young that they might select; Lemke acknowledged receipt of it and promised

to present it to the convention but Lemke had already promised the endorsement to another and one of the delegates informed me that it was promised over a year ago; Lemke wanted to get on the ticket himself; he feared my endorsement might eliminate him; I stayed away from the convention as I did not want to be charged with lobbying for the

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endorsement; Lemke attended and conducted the convention and got what he wanted and eliminated those he didn't want; I asked to be allowed to speak to the delegates as I wanted to make my position clear, and to warn the delegates of the danger of the bank situation and its relation to the Fargo bank as I believed they should know of the harmony between Waters and Cathro and the manner in which Mr. Lemke tried to prevent Waters' resignation. But Mr. Lemke held the whip hand and although he promised to read my communication regarding the congressional matter and give me an opportunity to address the meeting, I waited from 10 a. m. to 6 p. m. at the Gardner while Lemke ditched my communication, refused to read it to the convention, failed to inform the delegates that I wished to talk to them, made himself a candidate for office, said nothing about Waters' resignation or how he had saved the day by refusing to discount questionable paper with the state funds, but instead passed a resolution praising his appointee, Cathro, for his able management of the bank, room, meals, laundry and all, including the employment of Hastings the embezzler, the large eastern deposits, the \$400,000.00 deposit with the defunct bank at Fargo (although these items were not discussed by Lemke to the delegates.) Lemke's paper published the resolution, but made no mention of Waters' services in establishing the Bank. Why men-

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tion Waters? Waters was political dead. Killed and buried by the aforesaid Lemke machine. But the dead have been known to arise.

And this program was not only operating at the convention but had been in operation ever since Mr. Waters was appointed. The Courier-News continually ignored Waters and repeatedly praised Cathro. In one issue, in a special write up of the bank, Lemke's paper said the credit for the management of the bank belonged alone to one man—F. W. Cathro. And that is the only point that Mr. Waters and Cathro ever agreed upon, viz: that Cathro and to Cathro alone belongs the credit and honor of all the transactions heretofore mentioned.

And another incident at the recent convention. Prof. Ladd is a nationally known expert on Flour milling and wheat grades; he is also known to have opinions of his own and had a desire to prove what could be done with a state owned flour mill and elevator. But, Mr. Lemke has a desire to run that institution and direct its policy, so he endorses Doctor Ladd for the United States senate to get him out of the way. An expert on wheat grading and flour milling is not needed to run our state mill. Lemke can get another Cathro. So we are to have Doctor Ladd, an expert and practical wheat and flour man and a food chemist sitting in the United States senate listening to a League of Nations debate

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while Bill Lemke runs the state owned mills, the state owned

bank and a few other little jobs. Of course Lemke killed two birds with one stone in that deal as he has a personal dislike for Senator Gronna. And my dear Governor, Townley is accused of being an autocrat!

I regret very much that a communication of this nature to you is necessary, but I realize that you are not informed on details regarding the Bank of North Dakota, especially when advised and surrounded by Messrs. Lemke and Cathro whom you have reason to have every confidence in. I know you to be fair and honorable with a desire to protect the farmers and people of the state from unscrupulous men, and when you have investigated the facts set forth here, I know you will act promptly and ask for the resignation of Mr. Cathro and demand the withdrawal of Mr. Lemke as a candidate for the Industrial Commission in time so that another can file and have his name placed on the ticket. I know that Mr. Townley does not realize the true situation regarding the bank management and the danger it puts the organization in.

It is true that Mr. Lemke by political and legal juggling has prevented a public examination of the Bank, but why prevent a public examination if the affairs of the bank are honestly administered? The gross mismanagement of this in-

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stitution, however, cannot always be kept a secret and sooner or later the true conditions will be known, and then our enemies will take our own dirty linen and drive us into oblivion. And who will suffer? The honest-to-God farmers who will live here ten, twenty, and thirty years from now and become the objects of jest and ridicule. They will become—thousands of them—the laughing stock of their respective communities, and real “\$16 suckers” in truth and in fact. They will be the laughing stock of the nation. Flying machines and all that you and I can do to win elections can not prevent disaster if present conditions continue within our organization and your administration.

Back in 1908 I started a fight in old Billings county and exposed graft and political rotteness, and in 1912 we fought and cleaned up the worst gang of grafters in the state by perfecting a farmers’ county organization. We defeated every officeholder—embezzlers and bribe-takers—and from that organization and that fight Mr. Townley planned the state fight and state organization, with my assistance, and you were elected governor as a result. I entered the fight because it was for the right—and not for pleasure, pastime or money. But now are we to be swallowed up by the very opponents I fought at Beach, ex-jail birds, blind piggrs and the lawless

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element that stuff ballot boxes, defy the law and loot the treasury? As I think of the North Dakota Bank it appears to me as though aCthro and Lemke should have been among my opponents at Beach.

Two of the newspaper men who opposed me at Beach, who slandered and vilified me, had served time behind the bars, and the third who was associated with and supported the political ring lead by Gallagher—now anti-league candidate for attorney general—has just been sent to the penitentiary for looting a bank. That’s why it appears to me that Cathro and Lemke should have been numbered among my enemies at

Beach. There I was assaulted on numerous occasions, sued, prosecuted and finally my home and print shop destroyed by fire by my enemies. But when I left Beach I was mayor of the city and my enemies were discredited and out of public office. While I carried on that fight at Beach and laid out the foundation for the Nonpartisan League, Lemke was a soldier of fortune in Mexico trying to get rich over night by getting a land grant from that tottering government, and Cathro was a loan shark and money changer in Bottineau county.

I left Beach and entered the fight with George Lofthus and A. C. Townley and now that the fight is about won are we to be destroyed by a few men in our own ranks—and to be forever discredited because of the ambition for power of

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one man and high salaries and free meals of another? I did not, nor did you, Governor, enter this fight to make William Lemke the czar of North Dakota and the state a plaything to satisfy his ambitions for power nor to give some country banker a \$10,000.00 a year salary to play with the state funds and ship them out of the state and take over bankrupt institutions. I do not propose to be silent when I see their ambitions and selfishness heading our organization to destruction, so I have taken this course and ask that you use your best efforts to rectify the wrongs that have been committed in our own house—and protect the funds of the state.

I do not want our enemies who wish only to destroy us to take a hand in this affair, so I first sought the state convention to talk in private to the delegates. Failing to secure a hearing I am personally calling upon you and Mr. Townley and laying the facts before you. If you do not see fit to assume the responsibility, nor Mr. Townley, then, in that event, I will be forced to appeal direct to the membership of the League, with the best means that I may have at my command, and ask that they take the initiative and clean their own house. But I sincerely hope, Governor, that you will act promptly and thus avoid any publicity that might injure our

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coming campaign, and that any further action on my part will be necessary to clean up the situation, which, if allowed to continue, we might overcome in the primary only to be swallowed up in the general election, as the condition complained of cannot long be covered up if allowed to drift. What I fear most is that the Fargo bank will blow up right in the middle of our campaign, during the hard financial months to come—June, July, and August. Their statement now is horrible.

Mr. Cathro can quietly resign and a new man be put in his place, and Mr. Lemke can withdraw in favor of Bob Frazier of Garrison, whom I understand was the real choice of the convention if Mr. Lemke had not forced himself into the position. And then in the coming legislature laws can be passed to prevent any one or two men from misappropriating our state funds or using the Bank of North Dakota to bolster up bankrupt institutions.

In view of the humiliation which Mr. Waters has silently born under false charges and reports and threatened prosecution, surely Messrs. Lemke and Cathro will not assume a

defiant attitude or pull a Langer, Wehe or Kositzky stunt if compelled to give way for the good of the organization.

I am making my home here in Bismarck and you can communicate with me at any time if you wish additional facts or

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proof of statements made herein which the official records do not verify. Mr. Waters will be in the city in a few days if you wish any additional facts or information from him.

With the utmost confidence in your sincerity and honesty of purpose which assures me that you will not delay action in the matter, I am,

Most respectfully and sincerely yours,

J. W. BRINTON."

Mr. Sullivan:

Q. Did you ever get an answer to that letter, Mr. Brinton, from the Governor? A. I did not.

Q. Did the Governor, at any time, call you into consultation to obtain from you the additional facts that you referred to in the letter that you claimed you had? A. He did not.

Q. Was anything done by the Governor that you know of to verify or to determine whether or not the statements made in that letter were facts? A. I have no knowledge that he did anything.

Q. Well, do you know what, if anything, was done with the letter that you sent to the Governor, and which has just been read? A. He apparently showed it to Mr. Lemke, and Bill went on the war path.

Q. Do you know what finally happened to the letter? A. It was published in the Courier-News and North Dakota Leader.

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Mr. Cathro: Do I understand that this letter is read into the record as part of the sworn testimony of Mr. Brinton?

Mr. Sullivan: Yes, it is read into the record as part of his testimony.

Mr. Murphy: I want to direct your attention, Mr. Chairman, to the fact that Mr. Lofthus, the State Examiner, was under subpoena and supposed to appear here for examination this morning, and I am just informed that he left the city last night, and we want him here because our program involves the examination of several banks, associated and allied with the Scandinavian-American Bank, and only he can give us the information.

Mr. Freeman moves that the Marshall be instructed to take the necessary steps to locate the whereabouts of Mr. Lofthus and inform him that his presence will be required at 9:30 A. M. tomorrow morning. Motion seconded by Mr. Ulland.

On roll call, all members present voted aye, the motion was declared passed, and the Marshal so instructed.

On motion of Mr. Johnson of Ward, seconded by Mr. Nagel, adjournment taken until 9:30 A. M. February 18, 1921.

End of February 17, 1921.

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FEBRUARY 18, 1921.

Meeting called to order by the Chairman, at 9:30 a. m. with all members of the committee present, except Messrs. John-

son of Steele, Hanson and Weld. The attorneys and reporter also present.

Minutes of previous meeting read and approved.

F. W. CATHRO, recalled as a witness, and testified as follows:

EXAMINATION BY MR. SULLIVAN:

Q. Mr. Cathro, yesterday, I asked you to bring over the original debit slip which was used in connection with debiting the amount of the draft of \$500 drawn by J. J. Hastings, through the Bank of Oberon. Have you got that, Mr. Cathro?

A. The original draft?

Q. No, you showed us that yesterday. What I want is the original debit slip?

Witness produces paper.

Q. Mr. Cathro, this paper which has been marked Committee's Exhibit 92, I will ask you whether or not that is a full, true and complete copy of the debit item in the bank, which was used in connection with the \$1,500 of currency which was given to Mr. Hastings? A. It is.

Q. Exhibit 81 is a copy of the draft that was drawn by Mr. Hastings through the bank at Oberon and eventually paid by the Bank of North Dakota. A. It is.

Q. And Exhibit 82-B is the original of the debit slip on ex-
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pense that was used in connection with debiting the \$500 that was paid at the time the draft by Mr. Hastings to the Oberon Bank was paid by the bank of North Dakota? A. It is.

Q. Now Mr. Cathro, we might just as well straighten this out now. When this draft was presented to the bank or came to the bank, it was paid, was it, by the use of the debit item, Exhibit 82? A. Well, my information of the matter is that on my return, after an absence, I was advised by Mr. Waters that Mr. Hastings had drawn a draft of \$500, and he had ordered it paid. As to actual knowledge of the transaction—it didn't go through my hands.

Q. Who told you that? Mr. Waters told you that Mr. Hastings had drawn a draft for \$500 and that he, Mr. Waters, had ordered it paid? A. Yes.

Q. And then you were away in February, 1920, the first part of February, 1920? A. Yes, sir.

Q. And what part of the month of February were you away, Mr. Cathro, if you remember? A. I left on the 6th day of February and returned on the 19th day of February.

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Q. This expense item of \$500, Exhibit 82, was that debited to the general expense of the bank or was it debited to expense in the bond department? A. The expense as to the bond department has not been segregated and classified as to the particular department.

Q. The expense is kept as a general bank expense? A. It is thus far.

Q. And this was then debited to the general expense account of the bank? A. Yes.

Q. Well, now, Mr. Cathro, permit me to direct your attention to this fact: It appears that this draft was dated in Chicago, Illinois, on February 13, 1920. That is true, isn't it? A. I just noticed it since I came on the stand this morning; there seems to be a discrepancy in dates that I hadn't noticed

before. I asked for the debit slip of that transaction. That was handed to me and I didn't notice until this moment the discrepancy in the dates.

Q. And the debit slip you have indicating the debit upon the payment of the draft of February 13th, is itself, dated, February 11th? A. I noticed that. The memorandum on the back would indicate that it was filed among the 13th items.

Q. Apparently the debit slip is dated two days before the
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draft itself was made? A. Looks as though it was a post-dated draft.

Q. Now then there must be some explanation of that situation? A. I assume so, but I don't know it, however.

Q. Because at the present time we would both agree with Mr. Snyder's version that it looks at least funny. I assume possibly you can straighten that out when you have had a further chance to investigate the records of the bank? A. I assume so; as I say, I hadn't noticed it until I came on the stand here.

Q. Well, I noticed it yesterday and that is why I wanted to see the original. Now Mr. Cathro, neither in the debit slip of the \$1,500 item, nor in the debit slip of the \$500 item is the name of J. J. Hastings mentioned, as far as the books are concerned? A. No.

Mr. Sullivan: The following is a copy of statement of the contents of the debit expense item referred to, as Committee's Exhibit 82-B:

(Exhibit No. 82-B)

"Bank of North Dakota, Bismarck, North Dakota.

DEBIT	Expense	Date 2-11-1920
ITEMS	O. K. Johannsen."	\$500.00

Q. You were to bring over, I think the ledger sheets of
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the Walcott State Bank, weren't you, Mr. Cathro? A. I was. But I don't find them here.

Q. Well, if you haven't got it here, possibly you can arrange to have them brought over.

Mr. Murphy: Will you please bring over also the accounts of the Bismarck Bank of Bismarck, and the Capital Security Bank.

M. W. THATCHER, having been called as a witness, was duly sworn and testified as follows:

EXAMINATION BY MR. MURPHY:

Q. What is your name? A. M. W. Thatcher.

Q. What is your business, Mr. Thatcher? A. Public accountant.

Q. How long have you been engaged in that business? A. Some seventeen or eighteen years.

Q. What particular concern are you connected with now, Mr. Thatcher? A. The Equitable Audit Company.

Q. Where is the office of that concern? A. Minneapolis and Fargo.

Q. What building is your office in in Minneapolis? A. Security Building.

Q. And in Fargo? A. 113 Broadway.

Q. How long has that concern been engaged in business.

under that name? A. The Equitable Audit Company? A
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little over six years.

Q. Prior to that time did you have any other concern or were you working alone? A. I was with various audit companies.

Q. Various other audit companies? A. Various other audit companies.

Q. Would you name some of them? A. American Audit Company of Chicago; Barrow, Wade, Guthrie & Company; Wilkinson, Reckert, Williams & Company of Chicago; H. R. Hayden & Company of Minneapolis; Marwick, Mitchell, Peet & Company of Minneapolis, and at other times individual practice.

Q. Now, Mr. Thatcher, you live in Minneapolis or St. Paul? A. Minneapolis.

Q. You are not a resident of the State of North Dakota? A. I am not a resident of the state of North Dakota.

Q. And never have been? A. I never have been.

Q. You are not what is known as a certified public accountant? A. I am not what is known as a certified public accountant.

Q. And never have been? A. I have never even made application—

Q. I didn't ask you that? A. You and I have discussed that before.

Q. Well, I would like to discuss it again. You are not a certified public accountant and never have been? A. Well, I
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want to get this testimony in without any unfairness. I don't want any fight—

Q. I don't want any fight either, but would you mind answering my question? A. We are chartered as public accountants by the State of Minnesota, and the secretary of the firm is a chartered accountant.

Q. And you are the president? A. I am president. I am not a certified public accountant, but we are chartered to practice as such under the statutes of Minnesota.

Q. Certified Public Accountant—what does that mean? A. That means he is in good standing with a society of a few accountants, the trust of the profession.

Q. And one who is not is not in good standing? A. with those few people who are a trust in this profession.

Q. A big business outfit, the C. P. A. outfit? A. Absolutely not. They are not big business.

Q. Well, my question just prior to that was that one who is not a certified public accountant is not in good standing with the Certified Public Accountants? A. Well, I was informed in 1909 when I came to Minneapolis—

Q. Now just a minute. You answer my questions, and
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I suggest, Mr. Chairman, this witness has a practice of arguing all the time, and we will get through much more quickly if he answers my question. If he has any explanations to make there will be plenty of time. A. All right, with that understanding I will be glad to answer the questions.

Q. One who is not a certified public accountant is not in good standing with the Certified Public Accountants? A. I

wanted to make that statement because I am in the same position as your Mr. Lee is.

Q. Well, you were both in the same position? A. I am in the same position as Mr. Lee.

Q. Mr. Lee is a mere employee with Bishop, Brissman Company? A. Well, he is here giving professional testimony.

Q. Now there again you decline to answer my questions?

A. Well, I am not going to make a statement here that will go out through the press, in answering your questions, that will convey to the public that I am in disrepute in my work because I am not.

Q. Aren't you? A. No sir.

Q. Well, I thought you were. I was mistaken. I don't want to irritate you, Mr. Thatcher at the outset. I was afraid perhaps I might have to before we get through, but if that ir-

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ritates you we will drop it, and go on? A. It doesn't irritate me at all. I want the facts in the testimony.

Q. Well, if you would answer the questions we could get the facts in the testimony. Now you used to know George Lotthus, didn't you? A. Very well.

Q. And James Manahan? A. Very well.

Q. The time they had an office across from the Chamber of Commerce in Minneapolis? A. No sir.

Q. Well, they had an office in Minneapolis, or Manahan did at that time? Well, let me refresh your recollection a little bit. Do you remember when Mr. Lofthus and Mr. Manahan first started the difficulty or trouble or fight, or whatever you wish to call it, with the Chamber of Commerce, before the Equity Co-operative Exchange was organized or shortly afterwards? A. I never met Mr. Manahan, that I recall, until the time of the suit that you had against the Equity.

Q. That is the first time you ever met him? A. As I recall.

Q. You knew Mr. Lofthus before that? A. I knew him casually.

Q. Well, what I want to get at is what was the name of

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your concern that you got into trouble with? A. I failed to mention that concern. I want to go back in the record. That was Frame, Dougherty & Company.

Q. What year was that? A. That was in the fall of 1914.

Q. Then you were employed after that by Mr. Lofthus and concerns that he was interested in, the Equity Co-operative Exchange, weren't you? A. No, by the Board of Directors of the Equity Co-operative Exchange.

Q. That was right after 1914 or during that time? A. My employment with the Equity Co-operative Exchange began, as I recall it, in January, 1915.

Q. And it has continued ever since, off and on, your employment by the Equity Co-operative Exchange? A. I haven't done any work for the Equity Co-operative Exchange since—it is a matter of a couple years.

Q. Well, you were the auditor who appeared for them in that case you just mentioned that you said I was in at Fargo? A. YeYs.

Q. You are the man who created that \$30,000 account that

you called "organization" and put it on their books? A. My memory is that it was \$25,000.

Q. But the rest of my question is correct? A. I set that

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account up on their books—the one that Judge Pollock passed on?

Q. Yes, the one that Judge Pollock passed on. And you are also the gentleman who appeared as expert accountant in the Townley bankruptcy proceeding? A. Yes, sir.

Q. And weren't you also an expert, either consulting or otherwise, in the case of State of North Dakota against H. J. Hagen? A. I was not.

Q. Well, you have been employed from time to time by the Nonpartisan League to audit its books and to give them expert advice, doubtless, with reference to their business affairs? A. I have had a large number of assignments from members of the Nonpartisan League.

Q. And also have had a great deal to do with auditing the affairs of various Farmers or Equity Co-operative elevators throughout North Dakota and elsewhere for several years? A. Our company.

Q. Well, you are president of it? A. Yes, sir.

Q. What I am trying to develop is, to be frank with you, to show that you have been employed or associated with these various concerns known as the League or Equity Co-operative Exchange for a period of several years last past. A. That is very true.

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Q. And in the course of your employment you necessarily became well acquainted with the leaders or prominent members of those concerns, did you not? A. Yes sir.

Q. Became very well acquainted with Mr. Townley, I take it? A. Yes, I would say I am acquainted with Mr. Townley.

Q. And Mr. Lemke? A. Very well.

Q. And also Mr. Thomas Keyes? A. Yes.

Q. Who is Mr. Keyes? What connection did he have with these organizations from time to time? A. Mr. Keyes is the—well I don't recall his official titles, but he is practically treasurer of the National Nonpartisan League and the League Exchange and the Nonpartisan Publishing Company.

Q. And has been practically ever since the organization? A. Yes, sir.

Q. And necessarily, being the treasurer, he has had considerable to do with the keeping of the books of those concerns, that is with the general supervision? A. Yes, the general supervision is right.

Q. So that you, as the auditor, have necessarily come in contact with him on that account? A. Yes, but from the matter of accounting of these institutions I have more to do with Mr. Miller than anybody.

Q. Well, of course, I am no interested in Mr. Miller, but I

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am just trying to develop the fact that you and Mr. Keyes have been pretty well acquainted for a period of years. That is a fact, isn't it? A. About four years.

Q. Well, are you interested in any other concern besides the Equitable Audit Company? A. No.

Q. Not an interest of any kind? A. No.

Q. Are you not interested with Mr. Keyes in the Economy Supply Company? A. No, sir.

Q. Never have been? A. The Economy Supply Company is now a part of the Equitable Audit Company; that is to say, we handle merchandise in the nature of supplies.

Q. Then you are interested in it, if it is part of the Equitable Audit Company of which you are president? A. I know, but what I mean to say is this, that at this time it is not a corporation.

Q. It has been absorbed by the Equitable Audit Company? A. Yes, sir.

Q. Well, how long since the absorption took place? A. I think our entries are as of effect, January 1st this year.

Q. The 1st of January, 1921? A. Yes, sir.

Q. Then, as I understand you, the 1st of January, 1921,
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the Equitable Audit Company of which you were the president, absorbed and took over the business of the Economy Supply Company? A. Yes, sir.

Q. So that the Equitable Audit Company since January 1st, not only conducts the business of general accounting and auditing, but also the supply business formerly conducted by the Economy Supply Company? A. It will liquidate the supplies on hand. That is the purpose of it.

Q. Well, what were those supplies? A. Well, you mean the general stock?

Q. Yes. A. We have done two kinds of business, a specialty business and—

Q. What was that? A. Specialty and job business.

Q. With what kind of goods? A. Special goods; goods made to order of any kind of office supplies. Q. And books: A. Yes, made to order. And then in addition to that we carried what we called standard books, books that we made up in large quantities, three or four hundred at a time, and then sold out piece-meal as the market called for them.

Q. Well, you had such things as auditing and system work? A. Yes.

Q. And also had accounting and bookkeeping records and forms and records? A. Yes, sir.

Q. The usual books and papers that are required for
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proper accounting in various concerns? A. Yes, sir.

Q. Now, prior to January 1st, you were interested in the Economy Supply Company? A. Yes, sir.

Q. How long had you been? A. I started it.

Q. And have been interested in it, of course, to some extent ever since? A. Yes.

Q. Well, that is just what I thought. As a matter of fact, Mr. Keyes loaned you some money in 1917 to help start this? A. No, sir.

Q. Didn't he loan you any money at all? A. He loaned me some money, but for a personal matter, not this.

Q. Well, if it was personal we won't go into it. But Mr. Keyes was interested, likewise, in the Economy Supply Company? A. He was at one time and I bought him out.

Q. When? A. About a year ago. A year or a year and a half ago or such a matter.

Q. Now I notice in the report of the special examination of the Home Building Association of North Dakota, made by

the Bishop, Brissman Company of St. Paul, and elsewhere, under the heading on Page 13, "Statement of Legislative Appropriation, Cash Transactions, and Verification of Balances,

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continued" under the head of "Sundry Expense" there is an item "Equitable Audit Company, auditing and system work \$1,375.16." That is correct? A. Yes, that is what it says.

Q. And "Economy Supply Company, accounting and book-keeping forms and records, \$2,718.94?" A. Yes, sir.

Q. That is correct as it appears there? A. That is correct as it appears there.

Q. Well, isn't that a correct statement? A. I couldn't say. It may be and it may not.

Q. Haven't you any records from which you can determine? A. I have records.

Q. Have you got them with you? A. No, sir, I will bring them back, however. The invoices are on file at the Home Builder's office.

Q. You prepared or helped prepare for the Industrial Commission, did you not, the report made by that Commission to the Secretary of State covering the State Bank, the Home Builders Association, and the Mill and Elevator Association, filed as of February 1st, 1921? A. I did with most of it, but there is one exception that I didn't.

Q. What is that? A. I didn't complete the statement of the Home Builders.

Q. But the others you did? A. Well, I assisted in them, Mr. Murphy. We haven't completed our audit yet.

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Q. Of which? A. Of these institutions.

Q. Of any of them? A. Well, we have of the Drake Mill.

Q. Was that completed at the time Mr. Paddock's report was filed? A. It was.

Q. And you made the audit, I take it, upon which that report was based? A. I did.

Q. Now are you—as I understand it then your Audit Company and Supply Company, you were auditing the books for this Home Building Association, and then advising them the kind of books and papers and so forth they were to get and then turning around and selling them to them? A. That is absolutely wrong.

Q. Well, you audited the books didn't you? A. No sir.

Q. Your company did? A. Our Mr. Darling. Our company was auditing the books. Now I can clear that up.

Q. It doesn't need much clearing? A. We received that order and it was handled at a loss. It was on bids, and at least one concern in North Dakota, the Fargo people down here your large company, Walker Bros., and Louis F. Dow Company of Minneapolis bid on it.

Q. What I want to get at is—— A. I want to get that clear in here that these concerns bid on it, and Mr. Blakemore

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was driving the best bargain he could, and I stated I didn't want to handle it, and he wanted us to handle it because we had designed the forms and were better fitted to see that the stuff was put out as it should be.

Q. Now, having gotten that out of your system, answer my question. Regardless of that, the Equitable Audit Company audited the books and designed the system that the

books should carry and then the Economy Supply Company sold them the supplies? A. Yes, sir.

Q. And you got \$1,375.16 for your auditing and system work and \$2,718.94 for the books that you furnished them? A. Well, whatever the records are.

Q. Now, Mr. Thatcher, day before yesterday you went upon the witness stand before the Senate Committee and testified, did you not, under oath? A. Yes, sir.

Q. That was on the 16th day of February? A. I don't know what date it was.

Q. Well, day before yesterday? A. Yes, I was on day before yesterday.

Q. Now in the course of your examination, you were asked, among other things, to figure the reserve in the Bank of North Dakota under the law as it existed or as the law reads in the 1915 statute, weren't you? A. Yes, sir.

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Q. Were you familiar with the 1915 statute at that time? A. Why, I was, just as it was read there. Q. Well, in order that you may become more familiar with it—you may have forgotten a portion of it—we will read it to you again, and I hope you will trust me enough to think I am reading it correctly. If not you may read it yourself. The 1915 statute, Chapter 58 Laws of 1915, being an amendment of Section 5170 of the Laws of 1913:

"Each association shall at all times have on hand in available funds an amount which after deducting therefrom the amount due to other banks, shall equal 20 per cent of its demand deposits and 10 per cent of its time deposits; three-fifths of this amount may consist of balances due to the association from good solvent state or national banks or trust companies, which carry sufficient reserve to entitle them to act as such depository banks, and are located in such commercial centers as will facilitate the purpose of banking exchanges, and which depository bank shall have been first approved by the state banking board, and the remaining two-fifths of such reserve shall consist of actual cash on hand; cash items shall not be included in computing reserve, and no association shall carry as cash or cash items, any paper or

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other matter except legitimate bank exchange, which will be cleared on the same or next succeeding business day."

Q. You are familiar with that law? A. As you read it.

Q. As I read it? A. Well, I didn't mean to cast any reflections.

Q. Well, you got it? A. Yes, I have the general scheme of it.

Q. Now you took the Bishop Brissman report as of December 3rd, did you not? A. Yes.

Q. And from that you did some figuring for the Committee and you stated this to Mr. Sinkler, who was inquiring of you—

A. I can't remember all those figures.

Q. Well, just refer to any papers that you may have. You recall, do you not, that Mr. Sinkler—Now let me see if I have got this matter right in my mind. Mr. Sinkler, who was conducting the examination, asked you to compute or figure the reserve in the bank of North Dakota, under the law as it existed in the 1915 statute which I have just read to you, did he not?

A. Yes sir.

Q. And to use as your foundation, the Bishop, Brissman report as of December 3rd, 1920? A. Yes.

Q. And after figuring that reserve you stated in the following words: "The reserve was re-deposits of banks"—I suppose that by that was meant re-deposits in Banks? A. Yes.

Q. And you did that? A. Yes sir.

Q. And after figuring that reserve you stated in the following words: "The reserve was re-deposits of banks"—I suppose that by that was meant re-deposit in Banks? A. Yes.

Q. "—and amounts due from correspondent banks?" A. Yes.

Q. "—and cash on hand aggregated \$7,608,063.37?" A. That is right.

Q. Your statement was that the reserve, under the 1915 law, if it applied to the Bank of North Dakota would consist of the amount of moneys that the Bank of North Dakota had redeposited in state banks in the State of North Dakota, plus the amount due to the Bank of North Dakota, from correspondent banks outside of the state, and plus actual cash on hand Is that correct? A. That is the same method that all banks are figured on.

Q. I am not talking about the policy or principle. I submit I don't want any argument with you. I am reading your testimony to you, and if you don't think I am reading it correctly I will give it to you and let you read it? A. Well, Mr. Murphy, I am the one that is under oath.

Mr. Chairman: The question is merely with reference to your testimony.

Q. Your computation of the reserve in the Bank of North Dakota made up before the Senate Committee was based upon, first, the Bishop, Brissman report of December 3rd? A. Yes sir.

Q. And upon the 1915 statutes? A. Yes sir.

Q. And you figured that it consisted, first, of the redeposits made by the Bank of North Dakota in the state banks in this state. A. Yes sir.

Q. Secondly, of amounts due to the Bank of North Dakota from correspondent banks outside of the state; and thirdly, of actual cash on hand? A. That is all correct except one point.

Q. What is it? A. These redeposits with these country banks and correspondent banks may not necessarily cover only banks in North Dakota.

Q. Well, let us read just what you said: Mr. Sinkler said to you: "Will you kindly state what that reserve was?" and this is your answer—I would like to have you follow me—(showing witness copy of transcript)—"The reserve was redeposits in banks and amounts due from correspondent banks and cash on hand aggregating \$7,608,063.37. That was the reserve of the Bank of North Dakota on December 3rd, 1920." That was your testimony? A. That is my testimony, but I didn't state in there that they are all banks inside the state of North Dakota.

Q. I am asking you if that is not what you testified to? A. That is what I testified to.

Q. Now how much of that reserve consisted of redeposits in the state banks? A. I can't tell, Mr. Murphy. I mean the redeposits all told was seven million—

Q. I know—we have just read that—I want to know, when you made that computation, what proportion actually consisted of redeposits in state banks? You must have figured them up, because that is one of the three items you give us?

A. I have got the amount of redeposits, due from correspondent banks and cash—the redeposits are \$7,040,899.19.

Q. And what is the amount due from correspondent banks? A. \$520,396.55

Q. And the amount of cash? A. \$46,767.63.

Q. So that over seven million of that amount of reserve was in the form of redeposits, was it not? A. Yes sir.

Q. Now what do you mean by redeposits? A. Well, I took the expression and the amount from the Bishop, Brissman report.

Q. Now do you not know that that means nothing else than the redeposit of public money of the Bank of North Dakota in the banks throughout the state of North Dakota? A. I assumed that is what it meant.

Q. And then your testimony before the Senate Committee

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was that this money deposited by the Bank of North Dakota in the various state banks throughout the state of North Dakota, constituted a legal reserve under the 1915 law, did it?

A. That was my statement.

Q. Do you want to make it again? A. Well, that is my understanding of it, Mr. Murphy.

Q. Do you understand the law? A. I am trying to.

Q. Well let us see if we can educate you a little. Did you read this part of the law: (reads)

“Three fifths of this amount may consist of balances due to the association from good solvent state or national banks or trust companies, which carry sufficient reserve to entitle them to act as such depository banks.”

What does that mean to you? A. It means a lot.

Q. What does it mean? A. That means that these banks must qualify to be depository banks so you could use them in connection with this reserve.

Q. Well, how can they qualify? A. By having the reserve required by law.

Q. Well now just at that very time, while you were testifying, didn't you find that the banks in the state, the very banks you said were reserve banks, were some two million dollars short of having sufficient reserve? A. Absolutely.

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Q. You did so state? A. Yes sir.

Q. So, as I understand it, you say to the Senate Committee, and are probably speaking for the press as you seem to be here, that under the 1915 law— A. I am protecting myself from the press.

Q. Do you need protection? A. I certainly do.

Mr. Murphy: I suggest, Mr. Chairman, that you send the reporters out.

Q. Under the 1915 law you told the Senate Committee that the redeposits in state banks constituted a legal reserve, and isn't it a fact that at the same time you told them these very state banks were two million dollars short of having

the reserve required by that law? Now that is correct, isn't it? A. No, this situation you are creating isn't correct at all.

Well, let's go back over it again? A. Now, Mr. Murphy—

Q. Now I am asking the questions and you are answering them—you told the Senate Committee that the Bank of North Dakota had a big reserve of over seven million dollars, didn't you? A. Based on this balance sheet of Bishop, Brissman Company.

Q. Exactly. I know what it is based on. You are assuming the truth of the figures contained in that report in your answer? A. Of that one statement.

Q. There is no dispute about that, so you don't need to in-

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ject that in here again. You told the Senate Committee, didn't you, Mr. Thatcher, that the Bank of North Dakota, on December 3rd, 1920, based on the report of Bishop, Brissman Company, which you used as a foundation, had a reserve, a legal reserve, a reserve required by the 1915 law, and therefore a legal reserve, of over seven million dollars, did you not? A. Yes sir.

Q. And that that consisted of over seven million dollars worth of redeposits in state banks, among other things? A. Yes sir.

Q. And at the same time you told them that these very banks in which they had redeposited that seven million dollars were two million dollars short of having a legal reserve so that they could be legal reserve banks, didn't you? A. No Sir—I made this statement, if the testimony is properly entered there—

Q. I suppose your reporter was wrong up there. Of course we are not responsible for the reporter there. A. When I am—

Q. Well, aren't you going to stand by the testimony the Senate Committee sends out? A. I will not stand by any testimony that any stenographer puts out without I o. k. it.

Q. Well, you are rather a difficult witness to handle. Well,

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now you told them they were two million dollars short? A. of their cash reserve.

Q. Well how much were they short on their other reserve? A. I didn't figure it up. I noticed that the call of the bank examiner states that they had a legal reserve.

Q. Well, you didn't figure it up. A. I didn't figure the aggregate reserve. The bank examiner had figured it, the state examiner.

Q. Well, how were you going to arrive, Mr.— how were you going to inform the Senate Committee with any degree of accuracy as to the reserve in the Bank of North Dakota if you didn't figure that up? A. The state examiner's records showed the reserve, as being in excess.

Q. Well, did you examine the state examiner's records? A. Why, Mr. Murphy, it would take me a year—

Q. I can't tell how long it would take. You were willing to go on there as a witness and under oath, and testify under oath to that committee and the world at large as to those figures? A. Based on this report.

Q. Exactly. We know all about that report, but I am asking

if you did not so testify? A. I certainly did, according to
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the papers that were put in front of me.

Q. In other words, you didn't have sufficient information to give anyone a correct opinion as to what the reserve was?

A. I wouldn't make that statement.

Q. Didn't you hear Mr. Lofthus testify that day—you were sitting right there when he testified just before you did?

A. Yes.

Q. And didn't you hear him state that there wasn't a bank in the state of North Dakota, scarcely one, that had a legal reserve? A. Well, I can clear this—

Q. Answer my question. I don't want you to clear anything. I am going to clear you. A. What is the question?

Q. And didn't you hear him state that there wasn't a bank in the State of North Dakota, scarcely one, that had a legal reserve? A. I don't remember hearing him make that statement, but I would not be surprised if it is true.

Q. It probably is true? A. Probably is.

Q. There is not a question about it? A. I think the state is pretty well shot.

Q. Well, we will agree on that. It is all shot. Now assuming that to be true, that there wasn't a bank in the state
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that had sufficient reserve so as to constitute it a reserve bank, then you will be perfectly frank with us, or perfectly willing to say that under the 1915 law, speaking from a legal point of view, the Bank of North Dakota didn't have the reserve you said it had. Now just follow that question and not try to put something of your own in here, because you are going to answer my questions. You want to get home today and you will get home much faster if you will just answer them. A. If the banks of North Dakota are in the condition I believe they are and that there has been testimony on, certainly this amount is only a paper reserve and not a reserve as a matter of actual condition of any bank in the state.

Q. Exactly. It is only a bookkeeping reserve, and they called a bookkeeper up there to work it out so as to give it out to the public that the Bank of North Dakota had a reserve, when as a matter of fact, you and I know, Brother Thatcher, that they didn't have any, actually, did they? A. They have some actual reserve. All the reserve that they have, Mr. Murphy, will be computed entirely on this basis: taking each bank with whom it has these redeposits and ascertaining whether or not that bank has qualified and has its reserve and then adding those up and you will find out what
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reserve the bank has.

Q. Will you? A. Yes, if they—

Q. I am not asking you to do it now. As a matter of fact would you find it out? A. It should be done as a matter of protection.

Q. Did you pay any attention to this portion of the 1915 law, when figuring that reserve? Now it says "from good solvent state or national banks or trust companies, which carry sufficient reserve to entitle them to act as such depository banks, and are located in such commercial centers as will facilitate the purposes of banking exchanges, and

which—" We have agreed that they didn't carry sufficient reserve, haven't we? A. Who?

Q. These state banks? A. Very few of them.

Q. Well, in addition to that these banks must be located in such commercial centers as will facilitate the purposes of banking exchanges—that is the second requirement? A. Yes, sir.

Q. Did you pay any attention to that? A. I couldn't from those figures.

Q. Well, what do you call commercial centers—would you call Lieth a commercial center? A. I would not.

Q. Would you call Hillsboro a commercial center? A. You have very few commercial centers in North Dakota.

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Q. Probaby you would say Fargo and Grand Forks? A. Yes, and Minot, Bismarck.

Q. Yes, dont' leave out Minot and Mandan? A. Yes.

Q. But aside from those there are not very many? A. If that is the point you want to get I will make this statement—

Q. You are very kind to make things so clear, but I have a kind of fancy I am pretty good at that myself. Now I am trying to point out three different requirements of the Law of 1915, prescribing for what is known as a legal reserve bank. The first one is that they must have a proper reserve, and we have agreed they didn't have. The second one is that they must be located in a commercial center, and we have agreed very few of them are located there. Now here is the third one:

"and which depositary bank shall have been first approved by the State Banking Board." Did you look into that at all? A. Absolutely not.

Q. Then, as I get it, we are agreed that that opinion you gave vent to up there was just a mere computation, a book-keeper's opinion, that if all these banks had a legal reserve, and if they were all located in commercial centers, and if they were all first approved by the State Banking Board,

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then the Bank of North Dakota had that much of reserve? A. Yes, that is right, but this law doesn't govern the Bank of North Dakota.

Q. No, but you are using it as a basis of your computation? A. That is right.

Q. Now you take the Bishop, Brissman Company's report, Mr. Accountant, please, and you eliminate those banks and figure out the reserve. How long will that take you? All you have to do is to take this redeposit business and deduct it. A. Now I am not going to be led with a string of figures. If you want to ask the questions I will put them down and tell you what the results are.

Q. You will answer my questions? A. I Certainly will.

Q. You take the total that you stated was reserve, to the Senate Committee? A. The total used was \$7,608,063.37.

Q. Now eliminate from that the amount that you gave us as redeposits. Subtract them from that? A. What for?

Q. Because I am asking you to. You stated you were going to answer my questions? A. Oh, all right. But I have got to understand what I am doing.

Q. You can't understand? A. I want you to tell me what you want done so I won't make a mistake in doing it.

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Q. I will see that you don't make a mistake. I want you to subtract from the total reserve you figured up, the item of redeposits. You understand perfectly what I am driving at? A. I do now.

Q. Everybody else in the room did. A. Deducting one amount from the other amount gives \$567,164.18.

Q. That leaves only the cash on hand and the amount due from correspondent banks? A. That is right. Just a minute, please.

Q. That is correct, isn't it? A. Yes, that is cash on hand and due from correspondent banks.

Q. Figure the cash reserve now of that bank—what it should be under the 1915 Act—just the cash side—you see this law says "two-fifths"—you see you must first have an amount equal to 20% of demand deposits—what are the demand deposits there? A. This stuff is all demand.

Q. No, there is one section that is not. Figure up 20% of the demand and 10% of the time, if there are any time deposits, and then figure the cash reserve, that is two-fifths of that, of course, which shall consist of actual cash on hand, and tell us what it should be.

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Recess taken for ten minutes, after which meeting was called to order, and examination of Mr. Thatcher resumed by Mr. Murphy.

Q. Now Mr. Thatcher, you were asked to figure from the Bishop, Brissman report, of course as of December 3rd, 1920, and assuming that the 1915 law applied to the state Bank of North Dakota, which we have agreed that it doesn't, what the cash reserve of that bank should be. Have you done so, as of that date? A. The cash on hand should be \$1,123,468.35.

Q. That is when you say it should be, you mean that if the Bank of North Dakota had complied with the 1915 law as to cash reserve—that is what you mean, isn't it? A. Yes.

Q. Now just tell us how much cash was on hand? A. \$46,767.63.

Q. How much were they short then of having a legal cash reserve on the date, with these figures. A. \$1,076,700.72.

Q. Now, as I understand the law, and I guess we agree on it, three-fifths of the amount, that is of the 20% of demand and 10% of time deposits—three-fifths of that—may consist of balances due from certain banks? A. Yes sir.

Q. Have you figured that reserve—that is the other part

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of the reserve? A. I have deducted all of the deposits which are questionable, and assuming that the amount due from correspondent banks is good, it would leave an amount with correspondent banks, that is banks other than the state banks, redeposits, of \$520,396.55.

Q. That is what they actually had? A. With these correspondent banks.

Q. Was there anything else that they had? A. They had redeposits of seven million.

Q. Well, put those to one side. A. Outside of the seven million, that is all.

Q. What should they have had? A. \$1,685,202.51.

Q. And how much were they short of having a reserve in approved banks? What is the difference between your figures? A. I don't know. I couldn't answer that question.

Q. Well, answer this. You say they should have one million and what? A. They should have with approved agents \$1,685,202.51.

Q. What did they have with the correspondent banks? A. \$520,396.55.

Q. And aside from the redeposits that is all they did have? A. According to this statement.

Q. Well, then, deduct that amount from correspondent banks from the amount they should have and tell us what the result (575)

is? A. The difference is \$1,164,805.95.

Q. Now just add the two shortages together there, the one million and some odd of cash and the one million and some odd that should be in approved banks? A. The two amounts shown here as short, based on this procedure and computation is \$2,241,506.68.

Q. And in making that computation, I assume you took 20% of the demand and 10% of the time deposits and you deducted the amounts due to other banks? A. No, I didn't.

Q. Didn't you make any deduction for the amount due to other banks? A. No.

Q. Well, don't you think you should? A. I am just putting down what you asked me to put down.

Q. Well, I asked you to put it down according to the 1915 law? A. I figured 20% of the demand and 10% of the time deposits to arrive at the required reserve.

Q. Did you then make any deduction of the amount due to other banks? A. From what?

Q. Well, let's read the law: (Reads) "Each association shall at all times have on hand in available funds an amount which, after deducting therefrom the amount due to other banks, shall equal 20% of its demand deposits and 10% of (576)

its time deposits." A. Well, that wouldn't change our figuring on the cash at all. It would only be with respect to the reserve.

Q. Why wouldn't it? Wouldn't it raise the amount that they should have? The cash of course, is two-fifths of that amount. Have you got the amount? A. My understanding is we take the amount with other banks and deduct from that amount the amount due to other banks, and that shows the available funds with banks.

Q. No, you misunderstand me. You arrive at a reserve fund by deducting the amount due to other banks. The law requires that you should have on hand in available funds, and available funds are described as either cash or amounts in approved reserve agents? A. There is no argument on that.

Q. So the law says this thing we call available funds—after deducting from that—that is deducting from your cash and from your correspondent banks, which are the only available funds we are operating on now, the amount due to other banks—shall equal 20% of demand and 10% of time deposits? A. Yes.

Q. And then three-fifths of that amount shall consist of a reserve in approved agents and two-fifths in cash. A. Yes. (577)

Let me see that law just a moment.

Q. Yes, sure. (Hands witness the statutes.)

Q. Tell us what the Bank of North Dakota on December 3, 1920, according to the Bishop, Brissman report had on hand in available funds, eliminating these redeposits? A. They had on hand in available funds, eliminating redeposits, \$567,164.18.

Q. Now deduct from that the amount due to other banks. What is the result you get? A. I have minus \$782,088.18.

Q. In other words, after deducting the amount due to other banks from the amount of available funds on hand, without taking into consideration the redeposits, you find that they are minus over \$700,000? A. Yes sir.

Q. And it would be very difficult of course to figure anything of that kind, wouldn't it, and call it reserve. A. Well, we can figure out exactly the minus amounts.

Q. Well, give us the minus amounts. That is what we were trying to get at a while ago, but they were a little bit stronger than we thought they were. What is it? A. The net minus was \$782,088.18, which is reconciled with a minus in banks of 828,955.18, and cash on hand \$46,767.63.

Q. Well, what does that mean? I don't get that through my noddle. A. Well, the thing in the aggregate is a minus
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item of \$782,088.18.

Q. Well, just put it this way, what is twenty per cent of your demand deposits? A. Yes sir.

Q. What is it? A. \$2,791,678.56.

Q. And add to that ten per cent of the time? A. \$16,992.30.

Q. The two items together amount to \$2,808,670.86? A. Yes, sir.

Q. The available fund then would be what? A. The available fund should be \$2,808,670.86.

Q. And it is minus how much? A. \$782,088.18.

Q. Then add your minus to your two million, and we will find out how far shy they are on available funds? A. Mr. Murphy, these computations are—I know you want this information to go with it—is without considering the redeposits in the state.

Q. Well, we said that over time and time again. A. Well, I don't want the newspapers to quote me as making a statement of something that is not a fact.

Q. I hope the newspapers will not do so. That computation shows a minus of \$3,590,759.04.

Q. Speaking about these redeposits, when you made your computation for the senate committee and included them, you also included the amount of money redeposited in all of the banks that were then closed didn't you? A. Yes, sir.
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Q. In other words, you said in effect and substance that if your method of computation is correct the Bank of North Dakota had a reserve in banks that were insolvent and actually closed? A. That computation included all the banks regardless of what condition they were in.

Q. Whether they were busted or not? A. Yes, sir, I was asked up there to give the figures the same as I am asked here. I can add two and two together or I can subtract them. I don't know the condition of these banks.

Q. Well, is that true now, about what you were asked up there? Are you trying to give us the impression that you were not the gentleman who framed this all up, you don't say that my friend Sinkler did anything like that? A. This was extemporaneous. I was handed this report and asked to give these figures.

Q. You are not an extemporaneous auditor? A. I am not.

Q. And when they asked you to do something extemporaneously, you don't want to be responsible for what you say or do? A. I want to be responsible for anything I say or do, but if I have a qualification to make, I want to make it.

Q. Your work consists of about one-fifth work and four-fifths qualifications, as a rule? A. If it is necessary, it does.

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Q. Now let's see how that came about, because I don't want the newspapers to get any false impressions. Now, Mr. Sinkler said to you, after he identified you, "Q. And as such public accountant has it been your business to audit banks and other institutions?" And you answered that it had. A. Yes.

Q. That was true, of course? A. Yes.

Q. And he said: "Q. Mr. Thatcher, have you had occasion to look at the report of the Bishop, Brissman & Co?" and you said "very little"? A. Yes.

Q. You haven't seen them at all? A. I have, but not very much.

Q. Now here is this question: "Q. I want to call your attention to Page 23 of exhibit 5, and will ask you to tell the committee, if you can, after making the computations, what the legal reserve of the Bank of North Dakota was on the third day of December, 1920." That is the question put to you by Mr. Sinkler? A. Yes.

Q. And you answered by asking another question, as usual. You said: "Is the Bank of North Dakota subject to the same reserve law as state banks?" and you were informed that it wasn't? That is correct, too? A. Yes sir.

Q. Well, Mr. Sinkler says: "Q. No, there is not, but I want you to figure it under the law up to the first of July, 1920, that is the law there." And you answered: "Well, you

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want me to figure the reserve in the Bank of North Dakota, December 3, 1920, based on that law?" A. Yes sir.

Q. On the 1915 law? A. Yes sir.

Q. And he went on and says: "Q. Based on that law, and then I am going to ask you to figure it based on the custom that was in vogue at that time, and then I am going to ask you to figure it under the law that was in effect or that was passed at the 1919 session of the legislature." And I assume he meant the special session in December, 1919? A. Yes, sir.

Q. You said it would take quite a while? A. Yes, sir.

Q. And they had an adjournment and you went out and took your pencil and paper and figured it? A. Yes, sir.

Q. And then you returned and Mr. Sinkler says: "Mr. Thatcher, have you figured the reserve in the Bank of North Dakota, under the law, as it existed or as the law reads in the 1919 statute?" A. Yes, sir.

Q. And you answered thusly: "I have on the balance

sheet of the Bank of North Dakota, as of December 3, 1920, as prepared by Bishop Brissmann Co.,"? A. Yes sir, that is right.

Q. And Mr. Sinkler says: "Q. And have the Bishop Brissman Co. report been taken as your foundation?" and you answered "Will you kindly state"—or rather he asked you:

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"Will you kindly state what that reserve was?" and you said "The reserve was that re-deposits of banks and amounts due from correspondent banks and cash on hand aggregated \$7,608,063.67. That was the reserve of the Bank of North Dakota on December 3rd, 1920,"? A. Yes, sir.

Q. And the next question: "According to the 1915 law?" and here is your answer: "Yes, literally."

Q. You put that word literally in there? A. Yes, sir.

And: "Deducting the amount of money owing to other banks?" and you answered: "Yes, the statement I made showed the total reserve; that is, the Bank's cash, now you asked me to cover this from three angles." A. Yes, sir.

Q. And Mr. Sinkler said: "Yes," and you said "Shall I proceed," and then you cover it in three different ways? A. Yes.

Q. Now, you wish this committee to understand that somebody sat you up there on the witness stand and gave you a paper and pencil and told you what to figure? A. Not at all. I recall that I made it on this statement, but this statement doesn't say how much of these seven million dollars in re-deposits is good or not good.

Q. I know all about that, and you knew at that time that some was good or not good. A. I know some is not good. You bet I know that.

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Q. You are an accountant of eighteen years, experience? A. Yes.

Q. And with any accountant, the thing they labor for is absolute accuracy? A. I try to.

Q. Otherwise, their report is of no value to anyone? A. Yes sir.

Q. And do you make it a habit and custom to give testimony of the nature you gave before that committee the other day, knowing as you did that your figures were false and inaccurate? A. I didn't so consider them.

Q. Well what are they good for? A. I make this statement that that reserve is subject, certainly, to the verification of every bank's reserve that goes to make up these re-deposits.

Q. And you never verified any of them. A. I think possibly—

Q. I mean at the time you made your computation? A. Absolutely not, it would take weeks to do it.

Q. And you were willing to go up there and— A. Based on the figures in the Bishop Brissman report.

Q. Did you check those figures? A. No, but those are the figures I took, I included them in my report.

Q. You have done that fifty times this morning. What I am trying to get at is you ought not to have done that? A. Basing it on that report—

Q. You don't come within a mile of my question—you

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ought not to have given the testimony you did the other day?

A. I was asked to give my statement on that report,

Q. We know that, and we will admit and concede you are not responsible for anything in the Bishop Brissman report?

A. Well, that answer is subject to this—

Q. You were asked to give it on the law, too, weren't you?

A. Based on the report, certainly, taking the law and interpreting this report.

Q. If I take that report away from you, do you suppose you could answer the questions a little better and you wouldn't have to hit it so often. It may be that that report has hypnotized you. We know it was based on that report, and it was also based on the 1915 law? A. Yes. Mr. Murphy, may I make this one request of you?

Mr. Murphy: Certainly. What is it?

A. This was the basis of giving that testimony. It was based on these figures and that law, but that doesn't represent at all my judgment as to what the reserve was.

Q. You very carefully concealed your judgment and led the committee and the public—because you knew this was going out in the press to the people—that the Bank of North Dakota literally had a reserve of over seven million dollars?

A. Yes, sir.

Q. And you knew that every ordinary man, including the plain farmers of this state who are more interested than anybody else, reading that statement of yours as an expert accountant of eighteen years' experience would believe that the Bank of North Dakota actually had and literally had a

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reserve of over seven million dollars. A. I don't want them to think that the Bank of North Dakota had an actual reserve available of seven million.

Q. You knew they would believe it after you stated under oath it was true? A. Based on those figures.

Q. Well, it had to be based on some figures? A. All right, but if you wanted it based on observations, I will give you them.

Q. Why don't you answer my question? You knew, Mr. Thatcher, that the plain people of this state reading your statement based not only on those figures but based on your eighteen years' experience as an expert accountant would believe that the Bank of North Dakota literally had a reserve of over seven million dollars as of December 3, 1920? A. I don't think when they read the rest of my testimony and find out that I testified, as I recalled, the cash reserve was short some two million dollars at some time, they will believe that.

Q. That is in the other banks around the state? A. That is what the Bank of North Dakota is made up of.

Q. In addition to that you went up before that committee and used one of these two wrongs to make a right argument, you picked out three or four other banks, several other banks, and computed their reserve and tried to show they were

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wrong, too. A. I absolutely picked out no banks, I was handed some bank statements.

Q. And you figured them? A. I was asked to figure them and I did. I will figure any bank statement that you will give me.

Mr. Murphy: Mr. Thatcher wanted to go home today, but

I have not been able to finish with him and we would like to have him here at 9:30 in the morning.

Mr. Shipley: I move that this committee do now adjourn, to reconvene at 9:30 tomorrow morning.

Motion seconded by Mr. Freeman.

Motion carried and adjournment taken until 9:30 A. M. February 19, 1921.

End of FEBRUARY 18, 1921.

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FEBRUARY 19, 1921.

Meeting called to order by the Chairman at 9:30 a. m., all members present, except Messrs. Johnson of Steele, Hanson and Weld. The attorneys and reporter also present.

Minutes of previous meeting read and approved.

S. P. ELLIS having been called as a witness, was duly sworn and testified as follows:

EXAMINATION BY MR. MURPHY:

Q. What is your name? A. S. P. Ellis.

Q. Where do you live? A. Valley City.

Q. What is your business? A. Farming.

Q. How long have you lived in the Valley City country? A. I came there thirty-nine years ago.

Q. Been farming in that country for quite a long while?

A. Yes sir.

Q. Tell us, are you interested in some banking concern in the city of Valley City? A. Yes, sir.

Q. What is the name of that bank? A. Security National.

Q. Are you a director of it? A. Yes sir, vice-president and director.

Q. And who is president of that bank? A. James Grady.

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Q. And you have occupied the office of vice-president and director for how long? A. Since the bank started, two years ago, I think it was. A year ago last July it started, this bank.

Q. July, 1919? A. Yes, it was right after we sold that American National Bank.

Q. Now known as the American Exchange? A. Yes, sir.

Q. Well, do you know John E. Staube? A. Yes, sir.

Q. And William Olson? A. Yes, sir.

Q. And John McIntyre? A. Yes, sir.

Q. And L. Noltimier? A. Yes, sir.

Q. George N. Rasmussen? A. Yes sir.

Q. Those men all live in the vicinity of Valley City? A. Yes sir.

Q. And all of them farmers, as I understand it? A. Yes sir, everyone of them are farmers.

Q. I assume that as part of your duties as director and officer of that bank you had to attend the meetings of the Board and investigate the paper held by the bank from time to time? A. Yes sir.

Q. Well, did you attend some during the year 1920, and discover among the assets of the bank notes signed by these six men whose names I have read to you? A. Yes sir.

Q. Do you remember the amounts of the notes? A. They are \$2,500 apiece.

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Q. And that would make \$15,000? Altogether? A. Yes sir.

Q. Well, did you have any conversation—you had nothing to do with the taking of these notes? A. No sir.

Q. Did you make some inquiry of Mr. Grady with reference to the notes, how they came to be in the bank? A. Well, at the directors' meeting there was something said about it.

Q. What was said? A. Well, I can't say just what was said. He said they took Certificates of Deposit for it, and the objection was raised that we didn't have any too much money for our own customers and we didn't want to take the other fellows that belonged to the other banks in there.

Q. Didn't want to loan the other fellows any money? A. Not to the other fellows. And I was given to understand that it wouldn't make any difference with the deposits in our bank, it wouldn't hurt our bank any, and we would make on the interest.

Q. In other words, that the loaning out of this \$15,000 wouldn't lower the funds in your bank any because the Bank of North Dakota would make a deposit enough to cover it. Was that the idea? A. Well, I gathered that from what was said.

Q. And as a matter of fact the Bank of North Dakota carried a deposit in your bank for around \$20,000, didn't they? A.
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I believe they did.

Q. Now wasn't Mr. Townley's name mentioned in the transaction? A. Not that I know of?

Q. You don't recall that? A. No sir.

Q. And you say that certificates of deposit of the Security National were given to each of these men when they turned their notes in? A. Yes sir.

Q. I will show you these six instruments which I have and ask you if those are the original certificates of deposit. A. Yes sir.

Q. Mr. Ellis, you have identified Exhibits 93, 94, 95, 96, 97, and 98, as the original certificates of deposit to the six men whose names I have given you? A. Yes sir.

Mr. Murphy: I assume that these are a part of the records and files of the Security National Bank, and they want them back? A. Yes sir.

Mr. Murphy: I will just read them into the record.

(Exhibit No. 93)

"Time Certificate of Deposit

THE SECURITY NATIONAL BANK OF VALLEY CITY

Valley City, N. D., July 12, 1920

No. 366. L. Noltmeier has deposited in this bank Twenty-five Hundred Dollars \$2,500

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payable to the order of himself, six months after date, with interest at the rate of five per cent per annum, upon the return of this certificate properly endorsed. (Signed) James Grady, Pres. Not subject to Check. No interest after maturity." With the stamp "Paid, Security National Bank, Paid January 12, 1921." Two paid stamps same date. Endorsed on the back thereof "L. Noltmeier" and "Pay to the order of the Federal Reserve Bank of Minneapolis, January 10, 1921, Metropolitan National Bank of Minneapolis" and "Pay to the order of any

bank, banker or Trust Company, Federal Reserve Bank, Minneapolis, B. S. S. Cook cashier."

(Exhibit No. 94)

"Time Certificate of Deposit

THE SECURITY NATIONAL BANK OF VALLEY CITY
Valley City, N. D., July 12 ,1920.

No. 367. Georges N. Rasmussen has deposited in this bank Twenty-five Hundred Dollars \$2,500.00 payable to the order of himself, six months after date, with interest at the rate of five per cent per annum, upon return of this certificate properly endorsed. (Signed) James Grady, Pres." Endorsed on the back—"Geo. N. Rasmussen—Mrs. C. S. Townley."

Q. Do you know who Mrs. C. S. Townley is? A. No sir.

Mr. Murphy: And "Pay to the order of Midland National (592)

Bank, Minneapolis, Minn., Jan. 13, 1921. Mercantile State Bank of Minneapolis, Minn., J. C. Yenny, Cashier." And also a stamp of "Pay to the order of any bank or banker, Jan. 13, 1921, Midland National Bank, Minneapolis, Minn., by M. V. Bloomquist, Cashier." And with the stamp on the face thereof "Paid, Security National Bank of Valley City, N. D., Jan. 13, 1921."

Q. Now, as a banker, Mr. Ellis, it would appear that Mr. Rasmussen endorsed this certificate of deposit and turned it over to a Mrs. C. S. Townley, would it not? A. Yes, sir.

(Exhibit No. 95)

"Time Certificate of Deposit

THE SECURITY NATIONAL BANK OF VALLEY CITY
Valley City, N. D., July 12 ,1920.

No. 371. John E. Staube has deposited in this bank Twenty-five Hundred Dollars \$2,500.00 payable to the order of himself, six months after date, with interest at the rate of five per cent. per annum, upon return of this certificate properly endorsed. (Signed) James Grady, Pres." Stamped "Paid, Security National Bank of Valley City, N. D., Jan. 12, 1921." Endorsed on the back "John E. Staub." And with the stamp "Pay to the order of Federal Reserve Bank of Minneapolis, Metropolitan National Bank of Minneapolis," also stamped "Pay to the order of any bank, or banker, or (593)

trust company, Federal Reserve Bank of Minneapolis, by S. S. Cook, Cashier."

(Exhibit No. 96)

"Time Certificate of Deposit

THE SECURITY NATIONAL BANK OF VALLEY CITY
Valley City, N. D., July 12 ,1920.

No. 365. William Olson has deposited in this bank Twenty-five Hundred Dollars \$2,500.00 payable to the order of himself, six months after date, with

interest at the rate of five per cent per annum, upon return of this certificate properly endorsed. (Signed) James Grady, Pres." Stamped "Security National Bank, Valley City, N. D., Paid Jan 14, 1921." Endorsed on the back "William Olson, A. G. Frendberg."

Q. A. G. Frendberg is what it looks like, you don't know A. G. Frendberg? A. No, sir.

Q. You don't know that he was connected with the Non-partisan League? A. No, sir.

Mr. Murphy: And the stamp on the back "Pay to any bank or banker or order, The Peoples State Bank, Hillsboro, N. D., by Oscar Moen, Cashier," and the further stamp "Pay to the order of any bank or banker, Midland National Bank, Minneapolis, Minn., by H. V. Bloomquist, Cashier."

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(Exhibit No. 97)

"Time Certificate of Deposit

THE SECURITY NATIONAL BANK OF VALLEY CITY
Valley City, N. D., July 12, 1920.

No 370. John McIntyre has deposited in this bank Twenty-five Hundred Dollars \$2,500.00 payable to the order of himself, six months after date, with interest at the rate of five per cent per annum, upon return of this certificate properly endorsed. (Signed) James Grady, Pres." Stamped "Security National Bank, Valley City, N. D., Paid Jan. 14, 1921." Endorsed on the bank "John McIntyre and A. G. Frendberg," Stamped "Pay to any bank or banker or order, The Peoples State Bank, Hillsboro, N. D., by Oscar Moen, Cashier," and the further stamp "Pay to the order of any bank or banker, Midland National Bank, Minneapolis, Minn., by H. V. Bloomquist, Cashier."

(Exhibit No. 98)

"Time Certificate of Deposit

THE SECURITY NATIONAL BANK OF VALLEY CITY
Valley City, N. D., July 12, 1920.

No. 369. C. H. Noltmeier has deposited in this bank Twenty-Five Hundred Dollars \$2,500.00 payable to the order of himself, six months after date, with interest at the rate of five per cent per annum, upon return of

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this certificate properly endorsed (Signed) James Grady, Pres." Stamped "Security National Bank, Valley City, N. D., Paid Jan. 12, 1921" Endorsed on the back "C. H. Noltmeier" and with the further stamped endorsement "Pay to the order of Federal Reserve Bank of Minneapolis, Minn., all prior endorsements guaranteed, Metropolitan National Bank, Minneapolis, Minn." and the further stamp, "Pay to the order of any bank, banker, or trust company, Federal Reserve Bank, Minneapolis, S. S. Cook, Cashier."

Q. Who is C.H. Noltmeier? A. He is Senator Noltmeier.

Q. Present state senator from Barnes county? A. Yes, sir.

Q. And who is William Olson? A. Well, he used to be

president of the American Exchange Bank. He is a farmer.

Q. These instruments then are the certificates of deposit that were turned over to the Security National bank in exchange for these notes of the six men that you have referred to? A. Yes, sir.

Q. They each put their note for \$2,500.00 in there? A. Yes, sir.

Q. And you had nothing to do with the original transaction yourself? A. No, sir.

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Q. They each put their note for \$2,500.00 in there? A. Yes,

LEE COWELL, having been called as a witness, was duly sworn, and testified as follows:

EXAMINATION BY MR. MURPHY:

Q. What is your name? A. Lee Cowell.

Q. Mr. Cowell, where do you live? A. Valley City.

Q. How long have you lived in Valley City? A. Eighteen years.

Q. What is your business? A. I am manager of an implement business there.

Q. You were at one time Mayor of Valley City, were you? A. Yes, sir.

Q. Are you in any way connected with the Security National Bank of Valley City? A. Yes, sir.

Q. What is your connection with that bank? A. Director and chairman of the board of directors.

Q. And you were, I assume, in the year 1920? A. Yes, sir.

Q. All during that year? A. Well, since the bank started.

Q. You were doubtless very well acquainted with Mr. James Grady, president?

Q. And as chairman of the Board of Directors, it is your duty to attend meetings of that board? A. Yes.

Q. Were you on the discount committee, also? A. Yes, sir.

Q. And attended the meetings of the discount committee? A. Yes, sir.

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Q. Now, while attending those meetings, did you at any time notice notes of John McIntyre, William Olson, C. H. Noltmeier, Louis Noltmeier, John E. Staube, and George N. Rasmussen, among the bills receivable of the bank? A. Yes, sir.

Q. Did you have any conversation with Mr. Grady about those notes; how they came to get into the bank? A. Yes, sir.

Q. Just tell us what that was? A. When the notes were read off in the director's meeting I was surprised and made some remark about it. And after the meeting, Mr. Grady offered an explanation about it.

Q. What was his explanation? A. He said that Mr. Townley was there, and they had tried to negotiate those notes at all the other banks in town and were unsuccessful. And he told them he would take those notes, which were absolutely good, providing the money would come from the Bank of North Dakota.

Q. That, as I understand it, is what Mr. Grady told Mr. Townley? A. That is what Mr. Grady told me he told Mr. Townley...

Q. Mr. A. C. Townley? A. Yes, sir.

Q. And the money did come from the Bank of North Dakota. A. I suppose it did.

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Q. Well, you knew that the Bank of North Dakota has kept a deposit there ever since, don't you? A. Yes, sir.

Q. Ever have any talk with Mr. Grady about the Bank of North Dakota drawing drafts on that account and trying to get him to pay it? A. Yes.

Q. What did he say? A. Said he had an agreement with them.

Q. And he wouldn't honor the drafts? A. Yes, he wouldn't honor the drafts until these notes were paid.

Q. In other words, Mr. Cowell, Mr. Townley brought in these six notes of \$2,500.00 each of these six gentlemen, and made a deal with Mr. Grady to take the notes and offered to see that the money of the Bank of North Dakota was deposited with the Security National Bank and remain there until the notes were paid? A. That was the agreement.

Q. Well, these notes drew ten per cent didn't they? A. Yes, sir.

Q. And of course, the bank was only getting four per cent on the state money? A. That is as I understand it.

Q. Well, didn't Mr. Grady say he was making clear six per cent. on the deal? A. Yes.

Q. Besides running no risk whatever? A. Yes.

Q. It was a good business deal for the bank? A. Yes, sir.

Q. And the notes have all been paid recently? A. Yes, sir.

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Q. The League or somebody representing the League paid a thousand dollars on each one of them? A. There was a thousand dollars paid sometime ago on each one of the notes.

Q. It wasn't paid by the makers? A. I don't know where the money came from.

Q. And recently the makers have come in and paid all the balance? A. The notes are all paid.

JOHN E. STAUBE, having been called as a witness was duly sworn, and testified as follows:

EXAMINATION BY MR. MURPHY:

Q. Your name is John E. Staube? A. Yes, sir.

Q. Where do you live, Mr. Staube? A. Five miles northwest of Valley City.

Q. How long have you lived there? A. Since 1898.

Q. Been farming there all that time? A. Yes, sir.

Q. You were living there, I take it, in July, 1920? A. Yes.

Q. Mr. Staube you know Mr. A. C. Townley? A. Yes, sir.

Q. Known him pretty well for some time? A. Why, about a year or two.

Q. You know Mr. George Rasmussen? A. Yes, sir.

Q. And Louis Noltmeier? A. Yes, sir.

Q. And Charley Noltmeier? A. Yes, sir.

Q. William Olson? A. Yes, sir.

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Q. And John McIntyre? A. Yes, sir.

Q. You are acquainted with all those gentlemen? A. Yes, sir.

- Q. Now, did Mr. Townley see you round about the 12th of July, 1920? A. Yes, sir.
- Q. And what did he get you to do? A. Sign a note.
- Q. How much? A. \$2,500.00
- Q. Did he come out to your place to see you? A. Yes, sir.
- Q. Who was with him? A. Mr. Grady.
- Q. That is the president of the Security National Bank? A. Yes, sir.
- Q. Anybody else with him? A. No, sir.
- Q. Just he and Grady? A. Yes, sir.
- Q. Where was that note signed? A. At my place.
- Q. Did you turn it over to Mr. Townley? A. No.
- Q. Who did you give it to? A. Gave it to Grady.
- Q. Mr. Townley was right there? A. Yes.
- Q. What did Grady give you for that note? A. Nothing.
- Q. Just took the note and went away, he and Townley? A. I suppose so.
- Q. What was the idea of your signing the note of \$2500.00 and not getting anything for it, Mr. Staube? A. Well, it is coming.
- Q. You mean your money is coming? A. It is paid.
- Q. You paid it? A. No, they paid it.
- Q. Who? A. The League.
- Q. Well, then this was a League transaction? A. Yes, it was a League transaction.

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- Q. You see this name here on the back of Exhibit 95, "John E. Staub" is that your signature? A. Yes, sir.
- Q. When did you sign that? A. The day I spoke about.
- Q. The same time you gave the note, they showed you this and you put your name on the back of it? A. Yes.
- Q. And you never got any money on that, that certificate of deposit, Exhibit 95, you never got any actual money on it yourself? A. Well, they paid it
- Q. I know they paid it, but you see what I want to get at is, you gave your note for \$2500.00, and then this certificate of deposit for \$2500.00 was made out to John E. Staube? A. Yes.
- Q. That is you? A. Yes.
- Q. And you put your name on the back of it and turned it over to Mr. Townley, didn't you? That is what you did, didn't you? Do you recall now, putting your name on the back of this and giving it to A. C. Townley? A. Yes.
- Q. And that is the last you ever saw of it, isn't that right? A. Yes.
- Q. Now, let's see—a thousand dollars was paid on that note some time ago? A. Yes.
- QQ. Who paid that? A. The League.
- Q. And when you say the League, I suppose you mean the Non-Partisan League? A. Yes, sir.
- Q. And then, just a few days ago you went in and paid \$1500.00 of it out of your own pocket, didn't you? A. Yes.

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- Q. So you are just about \$1500.00 short, aren't you? A. Oh, that is coming.
- Q. That is, you expect in the future that Mr. Townley or some of his friends or perhaps the Bank of North Dakota may send you the \$1500.00? A. The Bank of North Dakota don't have to pay it.

Q. Do you figure the Bank of North Dakota could pay it right now? A. I don't know.

J. W. BRINTON, recalled as a witness.

EXAMINATION BY MR. MURPHY:

Q. Who is C. S. Townley? A. Pat Townley's wife, I think.

Q. I don't mean Mrs. Townley, I mean who is C. S. Townley? A. That is Townley's brother, that goes by the name of Pat.

Q. A brother of A. C. Townley? A. Yes, sir.

Q. He was the same C. S. Townley who was a joint bankrupt with A. C. Townley in the bankruptcy proceedings? A. Yes.

Q. Who is A. G. Frendberg? A. One of the League workers up in Traill county.

Q. And connected with the Bank of Hillsboro up there? A. Yes, sir.

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M. W. THATCHER, recalled as a witness, testified as follows:

EXAMINATION BY MR. MURPHY:

Q. Mr. Thatcher, you know Mr. Brinton? A. Yes, sir.

Q. You have known him for some time, I take it? A. Yes, sir.

Q. About how long would you say? A. Oh, I would say I have known Mr. Brinton about four years.

Q. Used to meet him quite frequently down in St. Paul? A. Yes, sir.

Q. The League headquarters? A. Yes, sir.

Q. And elsewhere? A. Yes, sir.

Q. And you were familiar with the fact that Mr. Brinton was connected with Mr. Townley or the League in different capacities at different times? A. Yes sir.

Q. Also with some of the allied concerns that the League was operating? A. I knew he was connected with the Consumers United Stores Company and the—

Q. The Sisal Trust? A. —and the Publishers National Service Bureau. The only connection that I knew of that he had with the Sisal Trust was a little discussion I had with him one day and the fact that I was—and the fact that he was interested in clearing up a note of the Sisal Trust.

Q. But prior to the time that the note proposition came up

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on the Sisal Trust you had talked the Sisal Trust deal over with Mr. Brinton? There was some discussion, was there not? A. Well, I might have, I don't recall.

Q. The point I want to make is, Mr. Thatcher, that you were familiar to some extent with the fact that Mr. Townley and his colleagues were interested in this Sisal Trust business? A. No.

Q. Well, you knew Townley had connection with it? I don't mean that he owned it, but that he was interested in it? A. I don't know that.

Q. You don't know it now? A. I don't know that he had an interest or was connected with the Sisal Trust Co.

Q. Perhaps I am not using just the right language to convey the thought. I don't mean to ask you to testify that Townley

had any financial interest but that he was interested in the advancement of it? A. I couldn't testify to that, one way or the other.

Q. But you had heard it, hadn't you? A. I read it in the papers. Sometime ago? A. Well, I don't recall, maybe, it has been some time ago.

Q. Well, let's put it prior to October, 1919? A. Well, I couldn't put a date on it.

Q. You see what I am trying to get at right now, to be candid with you, that while you of your own knowledge, doubt-

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less, don't know anything about this Sisal Trust, you had heard about it and knew it was affiliated with Townley's enterprises in some way prior to October, 1919? A. I didn't know it was affiliated with them.

Q. What word would you prefer to use? A. I am not in a position to discuss it and give any testimony on it. All I know is what I have read in the newspapers.

Q. Then you did discuss it with Mr. Brinton? A. Well, he didn't discuss anything about the League or Mr. Townley in connection with the Sisal Trust.

Q. But you discussed Mr. Brinton's connection with it? A. No, I asked Mr. Brinton how things were coming and I can't give the exact words but he said things were coming good. And he showed me a pass book with some deposits entered in it.

Q. That is the Sisal Trust pass book? A. I wouldn't say it was the Sisal Trust's.

Q. Well, that was prior to October, 1919, that you had that talk? A. No, if my memory serves me right it was in October, 1919.

Q. But prior to the 22nd? A. Yes, I would imagine it was.

Q. Well, now, you know Jack Hastings, of course? A. Yes, I know Jack Hastings.

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Q. You and Jack were pretty good friends? A. No, sir.

Q. If that offends you, I will withdraw it. I didn't know but that you were. A. He is no enemy of mine, but he is no friend of mine and never was.

Q. But you have known for some time his connection with Mr. Townley and the various enterprises? A. Well, I know he has had some connections with Mr. Townley but I don't know in detail what they are.

Q. Well, in October, 1919, you came up personally to assist in the audit of the Scandinavian-American Bank at Fargo, did you not? A. Well, I assisted, I don't know whether I came up or was there.

Q. It was agreed by a certain witness and a certain lawyer the other day that you were there? A. I give Mr. Sullivan credit for that.

Q. But what I want to get at is, do you remember how long you had been there prior to the examination? A. No, I don't recall.

Q. What did you come to Fargo for in the first place? A. That, I don't recall.

Q. How did you come to hear about the Scandinavian-

American Bank proposition? A. I honestly can't tell you, I honestly don't recall.

Q. Now, that was quite a prominent thing, wasn't it? A. Well, I don't recall who told me, it may have been by long distance telephone, or it may have been when I was in town. I think, however—well, of course, I absolutely can determine

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whether I was in town the day the bank closed, or not.

Q. You keep a record, doubtless, of where you are from time to time. A. I usually do.

Q. Now, the bank had been closed before you got into it? A. Oh, yes.

Q. And the bank examiner or a deputy was there? A. Yes, sir, right around the day of the closing. It had been closed before I got into it. I used to go in once in a while before that.

Q. You used to go in quite frequently—ever audit that bank before? A. No.

Q. That was the first time? A. Yes.

Q. Who hired you? A. Mr. Lofthus engaged us to do the work, but I don't know whether Mr. Lofthus sought me or I was told Mr. Lofthus was looking for me or what.

Q. Mr. Lofthus told us the other day he didn't hire you, now what is your recollection on the point; you must know? A. When I say hiring, I mean Mr. Lofthus deputized us to do the work. As regards the payment for the work we did, that was paid by the bank.

Q. Well, who retained you in the first place and called you in, who spoke to you about it in the first place and said, now Mr. Thatcher, we want you to go over and audit that bank? A. Well, I am not sure I talked with several of the directors

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about it, but I am not sure who approached me first.

Q. It couldn't be by any chance that you talked with Mr. William Lemke about it? A. Oh, it certainly could be.

Q. Well, don't you recall that you did talk with Mr. Lemke? A. I am trying to recall, because I know that is what you want, but I really can't do it.

Q. Well, it is possible that because you knew in the first place what I wanted that your memory became so deficient?

A. Absolutely not, Mr. Murphy, I am trying to give the truth here in giving my testimony.

Q. Is it very hard? A. It is hard to give the truth and comply with your wishes.

Q. Well, certainly, Mr. Thatcher, without you and I sparing around this way, you can recall whether or not Mr. Lemke retained you or spoke to you or hired you or whatever you want to call it in connection with the audit of that bank at that time? A. I certainly can't tell you anything at all, other than that fact that Mr. Lemke was there at the time and certain matters pertaining to the bank I took up with him, but I don't know whether Mr. Lemke or Mr. Hagen or Mr. Eggen or Mr. Lofthus first spoke to me about it.

Q. Well, let's put the first part of it aside, and we will agree that Lemke did have something to do with it? A. Yes, sir.

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Q. You were informed, were you not, prior to making the audit and at the time that you did make it that the matter was involved in litigation in the Supreme Court of the State

of North Dakota, either was or would be? A. I can't tell when I first knew of the matter going to the Supreme Court.

Q. Well, you knew that your audit was for the purpose of obtaining evidence to show to the Supreme Court, didn't you?

A. I knew it before I got through.

Q. Then the point you make is you don't want to state precisely when that knowledge came to you first? A. I can't Mr. Murphy, I know we were ordered in there and they wanted the work done and done as quickly as possible. We worked day and night to get as far as we did.

Q. You and Mr. Darling and Mr. Croll? A. Yes.

Q. Mr. Darling was Secretary and Mr. Croll Vice President of your Company at that time? A. Yes, sir, they still are.

Q. And that audit and that investigation commenced on the 7th day of October, 1919, and was completed on the 14th of October, 1919? A. That is correct. Q. This signature, M. W. Thatcher, which appears upon an affidavit attached to Committee's Exhibit 43 is your signature, is it not? A. That is my signature.

Q. Sworn to before Joseph Coglan? A. That is right.

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Q. A notary public, in the County of Burleigh—so you came down here to Bismarck and swore to that, didn't you? A. I must have.

Q. And at the time you swore to it, it was entitled "In the Supreme Court of the State of North Dakota" was it not? A. Yes, sir.

Q. And it was sworn to on the 13th day of October, 1919? A. Yes, sir.

Q. The day before you completed your audit? A. I hadn't noticed that date.

Q. Well, you should notice things, you know. A. Well, I didn't notice what date the man taking my signature put down there. I am positive as to the other dates.

Q. Now, in the affidavit, among other things, you say this, do you not: "That the within and attached report to stockholders of the Scandinavian-American Bank, is a full, true, and correct report of the condition of said Bank? A. To the best of my ability, that is what I stated there.

Q. What do you mean by the best of your ability? A. Well, so far as I know that is a full, true and correct report.

Q. Well, now, we will just repeat the question. In this affidavit signed by you, you make the following statement, among other things—now watch me so you see that I read it correctly—"that the within and attached report to stockhold-

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ers of the Scandinavian-American Bank, is a full, true and correct report of the condition of said Bank?" A. That is my statement.

Q. That is in your affidavit? A. Yes, sir.

Q. Now, attached to the affidavit is a report, is there not, of the stockholders of the Scandinavian-American Bank of Fargo? A. Yes, sir.

Q. And that is a part of your affidavit? A. Yes, sir.

Q. And that also is signed "EQUITABLE AUDIT COMPANY, INC., M. W. Thatcher, President?" A. Yes, sir.

Q. And that is your signature? A. Yes, sir.

Q. And then attached to that and known as Exhibit 1, is what purports to be a comparison of financial statements of

the Scandinavian-American Bank, Fargo, N. D., with the following statements: "The statement of September 27, 1919, as prepared by Bank Examiner P. E. Haldorson.

This statement is of October 14, 1919, prepared by Equitable Audit Co., Inc., M. W. Thatcher, President? A. Yes, sir.

Q. So that you then affixed to that what you call a comparison of the financial statements of the Bank, that is you compared the condition shown in Halldorson's report of September 27th and the condition shown in your report of October 14th? A. That is right.

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Q. And that is signed: "Equitable Audit Co., Inc., By M. W. Thatcher, President?" A. Yes, sir.

Q. And that is your signature? A. Yes, sir.

Q. And then there is another paper, called Schedule "A" of Exhibit 1, Loans and Discounts, in which you purport to set up the condition in detail—a statement of the loans and discounts with some detail and criticism of Halldorson's report? A. Yes, sir.

Q. And in Schedule "A" you make a criticism of some statements made in Mr. Halldorson's report with reference to the Consumers United Stores Co. loan? A. Yes, sir.

Q. And following—Schedule "A" Item 2, contain criticisms made by you of statements made in Halldorson's report with reference to the National Non-Partisan League notes and collateral and other things? A. That is my commentary.

Q. On Mr. Halldorson's report? A. Yes, sir.

Q. And that is true—in Item 3—you continue to comment on Mr. Halldorson's report? A. Yes, sir.

Q. And in Item 4, the same is true with reference to loans to the Publishers National Service Bureau? A. That is right.

Q. And in Item 5, you continue your comments upon some of the other loans that are in the bank, with a criticism of what Mr. Halldorson had said with reference to them? A. Yes, sir.

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Q. And so, also, in "Item 5 continued" and Item 6, you continue in the same manner? A. Yes, sir.

Q. And Item 7 the same? A. Yes, sir.

Q. And also Items 8, 9, and 10? A. Yes, sir.

Q. And 11 and 12? taking up separate lines of credit and commenting on them, etc.? A. Yes, sir.

Q. And that is true clear on down to Item 22—22 was the last one, I think? A. Yes, sir.

Q. So when you made this report to which I have just directed your attention, you knew first that the matter was in litigation, because your affidavit shows that? A. Yes, that is right.

Q. And you knew secondly that you were aware of the contents of the report that Mr. Halldorson had made? A. Yes.

Q. Because you criticized it all through your report? A. Yes, sir.

Q. Now, subsequently, and on the 22nd day of October, 1919, you and Mr. Lofthus made a further affidavit, did you not? A. That is my signature.

Q. That signature "Myron W. Thatcher" is your signature? A. Yes, sir.

Q. And appears immediately below that, of O. E. Lofthus?
A. Yes, sir.

Q. So in that affidavit you say the following: "O. E. Lofthus"—now wait a minute—this is entitled: "State of North Dakota, on relation of Scandinavian-American Bank, O. E. Lofthus, et al, vs. William Langer, et al."
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"State of North Dakota, County of Cass—SS.

O. E. Lofthus, and Myron W. Thatcher, being first duly sworn, state, that they are the State Bank Examiner and President of the Equitable Audit Company, respectively.

And, that the attached Exhibit "A" is a statement prepared on October 22nd, 1919, by them, and is a true and correct copy of the condition of the bank as of October 22nd, 1919, and as compared with September 27th, 1919. And, that the statements therein are true and correct as of the general condition of the bank.

Said statement as to the financial condition is carefully prepared by affiants from the books and records of the bank.

O. E. LOFTHUS,
MYRON W. THATCHER.

Subscribed and sworn to before me this 22nd day of October, 1919.
(SEAL) N. J. BREVIG,
Notary Public, Cass Co., N. D."

that is true, isn't it? A. Yes, sir.

Q. And attached to that affidavit is what you call a "comparison of financial statements of the Scandinavian-American Bank, Fargo, No. Dak." wherein you compared the condition reported by Halldorson as of September 27th with the condition found by yourself as of October 22nd?
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A. Yes, sir.

Q. And following that comparison, you also state to the Court what the reserve of the Bank was at that time and figure it out for them in detail, do you not? A. Yes, sir.

Q. And you make some comment about the amount due from banks and how fast it would come in and about certain letters, etc.? A. Yes, sir.

Q. And you also mention, among other things, the Sisal Trust loan? A. Yes.

Q. And then you say? "The Bank is in good liquid condition" don't you? A. Yes, sir.

Q. And so forth? A. Yes, sir.

Q. You don't care to escape any responsibilities for those figures? A. I know those are my figures.

Q. Mr. Lofthus told us, you know, that as a matter of fact, that while he signed it, he took your word for it, that you were the man that did the actual work and the entire thing was, in fact, yours, and he signed up because he believed it to be correct, that is correct, isn't it? A. Well, most of it is correct.

Q. Well, what part isn't—the part where he said he believed it to be true? A. If you will read me Mr. Lofthus' testimony, I will tell you whether that is true, or not.
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Q. Well, I will read you the testimony:

Q. And which one of you, Mr. Lofthus, if you now remem-

ber, prepared these figures that are in this "report to the Supreme Court? A. Mr. Thatcher "prepared the figures."

Q. That is correct? A. That is true. ,

Mr. Sinkler: Where are you reading?

Mr. Murphy: I am reading from Page 388 as of February 14, 1921.

"Q. And you took his word that they were correct, did you? A. Yes."

Q. That is true, isn't it? A. Is that what he stated?

Q. That is what he stated? A. I didn't know what you meant.

Q. The question put to Mr. Lofthus was: "A. And you took his word that they were correct, did you?" That is to say, that he, Lofthus, took Thatcher's word that they were correct? A. I made the statement that I—

Q. That you made it yourself? A. Yes, sir—that is I compiled the figures for it.

Q. Now these words: "The Bank is in good liquid condition"—he was asked:

"Q. That was Mr. Thatcher's idea, however?" and he answered "A. Yes, sir." So aside from the figures you put that

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idea in there, too? A. Yes, sir, that was my opinion at that time.

Q. Well, you have changed it have you? A. Well, I don't know—

Mr. Sinkler: He didn't say yes to that, did he?

Mr. Murphy: The question is, "did Mr. Thatcher include in that statement from which you have taken these figures, this predominating idea 'the Bank is in good liquid condition'? A. I presume that is a true copy.

Q. That is the original. A. Yes.

"Q. That was Mr. Thatcher's idea, however? A. Yes, sir." And Mr. Thatcher just told us that it was.

Recess taken for ten minutes, after which meeting called to order by the Chairman and the examination of Mr. Thatcher continued.

Q. In preparing these reports, Exhibits 42 and 43, to which I have directed your attention, your primary object, I assume, was to show to the Supreme Court, which was then considering the litigation, that the Scandinavian-American Bank was in good condition and ought not to be closed? A. My purpose was stating the facts as best I could find them.

Q. Well, you included in your report considerable argument did you not? A. Whatever is there, Mr. Murphy, is there.

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Q. Well, you prefer to call it commentary? A. Commentary.

Q. But it all leads to one thing that the Scandinavian-American Bank, as you say, was in good liquid condition? A. I couldn't amplify or qualify that statement.

Q. I am not asking you to, I am asking you to corroborate it? A. I remember that you showed me a statement that said the bank was in a good liquid condition.

Q. But that doesn't answer my question. You should not get me off the point that way, what I want to get you to say now, if you will, is that the primary object you had in making this report to the Supreme Court was to convince that Court

that the Scandinavian-American Bank was in good liquid condition and should be reopened, or ought not to remain closed? A. I was engaged to go in there and make a report. And I made the report to the best of my ability and put such commentary in there as I thought was pertinent.

Q. And the commentary was so written and so worded as to seek to lead whoever read it to believe that the Scandinavian-American Bank was in good liquid condition, was it not? A. I made the statement that it was.

Q. Yes, I know that, but you don't answer my question, aren't you going to do it? A. What was the question?

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Q. And the commentary was so written and so worded as to seek to lead whoever read it to believe that the Scandinavian-American Bank was in good liquid condition, was it not? A. I stand on my report.

Q. Well, you are sitting on the witness stand now, and I would like to have you answer my question. A. Well, Mr. Murphy, this matter is something like a year and four or five months ago, and I can't do any more for you than I am doing.

Q. Can't or won't, which? A. I can't. My knowledge of the situation then as to conditions was better than it would be now. To try to remember back—there is no occasion for me to keep that stuff in my mind. I am doing too much work to remember everybody's affairs and everybody's business.

Q. Well you know what I am trying to show, don't you—that you were hired for the purpose of presenting a report to be used in the Supreme Court in this State in a matter that involved the condition of the Scandinavian-American Bank. A. That is what happened, but I don't recall that I knew it at the time I began the work.

Q. Well, you knew it when you made the report? A. Absolutely.

Q. Well, it is the report I am talking about. Now throughout this report is a constant argument or commentary in which an effort appears to be made to convince the Supreme

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Court, that you knew would read and consider that report, that the Scandinavian-American Bank was in good condition? A. That report was a favorable argument for the Bank.

Q. And it was intended to be—of course you did what you intended to do? A. I stated the facts as best I knew them.

Q. But when you made a favorable argument for the Bank—? A. That wasn't my purpose. I stated the facts, but reading the report, it is a favorable argument for the bank.

Q. You concede that much. A. I read it as favorable. It appears to me to be favorable.

Q. Yes, and you knew what you were doing when you made out the report? A. I hope I did.

Q. Well, you did, as a matter of fact? You knew what you were doing? A. I knew when I was putting down a word, what word I was putting down.

Q. And you knew, when you were making it and while you were making a favorable argument for the Bank? A. I was stating the facts as best I observed them.

Q. That doesn't answer my question. You have now told us that the report is a favorable argument for the Bank? A. That is what the report is.

Q. And you knew, when you were making it and while you were making it, that it was a favorable argument for the Bank? A. I hadn't stopped to think of it right at that moment.

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Q. Have you thought it over since? A. As you have pointed it out here to me, and as I thought of it afterwards, I would say that was a favorable argument for the Scandinavian-American Bank at that time.

Q. But it was mere inadvertence, was it? A. It might be that another man's opinion would be that it wasn't a favorable argument.

Q. Well, I don't doubt but what that is true, too. Now, you say in Schedule "A" Item 1—have you a copy of that with you? A. Yes.

Q. You comment on Examiner Halldorson's report and say "Examiner Halldorson reports 'a line of credit to the United Consumers Stores Company, \$170,000.00,'" you say "This is a misstatement as the loans are made to several individuals and the notes of these individuals are adequately secured by farmers' notes." A. Yes, sir.

Q. Now, you knew, did you not, who those individuals were? You must have examined to find out who the individuals were? A. Well, I was more interested in the collateral than the makers of the notes.

Q. But you were speaking of the notes, too. You say Halldorson's statement that that money was loaned to the United Consumers Stores Company is a misstatement because you say the loans were made to several individuals and the notes of the individuals were adequately secured, now who were the individuals?

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A. I don't recall.

Q. Well, you knew who they were at the time you said that? A. Well, I do know this, that they were accommodation notes.

Q. And you knew those individuals were either League employees or employees of the United Consumers Stores Co. A. I don't know, some of them were as I remember it.

Q. All of them were, weren't they? A. I don't know as to that.

Q. Well, didn't you make any inquiry as to who these men were when making this audit? A. I presume I made all the inquiry necessary, but I can't recall all of this detail you want to go into a year and a half afterwards.

Q. Well, does it tax your memory at all, Mr. Thatcher, in the face of the fact of your long acquaintance with these men? You knew perfectly well when you read the notes—these accommodation notes that were in there, that as a matter of fact, they were all of them either connected with the Nonpartisan League, League Exchange, The Consumers United Stores Company, the National Publishers Service Bureau, or some one of these allied organizations? A. They may have been, all, or most of them.

Q. And you knew what the money on that loan or the loans of \$170,000.00 actually went to the Consumers United Stores

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Company, a corporation? A. That has not got anything to do with this statement here.

Q. Oh, yes it has. Mr. Halldorson told the Supreme Court in his report that this bank has loaned the Consumers United Stores Company \$170,000.00 and that is what it amounted to, and you told the Supreme Court he made a misstatement because you say it wasn't loaned to the Consumers United Stores Company, it was loaned to individuals? A. That is the statement.

Q. Now, doesn't it make some difference, when you knew as a matter of fact, that that loan was made to the Consumers United Stores Company, and that concern got the money, and not the individuals? A. I am not talking about who eventually got the money? Q. Well, I am. A. I am not.

Q. Well, I am, and I want right now to have you admit that you knew that regardless of what— A. I never checked this money into the United Consumers Stores Company.

Q. Without checking it in, you knew that was the method adopted by the Consumers United Stores Company? A. It was my opinion that these accommodation notes led—that this money went into the United Consumers Store Company.

Q. And it was your opinion at the time you made that report to the Supreme Court, too? A. What?

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Q. This same opinion you now have expressed you had at the time you made your report to the Supreme Court, that the money on these accommodation notes led to the Consumers United Stores Company?

Q. My statement is that Examiner Halldorson's report—

Q. I know what your statement is. A. I know, too, that is what I have to stand on.

Q. I know, but if you will answer my question, your standing won't be so good. This same opinion you now have expressed you had at the time you made your report to the Supreme Court that the money on these accommodation notes led to the Consumers United Stores Company, do you understand that? A. No.

Q. You just told us a little while ago, that in your opinion the money that was represented by these individual notes you were talking about led to the Consumers United Stores Company? A. Through these accommodation notes.

Q. Yes, surely. A. But the loans were made to these individuals.

Q. Well, that was a mere device. A. I can't pass an opinion on a device or anything else, because that is regular banking business.

Q. That is regular banking business? A. Absolutely. You can't go into any bank but you will find accommodation paper.

Q. I don't doubt that. The world is full of accommodation paper, and especially the banks in North Dakota, but what I

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want to get at, you knew the paper was merely accommodation paper, and who was being accommodated. Who is the accommodatee—I guess you would call it—wasn't the Consumers United Stores Company? A. You are getting clear away from my statement.

Q. Well, you are getting clear away from any answers to my questions, too. You understand me perfectly, don't you? A. I think I do.

Q. Well then, answer it, if you do. You say these were ac-

accommodation notes, if they were, then somebody was accommodated? A. Yes.

Q. Who was accommodated? A. I presume the Consumers United Stores Co.

Q. Precisely—now who made the misstatement to the Supreme Court, you or Halldorson, when he said just exactly that, and you tried to say that it wasn't true? A. Well, I stand on this statement.

Q. Well, you'll have to. A. Certainly.

Q. You can't avoid that because your name is signed to it. A. I want to make the statement that these loans were made to these individuals and not the Consumers United Stores Company.

Q. Exactly, they were made to individuals— A. That is the way the notes read—the bank's records, that is all I can go by.

Q. Do you mean to tell us and tell this committee, after (626)

telling us once that the notes were all accommodation notes, that the loans were made to accommodation makers? A. My statement is that these were accommodation loans and made thru these people.

Q. Well, you don't say in your report to the Supreme Court that they were accommodation loans anywhere, do you—do you find it in there? A. "This is a misstatement as the loans are made to several"—I took up his statement under the Consumers United Stores Company—and I say "this is a misstatement as the loans are made to several individuals, and the notes of these individuals are adequately secured by farmers' notes."

Q. That is what you say in your report, which you now stand on? A. Certainly.

Q. Can you find anything in there to the effect that these individual notes you are speaking about were mere accommodation notes, and that the Consumers United Stores Company was the real maker? A. To me, that is obvious.

Q. What is obvious? A. That situation there by reading that.

Q. Don't you want to answer my questions at all this morning? A. I certainly do.

Q. You told me you didn't have much sleep last night, if you are not feeling well, we can let you go until Monday. I don't want to aggravate a man who is not feeling well. A.

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You are not aggravating me.

Q. Then you get down and answer the question. I know it puts you in a rather delicate position? A. I know you will help me out of it.

Q. Well, I will if I can, and then back in again, probably. And now let's have an answer please. In Schedule "A" Item 1, you were attempting to comment and did comment upon Mr. Halldorson's report, relative to a line of credit to the Consumers United Stores Company, of \$170,000.00, weren't you? A. Yes, sir.

Q. Now, of course, you had read Halldorson's report, or otherwise, you wouldn't have commented on it? A. That is very true.

Q. Now, Mr. Halldorson says, under Caption No. 1, he says: "The following is a detailed description of the individual ex-

cessive loans listed above.' He has listed excessive loans above, and he then goes into details. Now, when he gets down to the Consumers United Stores Company, he says: "The Consumers United Stores Company has a line of credit extended through a system of individual loans to twenty-three individuals aggregating in all \$170,000.00. The individual paper is given for accommodation purposes only, and is secured by notes representing farmers' liabilities in the sums of \$100.00 to \$50.00 together with post-dated checks of \$32.00 and less, amounting in all to \$554,364.88." He then goes on and states

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that it is impossible for him to investigate these post-dated checks and notes, etc., and comments on them for quite a while. Now, you, in commenting upon that statement, where he states that it is a line of credit to the Consumers United Stores Company and that the device used was to take individual notes of twenty-three persons, you say in your report to the Supreme Court that what he said was a misstatement because you say the loans are made to several individuals?

A. Yes, sir.

Q. Well, you tell us about the banking custom, is it the custom for banks to make loans to persons who sign accommodation paper—what is accommodation paper anyhow? A. The criticism there is that that is in connection with excessive loans.

Q. Well, I know, but my question is, what is accommodation paper? A. Accommodation paper is loaning of credit.

Q. By one person to another? A. Yes, sir.

Q. And the person who loans the credit doesn't get any money for it at the time of the loan? A. He may share in it any time.

Q. But the custom is for one person to go in and give his note and another person gets the money—that is the custom? A. Yes, sir.

Q. And that is just what was done down there? A. As I stated before, it is my opinion that it was.

Q. And you knew that at the time you made the report? A.

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Well, I am going back to this, Mr. Murphy, that the criticism is in connection with excessive loans listed.

Q. I know all about that, but there was the further criticism on his part in addition to the fact that it was excessive. It was excessive because it was one loan of \$170,000.00 to one concern. That is what you tried to do rebut. And you tried to rebut that by telling the Supreme Court that it is not one loan, but a series of loans? A. Yes, sir.

Q. When you knew you were not telling the truth, and it was, in fact, one loan to the Consumers United Stores Company, using their employees to make out their accommodation notes. A. No, that is not what I wish to convey.

Q. Well, that is what I am conveying to you, and I think you will upon mature reflection concur in it. Aside from being an auditor, you knew it as an individual, knowing most of the fellows who signed the notes. A. I don't recall the list of them.

Q. Now, when Mr. Halldorson got around to the League Exchange, he says: "This loan consists of \$66,182.21, and comprises nine notes ranging from \$2,149.34 to \$9,000.00, aggregating that total." In your comment, you practically agree

on that, don't you, in Schedule "A" Item 3? You detail it saying: "These loans are as follows:" and then give the individual names. What is John Olson? A. He works for the National Nonpartisan League. (630)

tional Nonpartisan League.

Q. Who is O. P. Reitan? A. He formerly worked for them.

Q. Who is George W. Griffith? A. He formerly worked for them.

Q. Who is M. Cecil Hagan? A. I don't know.

Q. E. R. Fry? A. I don't remember.

Q. Thomas F. Ryan? A. Formerly worked for the National Nonpartisan League.

Q. That is not Thomas F. Ryan, of New York? A. I don't think it is the same man. This man has only one kidney.

Q. And the other fellow had several, had he? A. He had.

Q. The League Exchange had a note for \$10,717.44? A. Yes.

Q. And another for \$10,000.00? A. Yes.

Q. And H. P. Halverson, who is he? A. A farmer up near Sheyenne.

Q. Nothing to do with the League, I suppose? A. I think he is a strong Leaguer.

Q. It would look as though he was pretty strong. I want to go back to the Consumers United Stores Company, again. You said? "These notes aggregating \$170,000.00, have since been reduced by payments in amount exceeding \$53,000.00," how were those payments made? A. I don't recall.

Q. Weren't they made by going out and getting farmers' notes and putting them in there? A. Mr. Lofthus reported (631)

them to be as cash.

Q. Mr. Lofthus reported them to you as cash? How did he figure them as cash? A. I don't know, he handled all the cash.

Q. He just came and said they had been taken out, \$53,000.00? A. I don't know how it came about. I know the stuff was put on the books as fast as it came in.

Q. Have you got your working papers? A. I may have.

Q. Well, haven't you? A. No—you mean on the Scandinavian-American Bank? . Yes. A. No, sir, not with me.

Q. I assume if you had them, you could tell exactly how it was handled? A. I might be able to.

Q. Let's go back to this man Fry, you say you don't know E. R. Fry? A. I don't recall him.

Q. Don't you know he was a candidate for the U. S. Senate on the Socialist ticket at one time? A. No, sir, as a matter of fact, I never heard his name in my life.

Q. And don't you know that afterwards he became an employee or state manager of the Nonpartisan League in North Dakota? A. No, sir, not E. R. Fry.

Q. Well, who is it then, if not E. R. Fry? A. The only managers in North Dakota that I recall were Axel Strom and Ray Craig.

Q. Now, over here in Exhibit 1, Schedule "A," Item 5, one (632)

of the loans was F. M. Ridings, he was the maker of a \$7,500.00 note, had you heard anything of him prior to that time? A. Never.

Q. Have you heard anything about him since? A. Not that I recall.

Q. Don't you know that Mr. Ridings and Mr. John J. Hastings and Mr. Haggerty and Mr. Reck, and Mr. Knaack, were all mixed up together in business transactions right at that time and prior to the time you made this report? A. Well, I don't know. I wouldn't state that they were mixed up in business, I do recall that these men were associated in something.

Q. And you recommended him to the Supreme Court as a man of good character? A. I stated just exactly what Bradstreet reported.

Q. You went to Bradstreet and got a copy of that? A. Well, we endeavor in passing on these loans—I couldn't look at the paper and tell, and we tried to get information from every source we could in connection with these different lines of credit.

Q. You used every source? A. As far as I could in the limited time.

Q. Did it ever occur to you to inquire of Mr. Lemke, Mr. Hagan, Mr. Hastings, or Mr. Brinton when he was around there, who this fellow was? A. I never thought to talk to them about it. I thought Bradstreets was the best place to
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get at it. I wanted to be as independent as I could.

Q. Have you heard about his getting into a criminal mix-up? A. Who?

Q. Riddings? A. No, sir.

Q. You knew he was a non-resident of North Dakota and lived down in Kansas, Iowa, or some other state? A. I did think he lived out of the State of North Dakota.

Q. Did you think it was good banking practice for a state bank in North Dakota to loan \$7,500.00 to a man down in Kansas or Nebraska? A. It depends on who the man is and all about him.

Q. Does it make any difference, who he is? Would you consider that good banking practice? A. Depending on the security and what rate of interest.

Q. If you got a high enough rate of interest you would take a chance on most anybody? A. If it is secured—some people I wouldn't.

Q. Well, if you refer to me, I don't blame you, because my note is no good. A. I didn't refer to you.

Q. Well, now, this G. E. Knaack, he had a note in there of \$10,000.00, didn't he? A. Yes, sir.

Q. Well, you learned that this man died or was dead at the time you made the report, wasn't he? A. I will read what I put in there so it will all be in: "Bradstreet report, Oct. 12, 1918. 'President of Iowa Savings Bank, Hartley, Iowa, cap-
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ital, surplus and undivided profits \$59,808.87. Has been with bank since 1902, is also in general merchandise business at Dallas, South Dakota. Estimate worth \$20,000.00 to \$50,000.00.' This party has died since this Bradstreet report, and is reported to have left life insurance, \$200,000.00 to his wife. Attorney states she wrote a letter waiving her rights to extent of liabilities against estate of G. E. Knaack." That is all the information I could get.

Q. That informed you, of course, he didn't live in North

Dakota, that he lived down in Iowa? A. He was dead. When he was alive, he lived in Iowa.

Q. And since he is dead, we don't know, of course, where he lives? A. No.

Q. Did you hear how he died? A. No.

Q. Hadn't you heard anything about his death, or how it came about, suicidal or otherwise? Didn't you know he had gone bankrupt and the bank had busted and he was about to be charged with a crime down there? A. No.

Q. You didn't investigate into that or how he came to die? A. I was making this long investigation in a matter of a short time, and I had to get this information and this is what I secured. I couldn't go all over the country and investigate these people. You can take this for what it is worth. I put in just what I could find.

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Q. We are taking it for just what it is worth. A. That is what I want.

Q. Well, H. D. Haggerty—you knew all about him? A. What do you mean?

Q. Well, you knew he was connected with Jack Hastings—the H. D. Haggerty concern, that it was a Hastings concern? A. I heard he had business relations with him.

Q. And Thomas Allen Box, you knew him? A. I just knew him when I saw him. I had been introduced to him, but I was not acquainted with him.

Q. This man Haggerty had a loan of \$10,000.00 and H. D. Haggerty, Inc., had a loan of \$7,500.00? A. H. D. Haggerty—those names are different, the one I have is H. G. and the other is H. D.

Q. Well, your copy is not correct, because this is the original, and you will see here they are both H. D. A. Well, one is an individual and the other is a corporation.

Q. Sure, they are both H. D. Haggerty. One is H. D. Haggerty, individual, and the other—H. D. Haggerty, incorporated himself and got \$7,500.00 more. A. Well, I don't know anything about that. They have stockholders—a corporation.

Q. In Schedule "A", Item 5 continued, you say "All of the foregoing loans are secured by bonds of a first mortgage on about 5500 acres of land in Delta County, Michigan." That is.

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the Riddings, Great Western Livestock Company, Rec. Haggerty and Knaack loans, totalling \$47,088.00? You don't know anything about that land, I take it, do you? A. Where do you get \$80,000.00?

Q. I didn't say \$80,000.00, I said \$47,088.00 Schedule "A" Item 5. A. Deducting the endorsement, it leaves the principal still due \$39,184.44.

Q. All right, and that is the loan that was secured on this Michigan land you speak about? A. Well, whatever it says.

Q. And then there is a person by the name of H. E. Knaack, is that the same Knaack, or were there two Knaacks? A. Where is the other Knaack?

Q. Schedule "A" Item 7. One appears G. E. and the other H. E., I think they are different persons all right? A. I think so.

Q. Now that \$23,000.00 was made up of seven notes. H. E. Knaack got \$23,000.00 of the Scandinavian-American Bank, and he put up seven notes. One of them was made by the same

G. E. Knaack. Your only comment is that so far as G. E. Knaack is concerned, they are excessive. Now, A. M. Grosvenor—do you know who A. M. Grosvenor was? Over in Schedule "A" Item 10? A. This is all I know about it here.

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Q. What you say here? A. Yes, sir.

Q. Well, you must have had Halldorson's report, didn't you? A. Well, I don't recall anything about this.

Q. You remember what Halldorson said about her? A. Whatever he said, I read, because I read his report.

Q. Well, he said "This deal came into the bank in the late spring or early summer of 1918," and that was a year and a half before you examined it—"at the instance of Thomas Allen Box and J. J. Hastings. Mrs. A. M. Grosvenor is a woman who lives at Casselton and was prior to that time—" that is, I assume prior to the time she lived at Casselton—"a very wealthy widow." And then he goes on and comments on the fact that all the bank held as security was second mortgages and stuff of that sort. Now, after reading that, you say to the Supreme Court "from our investigation of the credit we learned that the security is adequate, and there is no apparent danger of any loss being sustained. While the loan is excessive, it is desirable paper." That was your only comment.

Q. In other words, your comment on that was more valuable for what it didn't say than for what it did say. Didn't you think in making a favorable argument— A. You can't pass any opinion on that.

Q. Well, I am asking you to pass one? A. That is my statement there.

Q. Now, Porter Kimball, and People's Coal Company over

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in Schedule "A" Item 11—now, did you investigate this Porter Kimball concern and the Peoples Coal Company that you comment on at Schedule "A" Item 11. Do you remember what investigation you made of that loan, which amounted to over \$15,000.00. A. This is all that I can refer to.

Q. You say here, do you not, "this paper is endorsed by Porter Kimball. Several reliable people stated his endorsement makes this paper good. This loan is excessive." A. Yes, sir.

Q. Who were the several reliable people who told you that? A. I don't recall at this time.

Q. You don't recall a one of them? A. No, sir.

Q. Well, don't you know Porter Kimball was the Kimball of the Kimball-Hastings Investment Company, consisting of Porter Kimball, of Fargo, Thomas Allen Box of Casselton, and J. J. Hastings, of Fargo, you knew that at the time didn't you? A. I can't state.

Q. You can't recall whether you did or not? A. No.

Q. Well, you know it now. A. I am not sure now; I heard some talk about it.

Q. This Peoples Power, Fuel and Coal Products Company, their property is located at Kenmare—or did you ever find out where it was located? A. What is this you are talking about?

Q. The Peoples Power, Fuel and Coal Products Company,

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that is in the same schedule—you call it the People's Coal Company and the National Briquetting Company? A. Porter Kimball and the Peoples Coal Company—now what is your question?

Q. I say the coal property of that concern is up at Kenmare? A. I don't know, I don't recall.

Q. Well, did you know that the stockholders and organizers of that concern were Porter Kimball, William Olson, of Valley City, J. J. Hastings, of Fargo, and H. J. Hagen, of Fargo? A. I might have known it at the time, I don't know.

Q. And F. C. Heaton—who is F. C. Heaton? A. Frank Heaton.

Q. Cashier? A. There is a Frank Heaton working for the Scandinavian-American Bank, or was at the time we made this.

Q. And who was H. J. Hagen? A. President.

Q. Of the Scandinavian-American Bank? A. Yes, sir, at that time.

Q. And J. J. Hastings? A. I don't recall whether he was still vice president or not.

Q. Well, it couldn't have been that the several reliable people that you went to to get this comment were F. C. Heaton, H. J. Hagen, and J. J. Hastings? A. I can't recall who I went to

Q. And if it had been those men, you would still insist it was reliable? A. I don't care to discuss those men here.

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Q. Well, I don't blame you. Now this P. C. Jahnke fellow, he is the young chap over in that bank at Casselton, over in Schedule "A" Item 20.

Q. You noticed the comment of Mr. Halldorson on that? A. If he made comment, I read it.

Q. Well, he made one all right. A. The Supreme Court had both of these comments before it didn't they, Mr. Murphy?

Q. Why, I presume they did, but you know you have a way with courts—some way or another—I don't know why, I guess perhaps because you were so successful with Judge Pollock that you thought you could hypnotize the Supreme Court, and I guess you did and got away with it. I would have hired you myself if I wanted to do the same thing. Now this P. C. Jahnke note, secured by sixty-eight shares of stock in the Peoples State Bank of Casselton, now Mr. Hagen was interested in the bank at that time? A. I don't know.

Q. It never occurred to you to inquire, did it? A. Well, to cover all the ground you have attempted to cover, I would want about six months to make that investigation.

Q. Well, you didn't inform the Supreme Court that your investigation was merely a casual one. A. I stated to the Supreme Court the period that it covered, and put this commentary in here, and it was up to the Supreme Court to pass on it as they saw fit.

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Q. Mr. Lofthus, of course, was right there with you all the time, wasn't he? A. Right where?

Q. While you were making this report and making this investigation? This man Jahnke—Mr. Halldorson calls the court's attention to this statement. He says: "This party owes the Casselton Bank over \$5,000.00." You knew that, of course, at the time you made that comment? A. Yes.

Q. "These two liabilities constitute a considerable excess over the actual value of the stock owned. This loan is highly objectionable and a removal of the same is recommended," now let me ask you—you knew that of course, when you made

your comment? A. If that is his statement, I probably had read that.

Q. Now, didn't you know that this same Jahnke on September 13th, had hypothecated the same stock, the sixty-eight shares of stock, with the Casselton Bank before it got into the Scandinavian-American Bank or didn't you investigate that? A. I don't know what you are talking about.

Q. Well, then read your own report. "P. C. Jahnke, \$9,-523.89" what does that mean, a loan of that much to that fellow? A. Yes.

Q. "This loan is secured by sixty-eight shares of stock in the Peoples State Bank of Casselton? A. Yes.

Q. You so stated? A. Yes.

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Q. Now do you know what I am talking about? A. Yes.

Q. I am asking you if you did not know that this same sixty-eight shares of stock was hypothecated to the Casselton Bank in which this young fellow was working prior to the time it got into the Scandinavian-American Bank? A. I don't recall anything like that.

Q. Well, I suppose your answer is you didn't have time to investigate that, and did the best you could in the length of time that was given to you? A. That is all I have to say about it, Mr. Murphy.

Q. "Responsible people state borrower to be a bright, young thrifty business man, and will pay any liabilities incurred by him" who were the responsible people that told you that? A. I can't recall what happened in 1919.

Q. It couldn't be that it was Mr. Hagen, could it? A. Well, I wasn't making an investigation of comments based upon what Mr. Hagen was telling me.

Q. You weren't paying attention to what he said? A. I paid some attention to what he said.

Q. Now, on October 13th, Schedule "A" in this report, Exhibit 43, Item 14, you have this statement: "United Sisal Trust, \$12,000.00. This loan should be removed." Have you not? A. Yes, sir.

Q. And you had previous to that time read the report of Mr. Halldorson with reference to that loan to the United

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States Sisal Trust? A. If he has one there, I did.

Q. Now, when you came to make the report, Exhibit 42, with reference to that particular thing, you said: "The Sisal Trust loan is shown as outstanding and unpaid in the financial statement that is submitted. These parties have at just the hour this report is being made paid their notes in full—\$11,000.00." A. Yes, sir.

Q. Well, is that true? A. So far as I know.

Q. Well, that is your statement, isn't it? A. Yes, sir.

Q. You said in so many words that it was paid in full? A. Mr. Lofthus handled the cash and reported it to me paid.

Q. Oh, that is the idea—Mr. Lofthus came and told you it was paid? A. Mr. Lofthus made a report to me on all payments of all notes.

Q. You didn't know whether it was a check, cash, or anything else? A. Not positively.

Q. Well, did you know anything about it? A. Well, I have read so much about that, I have been trying to think back—

Q. Well, we will give you from now until Monday morning, and I want you to do some thinking because I want to go into

this very extensively. A. Well, I can give you all I know about that right now.

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Q. Don't you think if you have a little more time you could give us a little more? A. I can't.

Q. What do you mean—you can't think? A. No, but during the investigation of the Scandinavian-American Bank, I didn't have anything to do with the cash.

Q. You didn't? A. No. Mr. Darling counted the cash, Mr. Darling and Mr. Lofthus counted the cash and handled it, as I recall it. From the time the cash was counted, I didn't handle any cash coming into the bank, through checks or anything else.

Q. You spent all of your time in there going over the loans and discounts? A. That is where I put in practically all of my time.

Q. Well, I would like to have you read over your testimony before the Senate Committee, and probably get a little rest over Sunday and refresh your recollection because I want to go into this check business that Mr. Brinton gave there and that you reported to the Supreme Court as constituting payment. I want to go into that in detail, so do the best you can and refresh your memory. A. All right.

On motion of Mr. Shipley, seconded by Mr. Ulland, adjournment taken until Monday morning, February 21, 1921, at 9:30 o'clock.

End of February 19, 1921.

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FEBRUARY 21, 1921.

The meeting was called to order by the Chairman at 9:30 a. m., with all members present, except Johnson of Steele, Weld and Hanson.

Minutes of previous meeting read and approved.

Mr. Murphy: Mr. Chairman. I have a letter addressed to me from the St. Johns State Bank. It appears that certain testimony was given in this proceeding in reference to the certificates of deposit held in the Scandinavian American Bank of Fargo issued by the St. Johns Bank. That bank became insolvent and closed and since that a new bank has been opened called the St. Johns State Bank, and the people up there feel that an injustice has been done them by reason of the testimony that came out here. That is, we haven't made it clear that they are two different banks. Mr. Charles A. Verret, the cashier of that bank is personally known to me to be one of the finest men in the state of North Dakota, without any question, and he feels that a reflection has been made upon him by the reference made to the former cashier, and would like to have the matter cleared up. So I make this statement now to the committee.

Mr. Chairman: The confusion has been caused by the similarity of names between the new and old bank?

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Mr. Murphy: Yes.

M. W. THATCHER, recalled as a witness, and testified as follows:

EXAMINATION BY MR. MURPHY:

Q. Mr. Thatcher, when this committee adjourned Saturday, I directed your attention to what is known as the Sisal Truc:

Loan in the Scandinavian American Bank and asked you to think about it over Sunday so that you might recall, if possible just what transpired with reference to taking care of that loan. Now you say in your supplemental report, which is Committee's Exhibit 42, this: "The Sisal Trust Loan is shown as outstanding and unpaid in the financial statement that is submitted. These parties have at just the hour this report is being made paid their notes in full, \$11,000? A. Yes, sir.

Q. Now when you said that to the Supreme Court, what did you mean? A. I meant this: That the item had been reported to me by Mr. Lofthus as paid.

Q. Well, didn't you know anything about the method and manner of its payment, personally? A. The only thing I knew, Mr. Murphy, was this: that the only time our company had anything to do with the cash was at the time of counting
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it when we went into the bank to make the investigation. From that time on none of our company had anything to do with handling the cash, so far as I know. I never handled any cash, never received any, never receipted for any, or never deposited any. And I took—on the matter of these payments—I took the state examiner's record for it, the information furnished to me.

Q. You never heard any discussion at all about the fact that this thing was paid by check? A. No sir.

Q. You didn't? A. No sir.

Q. Well, now, how comes it then that when you testified before the Senate Committee you said: "I recall there was some discussion about a check that Mr. Brinton had given in settlement of his note, the Sisal Trust note. I don't know who talked to me about it, whether Mr. Lemke or Mr. Lofthus."? A. I thought your question meant, was the talk of Mr. Brinton in my presence.

Q. Just read the question, Mr. Reporter: "Q. You never heard any discussion at all about the fact that this thing was paid by check?" A. I heard discussion but not in Mr. Brinton's presence.

Q. Now you are changing your testimony after you get caught? A. No, I misunderstood your question. I want to give you this just as I remember it.

Q. All right, I wish you would be very careful and do it.
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Now Mr. Sinkler said to you up there the other day—you probably have forgotten this—but you will remember I suggested that you read your testimony over. Mr. Sinkler says: "Do you know that that was paid?" and you said: "I have a recollection. I recall this. I recall Mr. Lemke, that I called Mr. Lemke's attention to some of the paper in the bank and among it was this Sisal Trust, and I asked him how paper from Florida concern got into the Scandinavian-American Bank, at Fargo, and he said he was darned if he knew, and that he would get it paid, and I said 'we will not stand for that around here.'

Q. By the way was Mr. Lemke around there all the time you were examining? A. He was there most of the time.

Q. Some one suggested the other day that he was there one hundred and fifty per cent of the time, which, I suppose, means that he was there when nobody else was around? A. I don't know about that.

Q. Very greatly interested in the proceeding? A. Interested in getting collections on the notes.

Q. Was he an officer of the bank? A. I don't recall.

Q. Well, you were taking most of your orders from him, weren't you? A. No.

Q. You said: "I called Mr. Lemke's attention to some of
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the paper in the bank and among it was this Sisal Trust, and I asked him how paper from a Florida concern got into the Scandinavian-American Bank, at Fargo?" A. I remember that.

Q. And you used the expression "Florida concern?" A. Yes.

Q. By that, I suppose you were surprised to learn that a North Dakota Bank was handling paper of a Florida concern? A. I was surprised to see that in there.

Q. You never heard of the Sisal Trust before? A. The discussion came up there at the time.

Q. You never heard of the Sisal Trust before, and didn't know who they were? A. I just heard of it in a general way.

Q. And he said "He was darned if he knew, and that he would get it paid." Did Mr. Lemke tell you he would get it paid? A. That is what he stated.

Q. He said he would get it paid and get it out? A. Yes.

Q. And then you said: "We will not stand for that around here." A. Something to that effect.

Q. What did you mean by that? A. Well, that we had no report on it. I was trying to get some information and couldn't and I meant by that that I would simply make the statement that it ought to be out of there or paid up or something.

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Q. Well, I am quoting you: "We will not stand for that around here." Who is "we"? A. The Equitable Audit Company.

Q. You were hired merely to make an audit? A. Yes sir.

Q. Did they hire you to give spiritual advice why wouldn't you stand for it—you were just in there to tell what happened, weren't you? A. Yes sir.

Q. Well, Mr. Lemke said he would take care of it? A. He said he would get it paid or see that it was paid.

Q. "And I said I would report the loan should be removed?" A. Yes sir.

Q. And Mr. Lemke said he would get it out? A. Yes sir. I can't remember just exactly the detailed conversation.

Q. And then you say: "I recall there was some discussion about a check Mr. Brinton had given in settlement of his note, the Sisal Trust note." That wasn't Mr. Brinton's note? A. Well, all I can state, I do remember there was a discussion about a check that Mr. Brinton gave.

Q. Now as a matter of fact you and Mr. Lofthus and Mr. Lemke and Mr. Brinton stood right shoulder to shoulder and talked that thing over? A. Absolutely not.

Q. And you patted Mr. Brinton on the back when he said he was going to pay the check up? A. No sir.

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Q. Where did you pat him? A. I didn't pat him.

Q. You knew all about that transaction, didn't you? A. I didn't. I didn't know all about it as it has been related.

Q. Well, how did you come to represent to the supreme court that it had been paid if you didn't know all about it?

A. The only thing I can state, Mr. Murphy, is that Mr. Lofthus reported the notes that were paid to me.

Q. You want to put it over on to Mr. Lofthus? A. No sir, I don't. I want to give you the facts about everything as I honestly can recall them.

Q. Well, in your report to the supreme court do you say "It has been reported to me by Mr. Lofthus that the Sisal Trust Loan is paid?" A. No sir.

Q. Why didn't you? A. Well, Mr. Lofthus was state examiner, and I didn't have any reason to doubt it. I made that report, Mr. Murphy, on his report to me that the items were paid.

Q. How does it come then that he comes up here and testifies before this committee and says he took your word for these things? Which one of you was correct? A. I am not responsible for what Mr. Lofthus testifies, Mr. Murphy. I have tried to make it clear the work I did at the bank, and

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that I didn't handle the cash; that none of our company, as I recall, had anything to do with any cash after it was counted.

Q. Well, sir, I am trying to find out for my own information just how much responsibility has an accountant for what he says, just how much responsibility must an accountant have for what he reports? Do you think it good accounting to make a statement, and then after you have made it over your own signature say somebody else is responsible for part of it? Is that the kind of an accountant you are? A. Well, Mr. Murphy, this is the situation. Sometimes we are on work where it takes four, five, six or eight or ten people. It would be absolutely impossible for one man to do all of the detail, even though he takes the responsibility of signing the report. Now there was some confidence in there when I accepted the state examiner's word on these items. I didn't handle the cash. I didn't count it or keep reckoning the cash on hand to see if that was the actual situation.

Q. With the knowledge you now have how would you make this report about that \$11,000 note? What would you say now? A. Why in an ordinary investigation I would take for instance, Mr. Darling, our secretary and Mr. Croll, our vice-

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president—I would take their information.

Q. I am not asking about that. I am asking you if you had to make this report over? A. In this particular instance?

Q. Yes sir. A. With respect to that \$11,000 check?

Q. Yes sir. A. Knowing this case was coming up here?

Q. Would that make any difference? A. Why certainly. I would try absolutely to make it so clear there would be no question about it.

Q. If you were to make the report today what would you say about it? A. I don't understand the question.

Q. If you were to make the report today instead of making it when you did? A. With the situation here, if I had known this was coming up I would have stated in there that the state examiner has just reported these items paid.

Q. Now you refer here to the letters that are attached to your report. You say, "Up to date we have letters, copies attached hereto, from eight banks other than the Bank of North

Dakota, stating their position." You recall that, do you? A. No sir.

Q. Well, now lets go back. I want to call your attention
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to your cash items here. How much does it show of cash items? A. \$979.59.

Q. Where did you carry that \$11,000 check? A. It states there it isn't carried in this statement at all. It is carried as a loan and discount.

Q. That is the way you carried it? A. Yes, it states so here—"The loan is shown as outstanding and unpaid in the financial statement."

Q. Now getting to these letters that you say were sent in. I find one here signed by H. J. Hagen and M. G. Eggen and Spurgeon Odell. I suppose you know Mr. Hagen? A. President of the Bank.

Q. And Mr. Eggen? A. Vice-president.

Q. And who is Spurgeon Odell? A. Spurgeon Odell, as I recall, is a director of that bank.

Q. Well, isn't he the man who ran away the time Mr. Hagen's trial was on? A. I don't know anything about that.

Q. Here is a letter from N. M. Berseth, Ingval Johnson and O. N. Hatlie, attached to your report. Did you know who those men were? A. I don't recall any of those three names.

Q. Didn't you know there was a lot of Mr. Hatlie's paper in there at the time you made this report? A. I don't recall it now. If there was it is shown.

Q. Well, we will exhibit it for you. This is the report of Mr. Haldorson (shows witness exhibit) which you stated the other day that you read. Do you see this statement here:
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"O. N. Hatlie—Mr. Hatlie has in the bank notes which he has discounted in the sum of \$12,820." You see that don't you? A. Yes sir.

Q. And you knew that was true. You read that before you made your report? A. I read Mr. Haldorson's report.

Q. Did it ever occur to you that it was particularly proper for O. N. Hatlie to write a letter that he was going to stand back of the Scandinavian Bank when he had \$12,000 of his paper in there? A. I don't know anything about these transactions now at all. I don't recall any of these things.

Q. Your memory is leaving you? A. No, but it is hard for me to remember back about those details.

Q. Here is a copy of a letter from the Prosper State Bank to Mr. Lofthus, signed by—it is Hagen, isn't it? A. I can't tell.

Q. Well, you attached it to your report? A. I can't remember now. I can't remember a man's signature.

Q. Well, you don't have to remember it, you can look at it? A. Well, I can't even spell it, can you?

Q. I didn't attach it to any report? A. No? Well, I might have known it at the time and known his signature at the time, but I can't recall that now.

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Q. Did you know who owned the Prosper State Bank at the time you attached this to the report? A. No, I didn't know who owned it. I wasn't examining the Prosper bank.

Q. You knew, didn't you, that Mr. Hagen was one of the

owners of the Prosper State Bank? A. As I recall it Mr. Hagen had some interest in it.

Q. Now there are two letters, one from the Farmers State Bank of Christine, of which Mr. Hatlie was a director, and the other from the Prosper State Bank which Mr. Hagen was interested in. Now we get down to the Peoples State Bank of Hatton. What is that signature on there? A. Looks like J. H. Johnson.

Q. I. A. Johnson, isn't it? A. I don't know it may be an "A."

Q. Do you know who I. A. Johnson is? A. No sir.

Q. Don't you know he is the treasurer of the Nonpartisan League in the state of North Dakota? A. No sir.

Q. Never heard of that before? A. No sir.

Q. Well, you attached this to your report? A. Yes. But I don't recall the name.

Q. Well, now we get to the Peoples State Bank of Casselton, are you familiar with that bank? A. No sir.

Q. And you didn't know Mr. Hagen was interested in that? A. No sir.

Q. Now didn't you know that Mr. H. D. Ellis, at the time he

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signed that letter had a lot of his paper in the Scandinavian-American Bank of Fargo? A. I don't recall it.

Q. And it is right down here in the Bank of North Dakota today. You don't know that? A. I don't know it.

Q. What was the purpose of attaching these letters to the report? A. The statement of October 22, 1919, is prepared by O. E. Lofthus, state examiner, and M. W. Thatcher, President of the Equitable Audit Company. Now we both had something to do with this state, and I have forgotten what this is about. I would have to read the letters to state what the purpose was.

Q. Well, you just read them. I would like to have you state it. (Witness reads letters). Now you have had time to read them, what do you think about these letters? A. There are eight letters addressed to O. E. Lofthus, state examiner, with reference to their accounts with the Scandinavian-American Bank, and these eight banks assure him that they want to co-operate with the Scandinavian-American Bank, and not withdraw funds from the Scandinavian-American Bank.

Q. Sure, that is what they say, but what is the purpose of attaching them to your report? Wasn't it to induce and make the supreme court believe something? A. Well, to set forth

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that at least those eight banks, if the bank re-opened, wouldn't draw out their money.

Q. Well, you had a lot of faith in what those fellows said? A. Well, Mr. Lofthus—

Q. Oh, Mr. Lofthus—Don't you think Mr. Lofthus would have been just as well off if he hadn't hired you at all? You don't take any responsibility? A. That is not for me to judge.

Q. Here is a letter from the American Exchange Bank, Valley City. Who is William Olson—do you know him? A. I know a Mr. William Olson from Valley City.

Q. Who is he? A. That is all I know about him, Mr. Murphy.

Q. And the Wolverton State Bank of Wolverton, Minnesota—who are those people—do you know? A. No sir.

Q. And here is the First State Bank of Walcott. What do

you know about that bank? A. Nothing, any more than I recall that they had money in there.

Q. Don't you know Mr. Hagen had an interest in that bank?

A. I don't remember.

Q. And here is Horace State Bank, signed by our friend Hatlie again—see that? A. Yes.

Q. Mr. Hatlie got in twice with your letters? A. I don't
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recall.

Q. Well, there is one. You see that, don't you? A. Yes sir.

Q. That is twice, isn't it? A. In one letter it is in respect to the Horace State Bank and the other in respect to the Farmers State Bank of Christine.

Q. Well, one and one make two—it is the same Hatlie, regardless of the bank he represents? A. Yes sir, the same signature.

Q. Well, now you and I the other day tried to educate one another on the reserve question. You remember that, don't you? A. Yes sir.

Q. In this report to the supreme court you headed the top of this page with the word "Reserve?" A. Yes sir.

Q. And your purpose was, I take it, to show to the court what the reserve of that bank was. That is true, isn't it? A. Yes sir.

Q. Well, let us look into that a little bit. Do you recall when we looked that statute over the other day what the law required as to reserve? A. I remember that generally, yes sir.

Q. And you know that that law was in effect at the time that you made this examination and investigation in October, 1919? A. I know that.

Q. And you knew it then, didn't you? You must have
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known it? A. I didn't read the law of 1915 in 1919.

Q. You didn't? A. I don't as I recall it.

Q. Are you in the habit of making audits of banks and other institutions which are regulated by law without looking up the law first to find out? A. The matter of the reserve I took up with the state examiner's office, and the state examiner, as I recall it made up a statement of the reserves of two or three banks, and I can't recall at this time whether this computation was made by me or Mr. Lofthus.

Q. Well, it isn't very sporty to put it all off onto Mr. Lofthus, now, is it? A. I don't want to put anything off onto Mr. Lofthus. All I want to do is to answer your questions, Mr. Murphy.

Q. Now here you represented to the Supreme Court in this statement, did you not, that the bank had big, fine reserve of \$372,661.96. You can see that? A. Well, I am looking for the expression you just quoted.

Q. "The Banks reserve is as follows?" A. That is there, but not what you said.

Q. I said that you represented to the Supreme Court it had a reserve of so much. Now it says: "the bank's reserve to-day is so much?" A. That is the statement.

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Q. What is the amount? What is the total? A. \$372,661.96.

Q. So I think I read it about right, didn't I? Now take your paper and pencil. Take your own statement, and figure

out that bank's reserve. What do you show as cash? A. \$200,120.93.

Q. Due from approved reserve banks, how much? A. \$128,838.33.

Q. Now that is all there is? A. So far as those two items.

Q. Well, are there any other items that should be considered in computing that reserve? A. In applying that 1915 law you discussed the other day?

Q. Yes. A. Not in a strict application of the law.

Q. Well, lets make it strict. Law is awful strict, you know. Just add them up. How much do you get? A. \$328,959.26.

Q. Now what is the amount here that shows due to other banks on your statement? A. \$572,902.10.

Q. Well, will you take that from your \$300,000.00? A. I will.

Q. Tell us what the result is? A. The difference between those amounts is a minus of \$243,942.84.

Q. And when you say "minus" you mean the bank was that much less than having a reserve? A. Yes sir.

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Q. What was your purpose in putting these figures in as reserve over here when you were sending that report up to the Supreme Court? Weren't you trying to induce the Supreme Court to believe that the bank actually had a reserve when you knew it didn't have? A. The figures are all stated as they are, and in other places in this report the subject is discussed as to the fact that the practice was such and such although the law recited such and such.

Q. Well, now here the bonds are subject to a discount of four per cent, these Liberty Bonds, that you count in as cash. "The reserve is \$142,500 over requirements." Tell us how you figured that out? A. Requirements according to custom.

Q. Well, how did you get your figure. Figure it out from this report. See if you can get \$142,500, taking your own figures. We want to see how accurate an accountant you are with figures. Have you figured it out? A. Yes sir.

Q. How did you arrive at that \$142,500? A. The aggregate reserve as tabulated is \$372,600 odd.

Q. It is \$372,661. isn't it? A. Well, I said odd.

Q. Well, lets put it all in just as it is figured. A. The total reserve figured was \$372,661.96. The total reserve fig-

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ured was \$372,661.96. The amount required, according to this statement was \$228,271.67, or a difference of \$144,390.29.

Q. Well, where did you get \$142,500? A. It is approximately \$144,500, and there is a mistake of \$2000.

Q. Well, I didn't know accountants made those kind of mistakes. You were just putting that in there just to have something to say without figuring it out? A. The statement speaks for itself.

Q. Yes, it does, and speaks pretty loudly. Now you read these Haldorson and Sheets and those fellows—the affidavits they made in the Supreme Court? You read them over before you made your report? A. I remember reading a lot of things about it.

Q. Did you read this letter from the Bank of Commerce & Savings of Duluth, to Mr. Hagen, that was contained in the report? I will read it to you right now:

"I have your favor of the 14th inst. Our proposition is this: We are willing to take the notes on and carry them for you as requested, but we do want you to carry the balance here equal to the amount of paper that we are carrying for you according to our original agreement."

You know what that means? Do you understand what that means? A. I am following the letter.

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Q. You see I am on this reserve proposition and due from other banks stuff. (Continues reading). "It is not our intention to charge this off against your account unless you draw a draft against us reducing your balance below the amount of paper we are carrying. In that case we reserve the right to charge the paper to your account, and under no other circumstances would we do that, excepting as the paper came due. In other words, we cannot carry the paper here and let you withdraw the funds.

"Your letter is not clear on this point and I stated it plainly so that you will understand just what my object was. I trust that this will be satisfactory, as there will be no effort on our part to withdraw the amount excepting as stated above and we will not effect or impair your reserve in any way.

"I presume you will be getting in a large amount of money in sixty or ninety days, and our reserve is very low at the present time, and the next thirty days will be the time that we will have to guard very closely, as there is more money being checked out now than paid in in deposits.

"Yours respectfully,

"Bank of Commerce & Savings,

"By W. H. Locker, President."

Q. Now you were aware of that at the time you were figuring out this reserve? A. I don't remember that letter.

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Q. Well, in computing your reserve you necessarily took into consideration the item of "Due from other banks" didn't you? A. Yes.

Q. Well, do you know now and can you find out in any way the amount that was due from other banks that was in that Duluth bank at the time? Do you know what proportion of the amount due from other banks was in that Duluth bank? I wish you would tell us from your report the amount shown on your report as of October 22nd, due from other banks, that you used in computing your reserve? A. \$128,838.33.

Q. Now do you know what proportion of that was in the Duluth bank? A. No sir, not at this time.

Q. Did you investigate to find out what proportion of "Due from other banks" was in the Duluth bank? A. I knew what banks the money was in at the time I made the examination.

Q. Well, at the time Mr. Haldorson made the examination which you read in his report, he showed that the Scandinavian-American Bank was carrying \$146,209.66 in that Duluth Bank did he not? A. That amount is on that statement. (Indicating Haldorson's report.)

Q. Well, that is what it shows? A. Yes sir, on this statement.

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Q. Due from approved reserve agents? A. Yes sir.

Q. Well, you read this statement of Haldorson's before you read your own? A. Yes.

Q. And did you make any effort to find out what proportion of the \$128,838.33 was in the Duluth Bank—this is September 27th? A. On my statement here, I have a comparative statement. One shows Mr. Haldorson's statement of September 27th, 1919, and the other is our statement of October 22, 1919, and on the comparative statement we show the same amount as being on Mr. Haldorson's statement, \$200,300.24 as you showed me there in that statement, and we show \$128,838.33 on our statement, which would indicate that \$72,000 of the amount due from approved reserve agents had been liquidated.

Q. Yes, that is what it indicated, but in Mr. Haldorson's detail he takes that item "Due from approved agents" and shows who the agents are and what amounts are due from them? A. Yes sir.

Q. And in that detail he shows that out of \$200,300.24, \$146,209.66 was in the Duluth Bank on September 27th? A. Yes sir.

Q. A few days before you examined this bank? A. Yes.
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Q. Did you investigate that at all? A. I can't recall the work of a year and a half ago. Whatever we did is in the statement here.

Q. You disrecollect, in other words? A. I am telling you everything I can remember.

Q. Well, you say the amount due from banks, \$128,838.33, is available at the rate of \$25,000 a day in cash. Where did you get that idea? A. I can't recall now. The information was furnished to me no doubt.

Q. You knew the Duluth Bank didn't intend to send any money, or didn't you? A. I don't recall that.

Q. You knew that that so-called reserve in the Duluth bank was nothing but a special deposit, carried for bookkeeping purposes, didn't you? A. No sir.

Q. You knew that that so-called reserve in the Duluth bank was nothing but a special deposit, carried for bookkeeping purposes, didn't you? A. No, sir.

Q. You don't even know it now? A. I don't know that, no, sir.

Q. Did you investigate to find out? A. We had a verification of the account.

Q. Did you reconcile with that bank? A. I can't recall the nature of the work.

Q. Didn't you do that? A. Yes, Must have.

Q. Have you got any papers to show whether you did or not? A. No sir.

Q. Did you have any correspondence with that bank in
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reconciling? A. I don't recall the situation at all.

Q. Well, I want to ask you for my information—I have helped you out on the law, and I want you to help me out a little on accounting—if that account was carried in the Duluth bank in the manner I have indicated, and this letter indicates, that is they sent that paper up there and they held it as a book credit for so much, but with the understanding that they couldn't draw on it—if that is true that would not be a reserve, would it? A. Mr. Murphy, I can't answer that question. If you will remove the statement about the letters—that I don't know anything about.

Q. Well I refer to the letter I read to you from the bank in Duluth. I am not charging you with responsibility for the letter, but I refer to the letter which describes the manner in which that deal was carried on. Of course, it carries an assumption that that is correct, and you are not responsible for this assumption. What I want is your professional opinion? (Question repeated to witness). A. That would not be a reserve.

Q. You would call it a special deposit or something of that kind, wouldn't you? How would you designate that kind of a deal anyhow? A. I wouldn't know what term to give that.

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Q. Well, any bank that would show for instance, due from other banks of \$100,000, and would include in that item \$75,000 of this kind of a transaction would be making a false statement? A. I would say that was a false statement.

Q. And any accountant who would pass it and pass it on to the supreme court, knowingly of course, he would be making a false statement too? A. Knowingly, yes sir, he would.

Q. Of course I understand you to say you didn't know it? That is correct, isn't it? A. I am testifying to everything that I know to be a fact, Mr. Murphy.

H. A. Paddock recalled as a witness, and testified as follows:

Examination by Mr. Murphy:

Q. The other day you were requested, as secretary of the Industrial Commission to produce certain records of the Drake Mill? I assume you have those here with you now? A. I know you don't like me to talk, Mr. Murphy, but if you will let me explain just what I know about this deal, it will make it that much more rapid.

Q. Go ahead? A. When I returned from out of the city I received a letter from your secretary requesting that all records and files of the Drake mill be produced, and setting forth that Mr. Lemke had said they would be produced, and

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that they were in my possession. I inquired of Mr. Lemke and he said he had talked to Mr. Lee and found out what he wanted, which were the production records and the consignment account records, and he told me he had telephoned to the Drake Mill for these records. Later I talked to Mr. Lee myself and he told me what he wanted. I then tried to locate whether they had arrived and Mr. Anderson called me up from the Attorney General's office and said there was a package there that he thought belonged to me. The package was a registered package, and addressed from Rose H. Keller, Drake, North Dakota, to William Lemke, Attorney General, Bismarck, registry number 5174, Drake, and in the package was what I have here. As to saying they are the Drake Mill records, I couldn't positively do that, because I can't say I have ever seen any of them before, but that is the way they arrived here.

Q. Well, all I want is to have them identified. A. I have looked them over and it appears that the production record only runs from November 15th, and I will call up and see if I can get the rest of the record if you wish.

Q. I wish you would. A. The reason for that is that there was a new form of report called production records put in

November 1st, as I find from the books in my office, and I
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think I can get the rest of them.

Q. Read into the record what these exhibits are? A. These

(Exhibit No. 99)

bundles marked Committee's Exhibit No. 99, CCW; Commit-

(Exhibit No. 100)

(Exhibit No. 101)

tee's Exhibit No. 100, CCW; Committee's Exhibit No. 101, CCW;

(Exhibit No. 102)

(Exhibit No. 103)

Committee's Exhibit No. 102, CCW; Committee's Exhibit No. 103, CCW; are the contents of the package which I have described.

Q. And purport to be, as far as you know, the records of the Drake mill at Drake requested by Mr. Lee? A. I presume they are, but I couldn't testify as to that.

Q. Who is Rose Keller? A. She is accountant in the office of the Drake Mill at Drake, N. D.

Mr. Murphy: If you will leave these records here, we will have Mr. Lee make his report and return them to you.

Mr. Paddock: I prefer to have these exhibits examined in the presence of someone representing the Industrial Commission. If Mr. Lee is here—

Mr. Murphy: He is not here. We have to wire to St. Paul for the man who made the original audit of the Drake Mill to come up and look these papers over, and I would suggest that you leave these in the custody of the Committee or Reporter.

Mr. Paddock: Well, I would much prefer to keep them. I will come back and identify them any time your man shows

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up. These are part of the records of the mill and should not go out of it.

Mr. Murphy: Very well, if that is understood that you will bring them back and identify them, all right.

Mr. Paddock: Absolutely.

Mr. Murphy: We have to wire that man and as soon as he comes we want the records forthcoming.

Mr. Paddock: That is all right.

O. E. Lofthus having been recalled as a witness, testified as follows:

Examination by Mr. Sullivan:

Q. Mr. Lofthus, I will say that we are waiting for some papers from the office, and I will take up another matter with you in the meantime. You, in your capacity as state examiner, also hold a position with the guaranty fund commission do you not? A. I do.

Q. And what position do you hold with the Guaranty Fund Commission? A. Secretary and Treasurer.

Q. As Secretary of the Guaranty Fund Commission, you have charge, of course, of their files and records and the papers in connection with the various institutions that come under their jurisdiction? A. I have.

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Q. The Guaranty Fund Commission, Mr. Lofthus, since you have been secretary have had occasion to pass upon the

liabilities of various institutions, banking institutions that have been closed? A. It has.

Q. Now they have adopted, have they not, a policy of investigating the statements of the various defunct institutions in order to determine just what particular portion of the liabilities of each institution are subject to the payment by the Guaranty Fund Commission? A. Yes sir.

Q. Now Mr. Lofthus, the law, as I remember it, provides that all deposits, not otherwise secured, shall be guaranteed by this act—I am reading this from the act? A. I believe so.

Q. It further provides: "The Guaranty as provided for in this Act shall not apply to a bank's obligation as endorser upon bills re-discounted nor to bills payable, or to money borrowed from its correspondents or others." That is as you understand it, Mr. Lofthus? I have read it correctly?

Q. Under that act the Guaranty Fund Commission investigates the transactions shown as liabilities of a bank to determine whether or not the liabilities shown as deposits are actual deposits or simply bills payable, do they not? A. Yes sir.

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Q. In other words, Mr. Lofthus, the mere fact that the records of a defunct bank show outstanding certificates of deposit that fact alone is not a sufficient ground for the payment of such outstanding as guaranteed under this Act? A. No sir.

Q. In other words, if one banking institution should borrow money from another banking institution and instead of giving its note the bank should give its certificate of deposit, it wouldn't change the situation and the certificate of deposit would still remain and be a bill payable? A. I think that would depend somewhat upon the situation of the bank making such a deposit. In the event that that bank had a surplus it would alter the case somewhat. It might in that case be a bona fide deposit.

Q. That is the point, Mr. Lofthus, it must be an actual bona fide deposit? A. Yes sir.

Q. Your commission, I believe, has already held that where one bank solicited or asked for deposits from another bank, that such solicited deposit was not guaranteed by this Act but was in fact a bill payable. That is true, is it not? A. I

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don't know without looking that up.

Q. Well, isn't it true that, taking that as a hypothetical case, if one bank should solicit a deposit from another bank and the other bank should give the deposit, that would not in fact be a bona fide deposit, but would simply be a loan, would it not? A. As I said before there might be a difference there, and in case a person had a large amount of idle funds it might be classed as a bona fide deposit.

Q. Even though—do you mean to say even though the deposit was solicited in the manner that I have indicated? A. That is my opinion, yes.

Q. Well, that would be quite an isolated and unusual instance, wouldn't it? A. Yes sir.

Q. The mere fact that a bank takes a certificate of deposit, that fact alone would control what the actual transaction was? A. No sir.

Q. Then, in determining what certificates of deposit issued by any individual insolvent bank are secured by the guaranty fund commission act, it is necessary to investigate each one

of those institutions to determine whether or not they are actual bona fide deposits or certificates of deposits given for a loan. That is true, isn't it? A. Yes sir.

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Q. And in any instance where a certificate of deposit was given for a loan that certificate of deposit would not be guaranteed by this Act? A. No sir.

Q. And in any instance where funds are redeposited by the Bank of North Dakota for instance, and it is shown or made to appear that that redeposit was in truth and in fact made as a loan, then that would not be guaranteed by the guaranty fund commission act? A. That question has never been taken up.

Q. Well, that is applying the same thing that you stated, Mr. Lofthus. There is nothing in the Guaranty Fund Commission Act that excepts the Bank of North Dakota or refers to the Bank of North Dakota? A. No sir.

Q. Then the Guaranty Fund Commission Act would apply to redeposits made by the Bank of North Dakota, the same as deposits made by any other individuals, in these insolvent banks? A. Yes sir.

Q. And we can't make one application to individual banks and a different one to the Bank of North Dakota? A. No sir.

Q. Then, if the Bank of North Dakota, in making its redeposits in any instance, when in fact the redeposit was made

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for the purpose of making a loan, then that would not be guaranteed, would it? A. I don't think it would.

Q. Well, in each one of those institutions that have had loans and redeposits from the Bank of North Dakota, it will be necessary to determine whether or not those redeposits were actual redeposits or whether or not they were made for the purpose of making a loan? A. Yes sir. Now I want to say here in regard to two banks that are in the course of liquidation at this time, the First State Bank of Jud, and the Farmers State Bank of Marmarth—in the first place, the officers of the First State Bank of Jud were out of the bank, and in such a position that they couldn't make or we couldn't rely upon their truthfulness in our investigation. Our investigation, therefore, was made as best we could with their assistance. Well, with their assistance, as far as it went, but we didn't rely on their assistance. In the case of the Farmers State Bank of Marmarth, the cashier died, the only officer of the bank upon which we could have relied for this information, there being no other officers that could make a statement or swear to the truthfulness of the deposits being bona fide. In that case we also made the best effort we could.

Q. Got the best information you could get? A. The best

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information that we could.

Q. Isn't it a fact, Mr. Lofthus, that in the Jud State Bank matter certificates of deposits that were issued to some bank down in Buffalo were by the Guaranty Fund Commission held to be bills payable and not deposits? A. Yes, sir.

Q. In that case there were certificates of deposits issued by the Jud State Bank to a bank in New York? A. Yes, sir.

Q. And the Guaranty Fund Commission held that while as a matter of fact they here certificates of deposit, that in truth and in fact the nature of the transaction was such that the

real purpose was to loan money to the Jud Bank? A. Yes, sir.

Q. And that, therefore, those certificates of deposit were not guaranteed under the Guaranty Fund Act of this State?

A. There was one other reason why, and that was because these were insured or bonded, and therefore otherwise secured.

Q. Well, even without that reason, the other reason was given as one of the real grounds? A. Yes, sir.

Q. And I think your Commission states that either one of the reasons would have been sufficient? A. Yes.

Q. Mr. Lofthus, you were in the banking business before you became bank examiner, weren't you? A. I was.

Q. And as a banker, when you loaned money to a client of your bank, it was the usual thing to inquire from the man
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who was making the loan as to what use he was going to make of the money? A. That was the usual way, yes.

Q. And I think pertinent and proper—that is usually done, isn't it? A. Yes, sir.

Q. And so it would be pertinent and proper for this Committee in investigating the loans made to the various banks of the state to inquire what use they made of the money? A. The particular thing about that is if funds were very plentiful, if our reserve was very large, we didn't usually inquire, but if funds were low we endeavored in every way to see if there was some way they could use less money.

Q. To keep from making the loan? A. To keep from making the loan.

Q. Well, your inquiry was directed—you mean to say—only and solely upon the ground that you would want to say something in that conversation to keep from making the loan, didn't you also want to know for the reason that you wanted to have some idea of whether the man was going to be able to pay it back? A. Yes, sir.

Q. It wouldn't make any difference how much your reserve was if a man had one arm and came in and told you he wanted \$10,000 to buy a flying machine that he was going to run himself—you wouldn't loan it to him, would you? A. I would hesitate.

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Q. Mr. Lofthus, I am directing your attention to examin-

(Exhibit No. 104)

er's report marked Committee's Exhibit No. 104, CCW, being the report of your Mr. L. E. Wambheim, of date June 23, 1920.

A. Yes, sir.

Q. This is the report of the Farmers State Bank of Coleharbor, in McLean County? A. Yes, sir.

Q. We find as one of the directors of that bank, Mr. R. L. Fraser, of Garrison—that is the Bob Fraser who is now in the Senate, isn't it? A. I believe so.

Q. We find as cashier of the Bank, a man by the name of F. W. Vogel, that is the representative in the legislature from that county, isn't it? A. Yes, sir.

Q. Well, that would be under these circumstances, a rather fertile field for determining whether or not any of the money in that bank was used for political purposes, wouldn't it, or to finance any of the League concerns? (No answer).

Q. Does this show the amount of money that was on deposit from the Bank of North Dakota? A. Yes.

Q. And I notice Mr. Lofthus from the Bishop, Brissman report it appears that the Bank of North Dakota had redeposited in the Farmers State Bank of Coleharbor \$24,747.15, I have read that correctly, have I? A. Yes.

Q. It appears from your examiner's report in addition to redeposits the Bank of North Dakota had loaned to the Farmers State Bank one item of \$2500.00 and another item of \$6,000.00, that is correct, from this report, is it not? A. Yes sir.

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Q. Now, let's see what they did with the money. Your examiner made this observation, did he not? "Loans to officers are direct and unsecured. Loans in the amount of \$20,000 to the Publishers National Service Bureau are plain and unsecured." I have read that correctly, have I not? A. Yes, sir.

Q. In order to get the matter of the liabilities of this bank, The Farmers State Bank, of Coleharbor, up to December 3rd, I am reading from Page 53 of Bishop, Brissman report, and I will ask you to see that I read this correctly, Mr. Lofthus. The loans on that day by the Bank of North Dakota to the Bank of Coleharbor, appear to be \$14,910.00? A. Yes, sir.

Q. There appears to be an unpaid draft drawn on that bank in the sum of \$5,000.00? A. Yes, sir.

Q. And current collection items of \$3,530.85? A. Yes, sir.

Q. Making a total liability outside of and in addition to redeposits, of \$23,440.85? A. Yes, sir.

Q. Continuing now, Mr. Lofthus, the observation by your examiner, he says: "In most cases notes of this character are signed individually by several farmers or men." That is correct, isn't it? A. Yes, sir.

Q. That is all of the reference he makes in there to the Publishers National Service Bureau? A. Now, there is just one thing. There is a discrepancy in the dates; the dates are not the same. This is December 3rd, and the examiner's

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report is June 23rd.

Q. In the collateral given by the Farmers State Bank of Coleharbor to the Bank of North Dakota, as outlined by Bishop, Brissman report, this Publishers National Service Bureau paper was not put in the Bank of North Dakota, was it? A. I don't understand what you mean.

Q. This paper that I am showing you, is Page 24 of the Schedules, which set forth the collateral that is given by the Farmers State Bank of Coleharbor to the Bank of North Dakota as security for the loan made by the Bank of North Dakota to the Coleharbor Bank? This is an itemized statement of the collateral held by the Bank of North Dakota, on Dec. 3rd. There appears in this collateral no reference to any Publishers National Service Bureau paper? A. No, sir.

Q. There is a note of the Farmers Independent Publishing Company, endorsed by seven farmers, but no paper that would indicate it was National Publisher Service Bureau? A. No, sir.

Q. Then if the money that was put into the Farmers Bank at Coleharbor was used by that bank to finance this League concern known as the Publishers National Service Bureau, the Bank up there at Coleharbor carries the Publishers National Service Bureau notes and farmers notes were taken out of that bank at Coleharbor and put into the Bank of North

Dakota, that is a reasonable conclusion to be drawn from this situation is it not? A. I don't know, but it may be.

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Q. Well, that would be the conclusion one would come to in tracing the matter down? A. Yes.

Mr. Sullivan: We will ask Mr. Cathro if he will tomorrow produce for us the individual ledger account of the Coleharbor Bank as of June 23, 1920, showing the amount of money redeposited in that bank by the Bank of North Dakota as of that date, and also the book or ledger which would show the items making up the loans, when they were made and when paid, if at all; and also include that as to the Scandinavian-American Bank.

Q. Now, Mr. Lofthus, I am showing you a paper marked

(Exhibit No. 105)

Committee's Exhibit No. 105, with reference to the Peoples State Bank of Casselton. This is your Committee's report as of date Sept. 13, 1920? A. Yes, sir.

Q. And who was your examiner then, Mr. Lofthus? A. L. C. Reep.

Q. Is he the same person who is in charge of the Scandinavian-American Bank at Fargo at this time? A. Yes, sir.

Q. Now, from the Bishop, Brissman Company's report, the Peoples State Bank of Casselton appear to have a deposit on December 3, 1920, of \$46,209.23? A. Yes, sir.

Q. They appear to have unpaid drafts in the sum of \$7,000.00 and current items of \$5.00, making a total liability in addition to their redeposits, of \$7,005.00? A. Yes, sir.

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Q. This Peoples State Bank of Casselton had a capital of \$50,000.00, a surplus of \$4,000.00 and an item known as reserve account of \$2,500.00? A. Yes, sir.

Q. Going back to the Farmers State Bank of Coleharbor, they had a capital of \$20,000.00, a surplus of \$3,000.00 did they not? A. Yes, sir.

Q. Now, then, Mr. Lofthus, will you tell us what was the limit of a loan that the Farmers State Bank of Coleharbor could make to one concern lawfully? A. \$3,450.00.

Q. Then that \$20,000.00 loan to the Publishers National Service Bureau you would say, at least, was somewhat excessive, would you not? A. Yes, it was.

Q. Now, this Peoples State Bank of Casselton don't appear to have any loans at all from the Bank of North Dakota, but they had their accommodation all in deposits. Among the directors in that bank was Otto Jahnke, and P. C. Jahnke. You have heard that name before, haven't you? A. Yes, sir.

Q. That was in the Scandinavian-American Bank deal? A. Yes, sir.

Q. And Mr. P. Jahnke appeared to be assistant cashier in that bank as of the date of this report? A. I am not certain, one is P. C. and the other is P. Jahnke.

Q. Well, do you know whether or not they were the same fellows, or different fellows? A. I don't.

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Q. I notice P. C. Jahnke appears to have a loan of \$8,896.86, and is described as a renter and the loan is described as mostly unsecured, that is true, isn't it? A. It would appear so.

Q. And P. Jahnke appears to be assistant cashier of the Bank? A. Yes, sir.

Q. We find among the stockholders of the bank a man by the name of Thomas Allen Box, owning twenty-two shares, that is correct, isn't it? A. Yes, sir.

Q. We find a gentleman commonly known and designated as J. J. Hastings, St. Paul, who has thirty-two shares? A. Yes, sir.

Q. That would appear then Mr. Lofthus to be one of the so-called League enterprises, from the personnel of the stockholders, that would be the conclusion you would come to yourself from that situation, isn't it? A. Well, from previous knowledge I had I knew that they were connected in some way.

Q. You knew it—well that will help us quite a bit, that is the conclusion we came to, but if you knew it that will help us. Then that makes inquiry pertinent in view of the fact that the bank didn't have any loans and all of their money was in deposits from the Bank of North Dakota—it would then be pertinent to find out what they did with the money? We find as a part of your examiner's observations, a loan to J. J. Hastings and Thomas Allen Box of \$5200.00? A. Yes, sir.

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Q. And your examiner says "this is secured" by a junk heap, that is correct, isn't it? A. Yes—where is this—oh, I see—a two story brick store building in the same building as the bank was, burned up—

Mr. Shipley: Read that so we can hear it.

Mr. Sullivan: "A two-story brick store building in the same block as the bank, was burned up, leaving the usual display of ruins. Part of the rock walls are standing. The loan was made on the property as it so stood and not prior to the fire. I cannot determine the value of the property, but it seems like a poor loan to me and I don't like the looks of the deal. It looks like it is being 'sold' to the bank. I cannot see any loan value in this property."

Q. The next one appears to be Otto Jahnke? A. Yes, sir.

Q. A note of \$6,900.00? A. Yes, sir.

Q. And the next appears to be P. C. Jahnke?

Mr. Sullivan: I think possible in view of the fact that the time is short, it might be as well to adjourn at this time.

Mr. Chairman: Just before we adjourn, I would suggest that you have inquired as to the records of a certain bank as of June 23rd and December 3rd. Wouldn't it be possible to reconcile the dates, so the comparisons can be made as of the same dates?

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Mr. Sullivan: We have already asked Mr. Cathro to bring those reports over so we can reconcile the date.

On motion of Mr. Freeman, seconded by Mr. Nagel, adjournment taken until 9:30 A. M. February 22nd, 1921.

End of February 21, 1921.

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FEBRUARY 22, 1921.

Meeting called to order by the chairman, at 9:30, A. M., with all members present, except Messrs. Johnson of Steele, Weld, and Hanson.

Minutes of previous meeting read and approved.

Mr. Sullivan: In connection with this Jourgen Olson subpoena we served a subpoena on Mr. Olson.

Mr. Grangaard: When was that served?

Marshal: On the 5th of February, in the state of North Dakota, and since that time Mr. Olson has left.

Mr. Sullivan: We find that Mr. Olson has left the state of North Dakota and has gone down to some place in Indiana. Persistent inquiry at his office has brought forth the information that he is out of the state and a long distance telephone call up there yesterday indicated that his stenographer had heard from him in Chicago. Whether or not he was going to be back here before the session closed, the stenographer was not able to state, and that is the situation in a short and concise manner and I thought the committee ought to be advised of it.

Mr. Shipley: Was the subpoena served upon him personally?

Mr. Sullivan: Oh, yes, served personally in the state on the date I mentioned.

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Mr. Chairman: Is there any reason why he is out of the state? Is there any knowledge on your part as to whether it is his attitude or his desire to evade this inquiry or is it business?

Mr. Sullivan: There has been no excuse offered to us that would justify in any manner his leaving at this time. I think the general impression that our Marshal got was that he was down there on business.

Marshal: I was told by Mr. Olson when I served the subpoena on him that he had some business on the 12th of February, but that he would be back immediately after that, and he wanted to know if there was some way he could get away, and I said as far as I knew there wasn't.

Mr. Sullivan: Some business out of the state?

Marshal: He was supposed to appear here on the 10th and was supposed to have business out of the state on the 12th.

Mr. Chairman: I would suggest that we take the matter under advisement and take it up at some future meeting.

Mr. O. E. Lofthus, recalled as a witness, and testified as follows:

Examination by Mr. Sullivan:

Q. Mr. Lofthus, I think at the time we closed yesterday we were endeavoring to find out what the Peoples State Bank at

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Casselton had done with the funds that were loaned to them and were deposited with them by the Bank of North Dakota. We were discussing the Jahnke note that was in the bank. The note that we were discussing was the P. C. Jahnke note, which appears on the examiner's report filed in your office as \$8,896.86. Your examiner made a report to you on it and I am going to read what the files in your office show. I will ask that you note that I read it correctly: "P. C. Jahnke, \$8,896.86, also tenant farmer, director in Bank, and owning sixty-eight shares of stock. Stock reported hypothecated. Included in above amount is a note for \$6,075.00. It is reported that this note was given in settlement for a block of stock bought from A. F. Colwell, of Fargo. This stock has not been transferred and it is reported that the stock is not

to be retained by Jahnke, but is to be resold to other farmers. The balance of the P. C. Jahnke line is covered with security." I read that correctly, did I? A. Yes sir.

Q. Now, let us see if we can trace that sixty-eight shares of stock that Jahnke appears to own, into the Bank of North Dakota. First, from this report, it would appear that Mr. Jahnke had given to the Peoples State Bank of Casselton a note of \$6,075.00? A. Yes, sir.

Q. Now, your examiner indicates that your note was given in connection with the purchase price of the stock Mr. Jahnke held in his name? A. Yes, sir.

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Q. The note, however, was unsecured in the Casselton Bank, from this report? A. Yes.

Q. On page 61 of the Bishop, Brissman report we find that P. C. Jahnke gave a note to the Scandinavian-American Bank dated July 16, 1920, due November 1, 1920, for \$7,215.99? That is correct, isn't it? A. Yes, sir.

Q. To secure that note that he gave to the Scandinavian-American Bank he put up as collateral security certificate No. 49 for sixty-eight shares, per \$100.00, of stock in the Peoples State Bank of Casselton? A. Yes sir.

Q. So far it would indicate he purchased this stock at Casselton, gave the Casselton Bank a note without security, took the stock, and borrowed from the Scandinavian-American Bank \$7,215.99. That is correct, is it not? A. Isn't that the same note that was discounted by the Casselton Bank?

Q. No, this comes within the notes given to the Scandinavian-American Bank. What I am reading from is collateral put up with the Bank of North Dakota by the Scandinavian-American Bank. I might say for your information that there was no collateral put up by the Casselton Bank with the Bank of North Dakota. A. Then that is a straight loan to

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Jahnke is it?

Q. Yes, from the Scandinavian-American Bank, that is the way it would appear, wouldn't it? A. Yes.

Q. Then the Scandinavian-American Bank took the Jahnke note, which was given to the Scandinavian-American Bank for \$7,215.99, and turned that note, together with this stock certificate for sixty-eight shares, over to the Bank of North Dakota, that is true isn't it? A. Yes.

Q. Then, as of the date of the Bishop, Brissman report we find the sixty-eight shares of stock that Mr. Jahnke owed the Casselton Bank for are in the Bank of North Dakota as security? A. Yes.

Q. The next note referred to appears to be the note of the League Exchange, for \$4,613.70. I am reading the statement made by your examiner from the report of his examination, which was filed in your office on September 13, 1920, and it reads as follows: "Purported to be secured with sundry 'League post-dated checks' in the amount of \$10,196.70. Most of these are in the possession of the Bank. Part satisfactory." A. Yes, sir.

Q. Under stockholders of the Peoples State Bank of Casselton, we find the League Exchange, Inc., of Fargo, is the owner of ten shares of capital stock. That is correct, isn't it? A. Yes.

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Q. The par value of those shares would be \$1,000.00? A. Yes, sir.

Q. The League Exchange borrowed from the Bank \$4,613.70? That is correct, isn't it? A. Yes, sir.

Q. And they gave as security for it post-dated League checks? A. Yes, sir.

Q. Now, as far as we have gone, I will ask that you keep a statement of the items that were referred to, so that when we get through with this particular bank, we can total them up. We have referred to the P. C. Jahnke matter which appeared to have a note in the Bank of North Dakota, of \$7,215.99. I find on this report a note held by the Peoples State Bank of Casselton known as the Bering Sea Fisheries Company's note, for \$5500.00. That is correct, isn't it? A. Yes, sir.

Q. That appears to be endorsed by H. J. Hagen of Fargo? A. Yes.

Q. Now, I guess it is safe to assume, is it not, that that is our old friend, H. J. Hagen of the Scandinavian-American Bank? A. I believe so.

Q. Well, is it usual and is it approved by your Department to permit the loaning of money by State Banks in the State of North Dakota to industries concerned in fishing in the Bering Seas? That wouldn't usually be approved, would it Mr. Lofthus? A. There are times when that might be approved.

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Q. I guess that is correct. There are times when that might be approved, and this is one of the times. Well, now, let's see if we can find any connection between H. J. Hagen and the Bank of North Dakota that might give us some light as to where that money came from. I notice on Page 61 of the list of collateral held by the Bank of North Dakota, a certificate of deposit issued by the Peoples State Bank of Casselton to H. J. Hagen for \$4,250.00. That is correct, isn't it? A. Yes, sir.

Q. That is dated August 3, 1920, and appears to be due March 3, 1921? That is correct, isn't it? A. Yes, sir.

Q. I think in fairness we should put this thing in too, Mr. Lofthus. Your examiner in connection with your Bering Sea Industry says this: "I don't see that it is good practice to take in outside stuff of this kind." He said that, didn't he? A. Yes, sir.

Q. Therefore, that was criticised by your office? A. Yes.

Q. Now, we come down to other real estate owned by the Peoples State Bank of Casselton. Just explain to the committee how a bank designates its other real estate, what does that mean? A. Other real estate is real estate other than for banking lots, that is for the building and lot.

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Q. The building and lot,—that meaning the lot that the bank building is erected on? How is that carried? A. As banking house and lot, I believe. It is generally included together.

Q. And then the real estate of the bank, outside of the banking house and lot on which it stands, is designated as other real estate? A. Yes, sir.

Q. Well, when we get down to Other Real Estate of the Peoples State Bank of Casselton, we find our old friends J. J. Hastings and Thomas Allen Box. It recites as follows: "Other Real Estate \$6500.00. This was a J. J. Hastings and

Thomas Allen Box deal. The loan was made on the property by them and they later deeded without foreclosure or receiving further settlement. The property, a frame store building, with brick front, next to the bank building, is in my estimation carried too high." I have read that correctly? A. Yes, sir.

Q. Well, what would be your solution, to put it in plain words, just what that quotation I have read, means? A. That the valuation was higher than what it would sell for.

Q. That would be the interpretation of his criticism as to value? A. Yes, sir.

Q. Now, how about the part of it that provided that the loan was made on the property by them, by J. J. Hastings and Thomas Allen Box, that would mean, would it not, that J. J. Hastings and Thomas Allen Box, had made a loan from
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the Peoples State Bank of Casselton and had given as security this lot? A. Yes, sir.

Q. And then that no foreclosure or anything of that sort took place but they simply deeded the lot to the Bank after the loan was made? A. I presume that was the way.

Q. That is the way this would indicate? A. Yes, sir, of course, I don't know the detail in this matter, I am simply assuming and I don't believe I have the right to assume things. It is a natural way that a deed might be given to save a foreclosure expenses, but I don't know that to be a fact.

Q. Well, this would be the reasonable conclusion that you, as State Examiner, would take from the facts as stated by the examiner to you? A. Yes.

Q. I also notice an item called the P. E. Skyhawk, W. M. Larson and P. R. Sherman deal, \$8,840.00 carried in the Peoples State Bank of Casselton. A. Yes, sir.

Q. It would appear from the observations there made by the examiner that that was the same P. R. Sherman who was connected with the Scandinavian-American Bank? A. I don't know that for a fact.

Q. Well, read it and find out? A. (Reading) "this deal
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was originally brought into the Bank by P. R. Sherman, former cashier of the Scandinavian-American Bank."

Q. Well, now do you know? A. Yes, sir.

Q. Well, now the answer to that question is, that P. R. Sherman is the same man.

Q. It further says: "His verbal agreement with Mr. Ellis"—meaning Sherman's verbal agreement with Mr. Ellis—Mr. Ellis was cashier of the Peoples State Bank of Casselton, wasn't he? A. Yes sir.

Q. —"was that it was an excess loan at the Scandinavian-American Bank." I am reading that correctly, am I? A. Yes.

Q. —"and he wanted the Casselton Bank to carry it for them and that he would see it was taken off their hands at any time they so wished." That is correct, isn't it? A. Yes, sir.

Q. Well, that gives us some light on where some of this paper was "shot" to when it was "shot" to other banks? A. Yes.

Q. "As to the security for this deal, there was nine hundred and sixty acres of Becker County, Minnesota timber land. Mr. Ellis later asked the Scandinavian-American Bank

to take up this deal. Sherman had at that time severed his connections with that bank, and there was nothing on the paper to indicate that the Scandinavian-American Bank was involved at all," that is correct so far, isn't it? A. Yes, sir.

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Q. "It seems to have gone through the hands of Sherman only. Title was acquired by the Casselton bank without foreclosure, and they thereupon sold it to the above Skyhawk & Larson, realty dealers, of Duluth, on contract," that is correct so far? A. Yes, sir.

Q. "1340.00 of the above amount is due at this time and the note for it is in the hands of attorneys of Fargo for collection. There is a prior loan on the land of \$7500.00. The land will likely be thrown back on the bank again, and I have my doubts as to its value. I don't like this deal."

Q. I have read that correctly? A. Yes, sir.

Q. And that is a part of the records in your office and has been in your office since Sept. 13, 1920? A. Yes, sir.

Q. And the Bank of North Dakota and its officials have at all times had access to this report and all the other reports in the event that they cared to look at them? A. Yes, sir.

Q. Your attention is directed to Page 6, under Subdivision 6, where the examiner is required by the form which you give to him to set out and list any other large deposits, which will, if suddenly withdrawn, seriously reduce the bank's reserve. Your attention is directed to the fact that under that

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observation the examiner has put in the following: "Certificate of Deposit, H. J. Hagen, \$5,250.00." That is correct isn't it? A. Yes, sir.

Q. Now, we find that Mr. Hagen has a C/D from the Peoples State Bank at Casselton. We also find on page 61 of the Bishop, Brissman Report that Mr. H. J. Hagen, on August 3rd, turned this certificate of deposit over to the Scandinavian-American Bank of Fargo as security to that bank for a loan to him, and that bank, the Scandinavian-American Bank at Fargo turned that certificate of deposit over to the Bank of North Dakota, as shown on Page 61. That is correct, isn't it? A. That is the same C/D?

Q. That is the same C/D that we referred to in the testimony. That is correct, isn't it Mr. Lofthus? A. You call the deposit a loan then?

Q. Now, he borrowed the money from the Scandinavian-American Bank on the certificate and the Scandinavian-American Bank put the certificate up in the Bank of North Dakota as collateral to its loan from the Bank of North Dakota? That is correct, isn't it? A. Yes, sir.

Q. Mr. Chairman: Does this certificate of deposit bear the same date as the note for \$5500.00 of the Bering Seas Com-

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pany, is there any connection there?

Mr. Sullivan: We haven't any dates on the Examiner's report, and we are therefore unable to tell or get the direct connection. The examiner's report simply refers to the item but does not give the date or the due date of it.

Q. In the examiner's observations on Page 3 of the report, he says this, does he not: "The loans are in my estimation poor in their general character. More than half their loan is outside the state, and a large amount of their local loans are

loans that are not of the most satisfactory class. There are all told about one hundred notes, so the distribution is far from good." That is correct, isn't it? A. Yes, sir.

Q. And in the remarks on the last page of this report, the examiner says this as to the reputation of the officers: "I am not at this time prepared to make a statement, except at times during the examination, there occurred to me that they must have been underhandedly influenced in taking some of the loans that are on the books." That is true isn't it? A. Yes, sir.

Q. That is what he said in this report? A. Yes, sir.

Q. And that would be your opinion of it at this time, would it not, Mr. Lofthus? No bank unless it was influenced by some external influence would make such loans as have been

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outlined in this examination. Wouldn't that be your opinion of it, as an examiner, from your general observation of this, and after reading your examiner's report, or have you any opinion on it at this time? A. No.

Q. You haven't any opinion on it at all, from all that has been presented to you, Mr. Lofthus, you are not able to arrive at any conclusion on that? A. Of course, any loan that is made is influenced by outside influences.

Q. How is that? A. Any loan that is solicited comes from outside influences.

Q. Let's simplify that a little bit? A. That is, a person solicits a loan—

Q. You mean a man outside the bank goes into the bank and asks for a loan—that is an outside influence? A. Yes.

Q. Well, that is not what your examiner meant, is it? He meant the influence that was brought to bear on the men on the inside, somebody, some person, some how had had an influence on these men running that bank in order to induce them to make these loans, that is what is meant, isn't it? And he designates it as being underhandedly done? Now, I want to know if from the general calibre and character of these loans, you wouldn't agree with your examiner on that proposition, wouldn't you now, for a fact? A. Yes.

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Q. Now, Mr. H. D. Ellis was the cashier of the Bank? A. Yes, sir.

Q. And he had sixty-eight shares, as I remember it? A. Yes, sir.

Q. Well, let's see if the Bank of North Dakota helped Mr. Ellis out with any money on the proposition. Now, of course, he would have to have ten shares to be a cashier of the bank? A. Not to be cashier, to be a director.

Q. He would have to keep ten shares? A. Yes.

Q. So we have only fifty-eight to look for? A. Yes, sir.

Q. Now, your attention is directed to Page 61 of the Bishop, Brissman report—you see that I read this correctly—this is under the collateral that is held by the Bank of North Dakota as collateral to the loans made the Scandinavian-American Bank at Fargo. Here is a note of H. D. Ellis, which of course, would be given to the Scandinavian-American Bank, dated July 30, 1920, due Oct. 1, 1920, for \$,168.76, secured by certificate No. 52 for fifty-eight shares of stock in the Peoples State Bank of Casselton, N. D. That is correct, isn't it? A. Yes, sir.

Q. The par value of the fifty-eight shares of stock would be \$5,800.00, wouldn't it? A. Yes, sir.

Q. And to loan a man \$8,168.76 on \$5,800.00 worth of stock in the Peoples State Bank of Casselton, you would
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agree, wouldn't you, that that was a little excessive, taking into consideration the security? A. Yes.

Q. Now, then, we will leave that subject. You have got down to Jahnke and Hagen loans and in the Bank of North Dakota you find this H. D. Ellis not of \$8,168.76. Add that to your statement. Your attention is directed, Mr. Lofthus, to Page 57, of the collateral held by the Bank of North Dakota to loans made by the Scandinavian-American Bank and your note, do you not, that the Bering Seas Fisheries Company gave their notes, dated 5-5-20, and due 11-5-20 to the Scandinavian-American Bank at Fargo, and the Scandinavian-American Bank at Fargo turned that note over to the Bank of North Dakota as collateral, the amount of the note being \$5,000.00. I have interpreted that correctly, have I not? A. Yes.

Q. Well, add that \$5,000.00 to your list. Now, what is the amount of the notes that we have traced and loans made through the Scandinavian-American Bank and from the Scandinavian-American Bank into the Bank of North Dakota? A. \$25,634.75.

Q. Now, let's add up the ones that seem to have a political aspect. Our friends Hastings and Thomas Allen Box, on the "junk heap" that we referred to yesterday, they got \$5200.00 did they not? A. Yes, sir.

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Q. And on this real estate transaction that you referred to this morning in your testimony, they apparently received a consideration of \$6500.00, didn't they? A. Yes, sir.

Q. Our friend, P. R. Sherman appears to have obtained a loan of \$8,840.00 that you have referred to, and the League Exchange were the recipients of \$4,613.70. Now add those up Mr. Lofthus.

Q. What does the political state of these loans look like now in amount? A. I don't understand how you can call those political, outside of the one to the League Exchange.

Q. Well, I mean the men who are connected with the organization of these banks, etc. A. The total is \$25,153.70.

Q. Now, add those two amounts together, Mr. Lofthus? A. \$50,788.45.

Q. Now, yesterday, we agreed that the Bank of North Dakota had redeposited in the Peoples State Bank of Casselton, \$46,209.23 and that the other liability was \$7,005.00, which makes a total of \$53,214.23, that is correct, isn't it? A. Yes, sir.

Q. Now, what did the Casselton Bank have on deposit with the Bank of North Dakota, according to this report? A. \$4,937.91.

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Q. Now, subtract that from the amount of liability of the Casselton Bank to the Bank of North Dakota, so we can find just how much the liability of the Casselton Bank is to the Bank of North Dakota? A. \$18,276.32.

Q. And the total of these items that we have just added is \$50,788.45, isn't it? A. Yes, sir.

Q. Well, that gives us some idea of the way our money

has been used by the Casselton Bank, doesn't it Mr. Lofthus?

A. They were entitled to some redeposits, were they not?

Q. After looking over your examiner's report, what would you say about it, what would you say about putting the public funds of the people of the State of North Dakota in an institution that had a report of that kind? A. Well, assuming that it was all right.

Q. But let's assume it is just the way this report, filed in your office, says it is—this report is correct? A. Yes, sir.

Q. Now, do you want to say it would be good business or good banking to put the public funds of the State of North Dakota in an institution that was using its funds in a manner that this report would indicate? A. No, sir.

Recess taken for ten minutes, after which hearing resumed, and examination of Mr. Lofthus continued by Mr. Sullivan.

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Q. Mr. Lofthus, the other day in connection with your testimony, when your attention was called to the report that was made to the Supreme Court of the Scandinavian-American Bank situation, I think you said that you had hired Mr. Thatcher, or the Equitable Audit Company, to assist in the auditing and examination of the Bank? A. I had.

Q. In connection with your testimony also, and when your attention was directed to the report. I think you said you had, to a very large extent at least, taken the word of Mr. Thatcher for the figures. A. Why, yes, but I think the records will bear him out that the figures are correct.

Q. You think the figures are correct? A. Yes.

Q. But the question is this—you took Mr. Thatcher's statement for the correctness of them? A. Yes, sir.

Q. Now, the report that was being prepared was, to your knowledge, being prepared in connection with the application that was being made or contemplated to the Supreme Court to open the bank up? A. It was.

Q. And I assume, Mr. Lofthus, that that report, therefore, was being prepared in connection with the legal proceedings that were contemplated? A. Yes, sir.

Q. Well, you don't claim to be a lawyer, do you? A. I do not, most assuredly.

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Q. And you don't claim to know what the law is with reference to a situation such as you had with the Scandinavian-American Bank proposition? A. No, sir.

Q. Therefore, in the preparation of this statement you took Mr. Thatcher's word, you say for the figures? And I am going to inquire of you as to where you got the legal information necessary to prepare that report in the form that it is in? A. I don't think that subject came up.

Q. Well, it must have come up. You were preparing the report in connection with a legal proceeding, and must have been advised as to what the law was, what information the law would require. A. As to the form of that, of course, it was left to Mr. Thatcher, and I don't know whether he dictated the legal parts, or not.

Q. Well, don't you know whether Mr. Thatcher dictated the legal part of it, or not? A. I don't.

Q. Was Mr. Thatcher a lawyer? A. No sir.

D. Did you take any legal advice in connection with that examination and the preparation of these papers and this report? A. Mr. Lemke, of course, gave us legal advice.

Q. Mr. Lemke, the present attorney general? A. Yes, sir.

Q. Was he there at the time? A. He was there off and on.
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Q. Well, mostly on, wasn't he? A. No, he wasn't there all the time.

Q. Well, Mr. Lemke then had charge of the legal end of the matter, and whatever advice of a legal nature that you required in connection with the preparation of this report, you obtained from Mr. Lemke.

Q. And Mr. Lemke was available so you could consult with him whenever you saw fit to do so? A. Yes, sir.

Q. You didn't ever have any difficulty in finding him when you wanted to consult him, did you, that you now recollect? A. He wasn't there all the time, so that there was times that we had to wait for him.

Q. Certain times that you couldn't proceed until you had found him? A. Yes, sir.

Q. Certain times you said you had to wait for him to come back so you could go ahead? A. Yes, sir.

Q. And then when he came back, he outlined the matter to you and you proceeded with your examination? A. That is not fair, Mr. Sullivan.

Q. Well, I don't want to be unfair. A. You mix up the examination and this paper that was prepared.

Q. Well, Mr. Lemke told you did he not, what matters should be contained in the report so as to make that apply to the legal application that he was making, that is true, isn't it? A. It was largely left with him, I don't think that I—
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Q. Now, then, Mr. Thatcher provided the figures and you took his word largely for his figures, you state? A. Yes, sir.

Q. And Mr. Lemke gave the legal advice in connection with it? A. Yes, sir.

Q. Now, we are going to refer, Mr. Lofthus, to Committee's Exhibit 72, that you identified yesterday, The Peoples State Bank of Hillsboro, that is a League Bank, isn't it, so-called? A. I don't know as it is a League bank. I think it was originally organized or started to organize by Hastings.

Q. And then it got away from him, did it, and back under the control of people not connected with the political organization, is that true? A. There are some members that are not connected with the people's organization.

Q. Well, maybe that accounts for its being so good, that bank is in good shape, isn't it? A. Yes, sir.

Q. I was going to show that as a high light exception, Mr. Lofthus, but you have taken all of the wind out of my sails by saying it is not a League bank. Looking at this report as of October 4, 1920, that bank had on deposit with it \$39,423.25 of the moneys of the Bank of North Dakota, did it? A. It did.

Q. And were entitled to every cent of it, were they not under their statement? A. I believe so.
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Q. And when the National Non-Partisan League undertook to find some safe place to deposit its money, it deposited with the Peoples State Bank of Hillsboro \$42,843.82? A. Yes, sir.

Q. And they had that amount on deposit in that bank on the 4th day of October, 1920? A. Yes, sir.

Q. You didn't find any League money deposited in any of those other banks that we have examined here on the stand, did you? A. I have not.

Q. Our friend, P. R. Sherman, appears to have gotten a note into that bank in the sum of \$2,834.40. That is true, isn't it? A. Yes, sir.

Q. He secured that by \$3500.00 of Bickell, Kyllø & Company, of Duluth, bonds? A. Yes, sir.

Q. And as a matter of fact, that appears to be about the only paper in that bank that got any real criticism in this report? A. Yes, sir.

Q. Mr. Sullivan: Well, I am sorry you have changed that from a League bank. I wanted to find one that was in good shape.

Q. Now, let's take the Peoples State Bank of Grand Forks? A. Yes, sir.

Q. When was it closed, Mr. Lofthus? A. It was closed on February 17, 1921.

Mr. Sullivan: The time is short, and I couldn't finish with this before noon, so we will excuse Mr. Lofthus and call another witness.

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Louis P. McAneney, called as a witness, was duly sworn, and testified as follows:

Examination by Mr. Sullivan:

Q. Just state your full name? A. Louis P. McAneney.

Q. You are employed in the Bank of North Dakota? A. Yes, sir.

Q. And in what capacity, Mr. McAneney? A. Credits Department Director.

Q. Director of the Credits Department? A. Yes, sir.

Q. And how long have you been employed in the Bank in that capacity? A. Well, practically since its organization.

Q. And what, Mr. McAneney, do your duties consist of? A. They have to do with all loans made to banks.

Q. And what do you have to do with them, Mr. McAneney? A. I don't understand your question, Mr. Sullivan.

Q. Well, you say you have to do with all loans made by the Bank of North Dakota? A. Yes, sir.

Q. Now, I just want to amplify that a little, just how do you pass on them? A. Well, I have a pretty fair knowledge, owing to my experience as a deputy examiner, some years ago, in most of the banks in the state.

Q. Well, I want to get at the practice followed in the Bank?

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The banker who wishes to make a loan for his bank comes to the Bank of North Dakota to obtain this loan. Now, just what part of the procedure in connection with his making a loan do you have to do with? A. Well, I have in most cases practically all of it.

Q. And do you pass upon and decide whether or not any particular bank shall have a loan? A. Often times, I grant the loan myself, and other times I take it before the Finance Committee.

Q. That would depend, of course, upon the amount of the loan, the bank, and such other circumstances as you might feel should be taken into consideration in determining whether or not a loan should be made? A. Yes, sir.

Q. And if those circumstances are such that you do not feel you should pass on that matter yourself, then you submit it to the Finance Committee? A. Yes, sir.

Q. And the Finance Committee is composed of who? A. The heads of the different departments.

Q. Just who is that constituted of at this time, Mr. McAneney? A. Mr. Cathro is chairman, and Mr. Johannsen, and myself.

Q. Then the matter of making all loans to the various banking institutions of the state is either passed upon by yourself, personally, or by yourself, Johannsen and Cathro?

A. At this time, yes.

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Q. How long now, has that practice been in vogue, Mr. McAneney? A. Well, ever since we started out.

Q. That has, at all times, been the practice in the bank?

A. Yes, sir.

Q. Now, since you have been in the bank, have you been continually in attendance upon the bank? A. Yes, sir.

Q. Well, have you ever been away from your duties in the bank? A. Yes, sir.

Q. Do you remember when you were away, Mr. McAneney? A. I am away quite often for two or three days at a time, very frequently.

Q. And while you are absent, who passes upon the loans? A. The other members of the Finance Committee.

Q. Have you been away for any considerable period of time? A. Not to exceed two weeks at any one time.

Q. Well, when were you away two weeks, about when? A. About a year ago.

Q. In February, that would be 1920, about that time? A. Yes, sir.

Q. Where were you at that time, Mr. McAneney? A. I was down in Florida, and at Washington, D. C.

Q. Did you go to Florida on any business? A. Yes, sir.

Q. And who suggested that you go to Florida, Mr. McAneney? A. Why, I think I could say that that was on my own initiative.

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Q. Well, did you talk it over with somebody before you went? A. Mr. Cathro knew I was going and other members of the Bank Board.

Q. Did you discuss the object of your trip with Mr. Cathro before you left? A. I think not.

Q. Did you advise Mr. Cathro, or tell Mr. Cathro, what you were going down for? A. I don't think I did.

Q. Well, who else did you discuss it with, Mr. McAneney? A. I discussed it with Mr. Craig.

Q. Who is Mr. Craig? A. Ray Craig.

Q. Mr. Ray Craig, who was at that time—what do you call it, what was his official title? A. League Manager.

Q. Manager of the Nonpartisan League in North Dakota? A. Yes.

Q. And when did you first discuss it with Mr. Craig? A. It was about the time I left for the trip.

Q. Did you discuss it or talk to him about it before you left on your trip? A. Yes, sir.

Q. By telephone, or otherwise? A. Otherwise.

Q. Personally? A. Yes, sir.

Q. Where? A. Fargo.

Q. And was your trip down there in accordance with his desires also? A. Partly.

Q. In any event he concurred in the object of the trip? A. Partly, is all.

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Q. Well, was there any substantial conflict between you and him as to what the object of the trip would be? A. No, sir.

Q. You left then for Florida from Fargo? A. From Bismarck.

Q. But stopped off at Fargo? A. No, I had seen him prior to that time.

Q. You had seen him at Fargo and came back to Bismarck and then left from Bismarck? A. Yes, sir.

Q. Well, who had suggested that you go to Fargo to see him, if anybody? A. I think that he told me over the telephone that he wanted to see me.

Q. He had first called you up over the telephone? A. I believe so, yes.

Q. And had asked you to come to Fargo? A. Yes, sir.

Q. You went down to Fargo and discussed the matter with him? A. Yes, sir.

Q. And then you came back to Bismarck? A. Yes, sir.

Q. And then discussed it with Mr. Cathro? A. I simply told him I was going to be away for a few days.

Q. You didn't tell him where you were going? A. I might have told him where I was going, but I didn't tell him what for.

Q. Then you left Bismarck for Miami, Florida? Yes, sir.

Q. Now, when you got to Florida, at Miami, who did you

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see there, Mr. McAneney? A. I saw Mr. Waters.

Q. Mr. J. R. Waters? A. Yes, sir.

Q. Anybody else from North Dakota? A. Mr. Brinton.

Q. Anybody else from North Dakota? A. I think not.

Q. Did you see our old friend, Alex McKenzie down there? A. Yes, sir.

Q. That is all of the North Dakota people that you remember having seen? A. Yes, sir, aside from Mrs. Waters and Mrs. Brinton, of course.

Q. What hotel did you go to down there, Mr. McAneney?

A. I stopped at the Tamiami.

Q. What name did you use in registering at the hotel? A. I think I used my own name.

Q. Did you register your own name at the hotel? A. I think so, I think I did.

Q. Do you think you did? A. Yes, sir.

Q. Your statement that you thought you did, might indicate that you had some doubt as to whether or not you did. Now, will you tell us what it was that might raise a doubt in your mind as to whether or not you registered under your own name? A. Well, I wasn't particularly anxious that anyone know where I went.

Q. And as a matter of fact, didn't you register down there in the hotel under the name of—what is your wife's family name? A. Murdick.

Q. Was that the name? A. That is my wife's family's name.

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Q. Was that the name you used? A. I told you I don't know whether I registered under any name but my own, although I might have had it in mind, I will say that.

Q. And when you went up to the clerk that morning that you arrived and asked whether or not there was any mes-

sages for you, what name did you give? A. Well, I don't remember.

Q. What name was it—you said you had in mind that you didn't want anybody to know that you were down there and that raises a doubt possibly in your own mind as to whether or not you registered your own name. Now, what name would you have registered under if you had registered under an assumed name? A. Well, that would be pretty hard to tell, it might have been Jones or something else.

Mr. Sullivan: Mr. McAneney I don't find that I have my notes on that here, and it is about adjournment time anyhow, and I would suggest that you sort-of-think it over between now and tomorrow morning and I will try to find my notes on it and maybe I can refresh your memory on it at that time.

On motion of Mr. Johnson of Ward, seconded by Mr. Ulland, adjournment taken until 9:30 A. M. February 23, 1921.

End of February 22, 1921.

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FEBRUARY 23, 1921.

Meeting called to order by the Chairman at 9:30 a. m., with all members present, except Messrs. Johnson of Steele, Weld, and Hanson. The attorneys and reporter were also present.

Minutes of previous meeting read by the secretary and approved as read.

LOUIS P. McANENEY, recalled as a witness, and testified as follows:

EXAMINATION BY MR. SULLIVAN:

Q. Mr. McAneney, I think at the close yesterday we were discussing the question of whether or not you had registered down in Florida on that trip that you referred under an assumed name. Do you remember now whether or not you did? A. I don't remember, no sir.

Q. You said you saw Mr.— if you saw a copy of the hotel register down there would you be able to tell your handwriting on it, Mr. McAneney? A. I think so.

Q. You think that would refresh your memory as to what name you might have used in case you did use one? A. I think I could identify my handwriting perhaps, better than I could remember it.

Q. Well, let's leave it this way—would you swear that you

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didn't sign a register down there in an assumed name? A. No sir.

Q. You said you saw Mr. Waters down there? A. Yes, sir.

Q. And discussed with Mr. Waters the question of his resignation as manager of the bank? A. Yes, sir.

Q. Will you tell us, Mr. McAneney, just what you told Mr. Waters was the object of your trip? A. I told him certain rumors that I had heard up here, certain things that had been told to me.

Q. Do you remember now what the rumors were that you told Mr. Waters you had heard? A. Yes, sir.

Q. Well, while we are on it we might as well put them in the record. Go ahead and tell us what you told him? A. I was told there had been a true bill returned against him in Federal court.

Q. You mean an indictment? A. I mean a true bill.

Q. A true bill, or indictment is the common designation of a true bill, isn't it? A. Yes. As I understand it a true bill is something that just precedes an indictment but amounts to practically the same thing.

Q. One is a sort of "non de plume" for the other? A. Yes.
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Q. You say you told that to Mr. Waters? A. Yes, sir.

Q. And you say that you had been told that? A. Yes, sir.

Q. Who had you told that Mr. McAneney? A. Mr. Craig.

Q. Ray Craig? A. Yes, sir.

Q. The North Dakota manager of the Nonpartisan League at that time? A. Yes sir.

Q. And he had told you that at Fargo? A. Yes sir.

Q. Did you ever ascertain whether or not that statement was true, that an indictment or true bill had been returned against Mr. Waters by the grand jury? A. No sir.

Q. You didn't investigate yourself, personally, before you went to Fargo? A. No sir.

Q. Did you ascertain or were you told what it was claimed that indictment or true bill was based on? A. No, I don't know.

Q. And you have not since ascertained? A. No, sir.

Q. Well, then you suggested to Mr. Waters that he should hand in his resignation? A. Yes, sir.

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Q. At that time you were very friendly to Mr. Waters? A. Yes, sir.

Q. You and Mr. Waters had been very close friends and associates? A. Yes, sir.

Q. And had Mr. Craig suggested that you obtain the resignation of Mr. Waters?

A. I thought it was my duty, as a friend of Mr. Waters to suggest to him that he resign.

Q. But I am asking you, Mr. McAneney, if Mr. Craig had talked that matter over with you when you were down at Fargo at this consultation before you went to Fargo, or to Florida, rather? A. He concurred with me in the opinion that it would be the wise thing for him to do.

Q. Tell me, was there any resignation prepared before you left North Dakota? A. There was a draft of one, yes, sir.

Q. Who prepared that, Mr. McAneney? A. Mr. Craig and myself.

Q. And you prepared that at Fargo? A. Yes, sir.

Q. And that was prepared at Fargo at the time you went down to see Mr. Craig, that you have referred to? A. Yes, sir.

Q. And did you take a duplicate of that draft of the resignation with you? A. Yes, sir.

Q. And I assume you left a duplicate of it with Mr. Craig?

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A. Yes, sir.

Q. I assume also that you made, possibly, some arrangement with Mr. Craig to advise him as to the result of your trip to Florida, from Florida? A. Yes, sir.

Q. Am I right in the assumption that you previously arranged that in case Mr. Waters signed a resignation that you would wire Mr. Craig to that effect? A. Not necessarily sign it—if it was acceptable to him and it met with his approval.

Q. That is, you were to advise Mr. Craig that Mr. Waters would resign? A. Yes, sir.

Q. Then when you talked to Mr. Waters about it and suggested his resignation what did he say? A. He said he would resign and the resignation which was prepared met with his approval.

Q. Well, didn't he tell you that he had resigned and filed his resignation before he left North Dakota? A. He told me that he wrote the Governor, which would possibly mean his resignation.

Q. He told you he had written the Governor a letter which would mean his resignation? A. Well, in that letter he demanded certain things that he didn't expect the governor would agree to, and in that case his resignation would be forth coming.

Q. In other words, he explained to you that the result of

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what he had done before he left North Dakota was such that it would automatically undoubtedly act as his resignation? A. Yes sir.

Q. Well, did you see Mr. Waters sign any resignation at all down there? A. No, sir.

Q. Did you see any resignation down there in Florida that was actually signed by Mr. Waters? A. I couldn't swear that he signed it. He asked me for this draft that I took with me and sat down to a typewriter, and which I presumed he made a copy of.

Q. Making a copy of the resignation that you showed? A. Yes, in fact he told me it was a letter he was writing to the Governor, but I didn't see him sign it.

Q. He said he was writing a letter to the Governor? A. He was copying off this draft and making it his official resignation.

Q. You saw him copying it? A. Yes.

Q. And you checked what he was writing on the typewriter with what was sitting there on the table to see if it was a copy of it? A. No, sir. I didn't do that. He told me what he was doing.

Q. Said he was writing a letter? A. Yes.

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Q. And he had this resignation you brought down with you when he was writing to the Governor? A. Yes.

Q. And from that you assumed that he was recopying this resignation that you brought down? A. Yes, sir.

Q. That is an assumption on your part? A. Yes, sir, but I want to say here that he went with me to the telegraph office when I wired Mr. Craig that the resignation would be forthcoming, and that the draft met with his approval.

Q. Did he dictate the telegram? A. He read it after I wrote it out.

Q. Did you say anything in the telegram about his having already left a resignation with the governor? A. No, sir.

Q. Did you tell Mr. Waters what you had heard as to what this so-called true bill by the grand jury was based on? A. I didn't know.

Q. I know you didn't. Did you tell him what you had heard? A. Well, the party I got my information from didn't tell me.

Q. You went down there without any knowledge or hearsay as to just what the indictment was based on? A. Yes, sir.

Q. Well, did you have any discussion with Mr. Craig as to
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what it was probably based on? A. I think not.

Q. Wasn't there some talk between you and Mr. Craig as to the probability of it being based on that so-called "Shoot-it-to-other-banks" letter? A. No sir.

Q. Mr. McAneney, do you know now or remember about when the first loan was made by the Bank of North Dakota to the Scandinavian American Bank? A. I couldn't say, no sir—In the spring of 1920, I couldn't say what month.

Q. The first one we appear to have here is April, 19, 1920. Would you say that was about correct, from your memory? A. How much is it?

Q. \$30,000. A. I think there was one before that.

Q. What time of the year would you say the first loan was made? A. I think it was in the early spring, but it was before that perhaps.

Q. Your best recollection is that it was in the early spring of 1920? A. Well, possibly around the first of the year. Our records will show that.

Q. After the—the first one that appears to be unpaid on our statement, the Bishop, Brissman statement, appears to be April, 1920. That is, remaining unpaid? A. Well, the first loan was before that.

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Q. How much was that? A. \$50,000.

Q. That was before April, 1920? A. Yes, sir.

Q. How long before that, to the best of your recollection? Just your best estimate? A. Well, I said it was about the first of the year, but I will bring the information over, if you would rather have it.

Q. Now, Mr. McAneney, when was your first knowledge obtained as to the condition of the Scandinavian-American Bank, as to its real condition? A. Well, I helped to examine the bank in 1917. I suppose it dates back that far.

Q. To 1917? A. Yes, sir.

Q. When did you become a director of credits in the bank of North Dakota? A. About June, 1919.

Q. Well, at that time, in June, 1919, did you have knowledge as to the real condition of that bank, Mr. McAneney? A. I think so.

Q. At that time when you first became credit manager, you knew that the Scandinavian-American Bank was not what you would call in good condition? A. I figured it compared favorable with the majority of banks.

Q. That is what you figured in June, 1919? A. Yes, sir.

Q. Well, by the way, did you ever discuss with Mr. Town-
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ley his co-called bank scheme? A. No, sir.

Q. You never had any discussion with him? A. No sir.

Q. Did you have any knowledge when the deposits were being made in the Scandinavian-American Bank that the Scandinavian-American Bank was holding large amounts of post dated checks as collateral security for its loans? A. I don't think I did.

Q. When was the first time you discovered, Mr. McAneney, that the Scandinavian-American Bank was holding the post dated "League" checks as collateral security to loans which that bank was making? A. I think it was at the time of the so-called "raid" down there.

Q. The time Mr. Langer went down there? A. Yes, sir.

Q. And investigated it? A. Yes, sir.

Q. Well, up to the time of the Langer "raid" who had charge of the policy of the Bank of North Dakota, with reference to the placing of money on redeposit in that bank? A. I happen to know from my own knowledge that Mr. Waters was responsible for that deposit, a large share of it.

Q. Mr. Waters, you say, was responsible for a large share
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of the deposit? A. Yes.

Q. Well, was anybody else? A. Not to my knowledge.

Q. You yourself had made no objection to it? A. No, sir.

Q. And Mr. Cathro had made no objection to it that you know of? A. No, sir.

Q. Up to the time of the so-called "Langer raid" there had been no loans made to the Scandinavian-American Bank? A. No, sir.

Q. And at the time of the "Langer raid" you say you discovered that quite a large amount of the loans the bank was making were being secured by post dated checks? A. Yes, sir.

Q. Did you have any information as to the condition of the Bank after it had been opened by the Supreme Court? A. I didn't know anything about the post dated checks excepting what I saw in the papers following the "raid."

Q. What papers did you see it in? A. Oh, both papers—the Fargo Forum, I think.

Q. You read the Fargo Forum as to the condition of the Scandinavian-American Bank? A. Yes, sir.

Q. Did you make any investigation to see whether what the Forum said about the condition of the Bank was true? A. No, sir.

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Q. Did you make any investigation as Credits Manager of the files in the Supreme Court touching upon the condition of the Scandinavian-American Bank? A. No, sir.

Q. You hadn't read Mr. Halldorson's report as to its condition? A. I saw parts of it. While I never saw the report, I read that in the newspaper also.

Q. Did you make any investigation in the office of the State Examiner as to the condition of the Scandinavian American Bank? A. I think not.

Q. Well, you did go down there, did you not, with Mr. Waters to examine that bank after the so-called "Langer raid" and before any loans were made to the Scandinavian-American Bank by the Bank of North Dakota? A. I went down there with him and we made a partial examination.

Q. Well you made enough of an examination to satisfy both of you as to its condition? A. I wouldn't say that I did. We ran through the notes hurriedly, but I don't know whether that was before we made any loans or not. It was after the "raid."

Q. Well, you remember the time, at least, of a bunch of
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paper being sent up by the Scandinavian-American Bank for rediscount? A. Yes, sir.

Q. Do you remember about what the amount of that paper was? A. I think all the paper I seen at that time was about \$60,000.

Q. Well, how did you come to—or who did you go down to Fargo with at the time you made this examination that you refer to? A. Mr. Waters.

Q. At his request? A. Yes, sir.

Q. And when was it that you went down there, Mr. McAnaney? A. It was on New Years Day, 1920.

Q. Well, it was on New Years Day that you made the examination? A. Yes, sir.

Q. And you went down on December 31st, New Years Eve? A. Yes, sir.

Q. And you examined it on January 1, 1920? A. I think so, yes.

Q. How much time did you spend in the bank that day in this examination? A. Possibly a couple hours.

Q. Not more than that? A. Not in actual work.

Q. Well, did you find enough in that couple hours to satisfy you or give you the information that you sought, which was the object of your trip? A. I didn't express an opinion. Mr. Waters seemed to be satisfied that he had all the information he wanted.

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Q. Well, you went along to assist and advise with Mr. Waters in the matter. You didn't make any suggestion that you had better make any further investigation than the two hour investigation? A. I don't remember that I did.

Q. If you hadn't been satisfied yourself there was nothing to prevent your spending additional time on it? A. No, sir.

Q. Was Mr. Hagen in the bank when you were there? A. I couldn't swear that he was, but I presume he was. I don't remember.

Q. Well, in that two hours investigation that you refer to, you went over the notes that were held by the Scandinavian-American Bank, did you not? A. Yes, sir.

Q. And undoubtedly you ran across the same line of notes that you were familiar with and knew were in the bank? A. Yes, sir, part of them at least.

Q. Such notes as the Consumers United Stores Company? A. I don't recall any notes signed by the Consumers United Stores Company.

Q. Well, you knew the Consumers United Stores Company loan was secured by accommodation notes by various individuals? A. I remember those notes, yes.

Q. They amounted to \$150,000 or more? To fifty or sixty thousand or more? A. Yes.

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Q. And the National Nonpartisan League paper? A. Yes, sir.

Q. And the Publishers National Service Bureau paper? A. I don't recall exactly, but I think it was there all right.

Q. And it appeared that as a matter of fact all of this, or a substantial amount of this paper that you had read about in the Fargo Forum that you referred to, was in the Scandinavian American Bank at the time you made that investiga-

tion? A. Well, I think it had been materially reduced. It wasn't as large as the Forum had reported.

Q. But the same makers and the same sort of collateral security was in the Scandinavian American Bank at the time you and Mr. Waters made that examination on January 1, 1920? A. I didn't examine the collateral. I was told what it consisted of.

Q. Told that it consisted of these post dated checks and so forth? A. Yes, sir.

Q. Well, at that time you discovered that while you didn't check the amounts, that the Fargo Forum's statement as to the quality and personnel of the makers of this paper was substantially correct? A. I relied on the information given me as to the class of collateral. The individual makers of these notes I didn't know anything about.

Q. Well, you discovered that the makers of these notes
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were accommodation makers, did you not? A. I presumed they were, although I had no reason to.

Q. Well, Mr. Hagen or some official of the bank was present? A. They were in the banking room. They didn't sit down and go over the paper with us though.

Q. Well, there wasn't any question in your own mind about it, about their being accommodation makers? A. I had no reason to suspicion it.

Q. You had no reason to suspicion they were anything else on that League paper? A. You are talking about the Consumers Stores Company now. Q. Yes, A. I assumed they were.

Q. Well, did you and Mr. Waters at that time have any conversation as a result of your investigation as to what condition that bank was in? A. I don't recall.

Q. Well, you went down there to investigate the condition of the bank, Mr. McAneney, and you certainly talked it over between yourselves after you examined it, didn't you? A. Well, we agreed that the bank wasn't one hundred per cent. perfect.

Q. Well, you agreed that it was rotten? A. I don't think so.

Q. Well, not necessarily rotten, but that it had a rather fatal disease working at it from the inside? A. I was of the
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opinion that it needed considerable fixing, but no more than a lot of other banks.

Q. I am not asking you about other banks. We are talking about the Scandinavian-American Bank. Yes, you are right. There have been about thirty-three or thirty-four of them that have been closed. But you decided, did you not, as a matter of fact, that that bank needed a lot of fixing in order to make an institution that would justify you men in putting the public funds of the state of North Dakota in it? You decided that between yourselves, did you not? A. I can't remember what the conversation was. I had my opinion and he had his.

Q. Well, you had an opinion that was very much in accord with the one I have just stated, didn't you? A. I wouldn't say a "lot of fixing." It had its matters that were subject to criticism all right.

Q. It would be subject to pretty severe criticism would it not? A. On certain things, yes.

Q. And if you, Mr. McAneney, yourself, individually, had to say whether or not you would put any of your money on deposit in that bank you would hesitate about putting it in there, wouldn't you, after you had gotten that information that you got on that examination? A. Any great amount, possibly.

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Q. Well, I suppose if a fellow had a \$1.10 or something like that he would just take a chance, but any substantial amount of money—you would have hesitated to put it in that Scandinavian-American Bank in the condition in which you found it on January 1, 1920. That is true, isn't it, Mr. McAneney? A. I had nothing to do with putting these deposits there.

Q. You know I didn't ask you that. I know you wouldn't have put that there. I don't believe if it had been you all alone, without any influence from anybody else that you would, but I am asking you this: after you had found out—now eliminate from consideration all other considerations and eliminate all other influences that might be brought to bear on you and taking into consideration the knowledge that you got here on January 1st, isn't it true that you wouldn't have put any substantial amount of money in that bank in the condition in which it was? A. Well, that is hard to say. I wasn't so concerned over the condition of that bank. I thought at that time that the so-called "League" paper had shown such large reductions that it looked much better than it did at the time of the "raid."

Q. Looked better than it did at the time of the "raid?" A.

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Yes, sir, very much so.

Q. And you want to say that you wouldn't have hesitated, in the condition you found the bank in on January 1st, that you would not have hesitated in putting money in that bank in substantial sums? A. What do you call substantial sums?

Q. Well, what do you call a substantial sum? A. I wouldn't hesitate to put in any amount I might have to deposit.

Q. Well, that would depend on how much you had to deposit. If you were like me you might have only \$1.10 and wouldn't care where it went to. I am talking about a substantial sum of money, a sum that would make you be concerned as to its safety. Take some of your own money in an amount that would give you concern for its safety, would you put it in the Scandinavian-American Bank? A. A reasonable amount, I would. I wouldn't put any big amount of my own money in any bank.

Q. Well, you wouldn't put any substantial amount in there? A. Probably \$1500 to \$2000.

Q. In the condition you found it at that time? A. Yes, sir.

Q. With all these various loans outstanding to "League" industries secured by post dated checks? A. Yes, sir.

Q. Made on accommodation paper by men that you knew

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were not worth thirty cents in the world? A. I would have put it in there.

Q. Well you are a good sport. When you were down at the Scandinavian-American Bank making this investigation,

did you see Mr. Lemke? A. I don't recall it. I don't think I did.

Q. Well, maybe I could refresh your memory on it. When you and Waters were over at the bank, isn't it a fact that Lemke called up the bank and then you and Waters went over to Lemke's office in the Nonpartisan League Headquarters? I think it was in the evening, if I am informed correctly. A. We might have. I don't remember the trip at all.

Q. You don't remember the trip at all? A. No, sir.

Q. Well, you wouldn't swear that you didn't go over there? A. No, sir.

Q. And you wouldn't swear that you and Mr. Waters had a talk with Mr. Lemke at his office in the League headquarters on that trip? A. No, sir.

Q. Well, to refresh your memory, a little further, didn't you and Mr. Waters go over to Lemke's office and didn't Lemke inquire as to what condition you found the bank in and didn't Waters tell him at that time that the condition that you found there and didn't he say to him that the condi-

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tion of that bank was absolutely rotten or words to that effect? A. I can't recall being in Lemke's office at all, and I don't remember the conversation.

Q. But you wouldn't swear that it didn't take place? A. No, sir.

Q. Well, you heard Mr. Waters express the opinion that it was rotten? A. He told me something to that effect, personally. I don't know whether he told anybody else or not.

Q. Well, he told you something to that effect? A. Yes, sir.

Q. There wasn't any question in your mind as to what Mr. Waters thought as to the condition of the Scandinavian-American Bank as you found it at that time? A. No, sir.

Q. He made it sufficiently expressive so you do remember what he thought about it? A. Yes, sir.

Q. And what he thought about it was that it was rotten or to that effect? A. Yes, sir.

Q. Well, when you came back from Fargo, you and Mr. Waters went up to see the Governor. Am I right about that? A. I remember of one time he and I went up to see the Governor, but I don't remember whether it was right after we got back from Fargo.

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Q. Well, maybe I can refresh your memory on that. A day or so after you got back from Fargo, isn't it true that Mr. Waters asked you to go up to the Governor's office with him and didn't you and Waters go up to the Governor's office, and when you got up there, Lemke was there, and at that time Mr. Waters advised the Governor as to the condition of the Scandinavian-American Bank. Now does that refresh your memory on it? A. Well, I remember going up there on one occasion and I presume it was the same time.

Q. That I am referring to? A. Yes.

Q. Well on the occasion that you do remember now Mr. Waters went up there with you or you with Mr. Waters? A. Yes, sir.

Q. Did you meet Mr. Lemke in the Governor's office? A. I don't remember Lemke.

Q. Well, you do remember the Governor being there? A. Yes, sir.

Q. Do you remember Mr. Waters expressing his opinion of the Scandinavian-American Bank to the Governor? A. Yes, sir.

Q. And he expressed to the Governor the same opinion that he had expressed to you, Mr. McAneney? A. Practically so, yes, sir.

Q. And from what he said to the Governor there wasn't any
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question or couldn't be any question but what he intended to convey the idea that the condition of the Scandinavian-American Bank was rotten? A. It would appear that way, yes sir.

Q. Any person hearing Jim talk about a matter of that sort would not have much question in his mind as to what Jim might think about it, would he? A. No, you are right.

Q. And now to refresh your memory, when Jim had delivered himself of this opinion, do you remember the Governor inquiring of Lemke as to what Lemke thought of what Waters had said? A. No, sir, I don't.

Q. Do you remember hearing Lemke say that Jim was just a little bit over-zealous and anxious about the matter and that there wasn't any real ground for being concerned? Do you remember anything of that sort? A. No, sir.

Q. You wouldn't swear that that didn't happen, though? A. No, sir.

Q. The way you want the committee to take your testimony on that is perfectly plain—that you are not swearing that it didn't happen and you are not swearing that it did happen? A. That is exactly it.

Q. Do you remember hearing Jim say to the Governor about the time you and Waters left, to the effect that

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"Well, Governor, if anything happens to that bank just bear in mind that it isn't a case of where Waters knew it and didn't tell you because I have been up there and told you all I know about it" or words to that effect? A. I don't recall him saying that.

Q. Well, you knew that was the object of the trip up there, didn't you, Mc? A. I know that he went up to express his views on the bank matter, yes.

Q. On the Scandinavian-American Bank matter? A. Yes, sir.

Q. And you knew he went up there for the purpose of giving the governor information as to what Waters considered the condition of the Scandinavian-American Bank? A. Yes, sir.

Q. Did you yourself discuss the condition of the Scandinavian-American Bank with Lemke? A. I don't recall ever having done so.

Q. Did Lemke ever ask you anything about the condition of that bank after you made the examination of that bank on January 1, 1920? A. I think not.

Q. Mr. McAneney, I will just ask you to read into the record the loans as shown by the books of the bank made by the Bank of North Dakota to the Scandinavian American Bank?

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A. C. D. No. 11542, \$50,000, dated 11-25-19 and paid 5-24-20; C. D. No. 11637, \$20,000, dated 12-30-19, paid 1-15-21; C. D. No. 11737, \$50,000, dated 3-22-20, paid by renewal 9-22-20; C. D. No. 11832, \$30,000, dated 4-19-20, paid 1-15-21; C. D. No. 11889,

\$21,800, dated 5-24-20, paid 1-15-21; C. D. No. 12172, \$25,000, dated 6-14-20, paid by renewal 10-14-20.

Q. Well, from the statement you have just given us, Mr. McAneney, it would appear that the loans from the Bank of North Dakota to the Scandinavian American Bank only amount to \$75,000. Will you straighten that out for us? A. On June 23rd, 1920, it was \$136,011.85, as shown by this report.

Q. That is, by "this report" you refer to the report that was given to Mr. Cathro? A. Yes, it is incomplete though. All the information isn't on this one.

Q. As a matter of fact, on June 23, 1920, the balance of bills payable by the Scandinavian-American Bank to the Bank of North Dakota amounted to \$135,011.85? A. Yes, sir.

Q. And therefore you would say that the statement which Mr. Cathro presented here is incomplete as to transactions up to that date? A. Yes, it is complete up to that time, but incomplete at the present time.

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Q. Do you know what is the amount of the bills payable owing from the Scandinavian-American Bank to the Bank of North Dakota at this time? A. I think it is approximately \$196,000.

Mr. Chairman: That is exclusive of the redeposits? A. Yes, sir.

Q. Do you remember about what the total of the obligations of the Scandinavian-American Bank is to the Bank of North Dakota at this time, including the redeposits? A. I think about \$428,000.

Q. Now you say that the present obligation of the Scandinavian-American Bank to the Bank of North Dakota is about \$428,000 in round figures? A. Yes sir.

Q. Well, Mr. McAneney, if you yourself had had charge and control over the loans of the Bank of North Dakota, would you in your own, good, sound judgment have permitted the Scandinavian-American Bank, in the condition in which you knew it to be, to have become obligated to the Bank of North Dakota in that sum? A. If I had been handling it alone, I wouldn't, no sir.

Q. Then it is true, Mr. McAneney, that you wouldn't have extended credit for the loans that were made to the Scandinavian-American Bank in the sum they were made if you had

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been left to your own, good, sound judgment? A. No, sir.

Q. That is true? A. That is true.

Q. You wouldn't have done it? A. No sir.

Q. Then as a conclusion from that the committee must conclude that you were not permitted to use your own, good, sound judgment in the matter, but that you, but that you, in permitting those loans to be made, were influenced by some other person or some other considerations other than your own good, sound judgment? A. To a certain extent, yes, sir.

Q. Then we are to conclude that it is these other considerations or influences, other than your own good judgment that are responsible for the big obligation which is today owed by the Scandinavian-American Bank to the Bank of North Dakota? That is true, isn't it? A. Well, I am not trying to shift the responsibility, but I wouldn't lend that much to any bank without consulting with someone else.

Q. And you wouldn't have loaned it to this bank on your own independent judgment, would you? A. No, sir.

Mr. Chairman: You stated you had no knowledge given you by anyone else as to the basis of this true bill returned against
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Mr. Waters. Do you know of your own knowledge what the bill was based on? A. No, sir.

F. W. CATHRO, having been recalled as a witness, testified as follows:

EXAMINATION BY MR. SULLIVAN:

Q. Mr. Cathro, you were to get for us a statement of the deposits in the Walcott State Bank, I believe, as of the day of the closing of the Scandinavian-American Bank. Have you got that? A. I have.

Q. The date of the return of Mr. Lofthus and Mr. Thatcher to the Supreme Court in connection with the application to re-open the Scandinavian-American Bank is the 22nd of October, 1919. Can you tell us how much money the Bank of North Dakota had on deposits in the Walcott Bank at that time?

Mr. Chairman: Which bank? Are there more than one?

A. I have the statement here of the First State Bank of Walcott.

Q. Was that the one we asked you for, Mr. Cathro? A. Yes, sir.

Q. Give us the balance of deposits by the Bank of North Dakota in the First State Bank of Walcott on the 27th day of
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October, 1920? A. \$20,080.

Q. Now can you give us the amount of loans that were made by the Bank of North Dakota to the First State Bank of Walcott as of that date? A. I don't know that we had any loans on that day.

Q. You were to bring us also, Mr. Cathro, I think, the individual ledger of the Coleharbor bank as of June 23rd, 1920? A. I was.

Q. Have you got that here? A. Yes, sir.

(Exhibit No. 106)

Q. This paper marked Committee's Exhibit No. 106, will you tell us what that is, Mr. Cathro, please? A. That is a copy of the ledger account of the Farmers State Bank of Coleharbor with the Bank of North Dakota, consisting of redeposits.

Q. That gives the detail of it? A. It does.

Q. And that is a full, true, correct and complete copy of the original which is the Bank's original record? A. It is.

Q. That would indicate that on January 31, 1921, the Bank of North Dakota had on redeposit with the Farmers State Bank of Coleharbor \$23,943.44? A. That is correct.

Q. And on June 23rd, 1920, the Bank of North Dakota had on redeposit with the Farmers State Bank of Coleharbor \$29,254.75? A. It does. -

Q. It would appear that the principal large deposits made
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in this bank in the year 1920 were made as follows: January 31st, \$10,600. That is correct? A. Yes sir.

Q. On March 4th, \$7,000? A. It is.

Q. And on April 24th, \$2,000? A. It is.

Mr. Sullivan: We will offer in evidence the exhibit, Committee's Exhibit 106.

Q. Now the Scandinavian-American Bank, I think we asked that you—

A. Mr. Sullivan, before you leave this question it would probably be proper I should think to discover what those items are that you called attention to.

Q. It shows right on its face? A. This \$10,000 is a seed and feed bond and interest that was returned to that bank, a number of similar bonds having been returned to a number of banks in that county as public funds.

Q. Well, there were not any funds that are deposited up there that wouldn't come under the designation of public funds, were there, Mr. Cathro? A. Not in that particular bank.

Q. Have you a statement of the loans made to the Farmers State Bank of Coleharbor? By the Bank of North Dakota? A. No, I believe I have not.

Q. Maybe you could just get that and certify to it yourself, Mr. Cathro, so our record may be completed. Just make a

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statement and certify to it yourself as being correct and hand it to the Chairman? A. Very well. Now in this same connection this same bank had on deposit with the bank of North Dakota on that same date \$8,919.93.

Q. Do you know what the total liability is at this time of the Farmers State Bank of Coleharbor to the Bank of North Dakota? A. I couldn't answer that question without verifying the loans. I don't recall the loans at the present moment. The net difference of the amount on deposit would be less than \$19,000.

Mr. Chairman: You stated that \$10,600 was redeposited with the Bank, being the proceeds of seed and feed bonds. Did those seed and feed bonds originate in McLean county. In other words, were they McLean county seed and feed bonds? Do you remember? A. Yes, and other bonds. Ten of them were deposited in the Bank of North Dakota by the county treasurer of McLean county.

Q. Bought by the Bank of North Dakota? A. They were deposited. Q. And credit being given this bank of the proceeds of them? A. And the checks representing one of these bonds was returned to the Farmers State Bank of Coleharbor for redeposit.

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Q. Now Mr. Cathro, the bank sent out a statement, a condensed statement of its condition as of date February 15, 1921, which was printed and which statement is signed by yourself? That is true? A. It did.

Q. I show you the statement marked Committee's Ex-

(Exhibit No. 107)

hibit 107, and will ask you whether or not that is the statement of the condition of the bank on February 15, 1921? A. It is.

Q. Just take a piece of paper up there now, Mr. Cathro, and a pencil and let's sort of analyze this statement. Let's take out of the liabilities of the bank the demand deposits and bills payable and determine the amount. To do that we would

first take the individual deposits, wouldn't we. That appears on that statement to be \$245,156.56? A. Yes.

Q. And public sinking funds, that appears to be \$3,703,-766.07? A. Yes.

Q. They would come under the head of a demand deposit? A. No.

Q. Why not? A. The public sinking funds are payable only when the bonds for which those sinking funds are levied are payable.

Q. Well, you haven't any record of when those bonds for which those sinking funds were levied are due? A. We have.

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Q. Got a record of all of them have you? A. If it is correct and complete and up to date, we have.

Q. Have you issued any certificates of deposit for them? A. I think not.

Q. Well, you know you haven't, don't you? A. We have issued a form of receipt covering the deposits of sinking funds and at the beginning of our operations we may have issued some certificates. I would not be positive about that.

Q. Well, under the law, however, all of those sinking funds are subject to withdrawal except only the sinking funds of the State of North Dakota, isn't that true? A. No.

Q. That is not true because the Industrial Commission says so? A. No.

Q. You say that the sinking funds, for instance, belonging to ing purposes must be applied only upon the payment of North Dakota? A. I don't say that.

Q. Well, then if they can be then it would be subject to demand by the county, would it not? A. No.

Q. Why not? A. The moneys raised by taxation for sinking purposes must be applied only upon the payment of the bonds and interest for which those taxes are paid, specific time of payment having been designated in the bonds, and un-

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der Section 182 of the Constitution all laws are irrevocable which provide for such sinking funds. These funds on deposit in The Bank of North Dakota by the treasurer of these corporations are specific purposes—the Bank of North Dakota is charged with a trust relationship.

Q. The bank of North Dakota then is charged with carrying out the terms of the Constitution with reference to these levies. Is that the theory? A. I didn't state that.

Q. Well you state it then? A. The Bank of North Dakota is charged with a trust relationship; in order to render itself free from fault in case those funds are misapplied, or misappropriated and used for general purposes, it must know that the money goes to the purpose for which designated.

Q. The Bank of North Dakota is going to take the responsibility for all the counties in the state to see that the sinking funds are applied, to the purposes for which levied? A. I didn't say that.

Q. Isn't that what it means? A. No. It means that the Bank of North Dakota, in order to escape responsibility for misapplied funds is charged with notice—

Q. All right—just that far—when does the responsibility of the Bank of North Dakota come in if some county treas-

urer misapplies those funds? A. The same as trust funds in
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any other bank.

Q. Suppose the county treasurer of Burleigh county drew his sinking funds out of the Bank of North Dakota and put them in the First National Bank down here and kept them for the purpose as outlined in the statute. Is there any legal objection to that? A. Providing he would withdraw them legally there is not any objection.

Q. Well, there is not any objection? I know there is objection upon the part of the Bank and the Industrial Commission? A. Objection under the law.

Q. Now assuming that you had the money, then you want to say that the treasurer of this county couldn't draw his money out of the Bank of North Dakota, his sinking fund, and deposit it, for instance, in the City National Bank of Bismarck on account of the constitution? A. If such funds were in the Bank of North Dakota on the 3rd day of December he couldn't draw them out.

Q. Well, didn't they have sinking funds before there ever was a Bank of North Dakota law? A. Absolutely, yes.

Q. And the treasurers had the same identical responsibility before there was a Bank of North Dakota, didn't they? A. They did.

Q. And counties had the same obligations to have their
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sinking funds used for the specific purpose for which the levy was made before there was any Bank of North Dakota Act? A. Yes, sir.

Q. Well, now, there is something in the Bank of North Dakota act that changes that, is there? There is.

Q. Well, what is it? A. These treasurers were required by law to deposit those funds in the Bank of North Dakota.

Q. Yes and the people came along and repealed that law, didn't they? A. There has been no law enacted authorizing the transfer of those funds to any other bank or any other institution.

Q. Is there anything in that initiated law that makes a distinction between sinking funds and public funds? A. There is not.

Q. Well, if they can take out their public funds, why can't they take out their sinking funds? A. There is no provision made in the law for the transferring of those funds, either the sinking funds or demand.

Q. There is no law that compels them to transfer it, but when they repealed that part of the act that made the treasurers of the subdivisions of the state deposit their money in the Bank of North Dakota—

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A. They didn't re-enact any other laws that had formerly been repealed.

Q. No, but it repealed the part of it that required them to deposit in the Bank of North Dakota? A. Thereafter they were not required to deposit in the Bank of North Dakota.

Q. It repealed that part of it that required them to deposit in the Bank of North Dakota, did it, or did it not? A. My recollection is that it did.

Q. Now then, how much of these public sinking funds over in the Bank of North Dakota are state sinking funds of the State of North Dakota? A. Now in repealing that law—

Q. I am asking you this question. I think we have gone over that quite thoroughly, and it is getting pretty near time for adjournment and I want to finish this up before lunch?

A. Then you don't propose to continue the privileges you extended me formerly to explain.

Q. Oh, go ahead, I am willing to extend you any courtesy and any privilege, and I think you must concede that you have received them, the Fargo Courier-News to the contrary notwithstanding. If you have some additional explanation you want to make make a note of it and if you don't have time to do it before lunch you can do it to-morrow morning. I am

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asking you now what part of the public deposits, sinking funds as shown on that statement of February 15th is the State of North Dakota sinking funds? A. My recollection would be somewhere about \$400,000, or a little more.

Q. Well, we won't have any controversy about that, and I think you and I will agree that that part of it under this original law and with the initiated law should remain in the Bank of North Dakota? A. It would.

Q. Well, make it round figures and just take \$500,000. Just take the \$3,703,766.07, and to make it sure subtract \$500,000 instead of \$400,000. How much does that make, the balance of the sinking fund? A. \$3,203,766.07.

Q. That next item of \$2,441,978.21, that is public deposits general and other funds of the state treasurer? A. It is.

Q. Does that item include the sinking fund of the state? A. It does not.

Q. Well, that item can't be withdrawn from the Bank of North Dakota, can it, under the law as it is now—that is, it couldn't be withdrawn and deposited in any other place?

A. Not for the purpose of transfer to other institutions.

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Q. Well, Public Deposits General and Other Funds, County, City, Township and School Treasurers, \$3,821,835.15. That would be in the nature of a demand deposit, wouldn't it? A. It would.

Q. Well "Due to Depositary Banks reserves, \$759,339.00." That would be in the nature of a demand deposit? A. It would.

Q. Well add that to the list. Collection items under the liabilities means collection items owed by the Bank of North Dakota, doesn't it, obligations of the Bank of North Dakota? A. It does.

Q. Well that appears \$42,677.16 and your bills payable are \$1,000,000. A. They are.

Q. Now add them up and let's see what we have. How much does that amount to, Mr. Cathro? A. it amounts to \$11,514,752.15.

Q. Well, you have included in that the funds due to the state treasurer, didn't you? You included in your calculation there the public funds, general and other funds, of the State Treasurer, \$2,441,978.21? A. I have.

Q. Well, that, I think we agreed, was not subject to withdrawal so leave that out of your calculation? A. Well, you have other items in not subject to withdrawal.

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Q. Well, there are some that there might be some question of law on it, but we will work it out on my idea of what the law is, if you will permit us. Eliminate that item. After that deduction what is the total? A. \$9,072,833.94.

Q. Now that is the total which you have of deposits? A. It is.

Q. After deducting the sinking funds which we have estimated or which you have estimated as belonging to the State of North Dakota? A. It is.

Q. And you make that item on your calculation \$3,203,766.07? A. Yes.

Q. And we have eliminated from consideration the public deposits, general and other funds of the state treasurer from this amount? A. We have.

Q. You have included the item of \$3,821,835.15 which is the public deposits, general and other funds belonging to the counties, cities, townships and school treasurers. That is true is it not? A. It is.

Q. You have included the amount that the Bank of North Dakota owes to depositary banks? A. Yes sir.

Q. And included the amount that the Bank of North Da-

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kota owes on collection items? A. Yes, sir.

Q. And included the million dollars that the bank of North Dakota owes as bills payable. That is true, isn't it? A. Included in what, in this computation or your question?

Q. In your computation which I am asking you about? A. That is included.

Q. And the total is \$9,072,833.94? A. Yes.

Q. Well, now take another sheet. You apparently have on your reserves, you have cash on hand and cash items \$49,885.12. Do you know whether or not those cash items include any old cash items or are they all current cash items? A. They are current cash items, that is to the best of my belief.

Q. Your next item is—well put that figure down. We will assume they are all current—now the next item you have is cash items due from state and public corporation? What are those?

A. Warrants mostly held over from the preceeding day to be sent up to the state treasurer for collection.

Q. Collection of warrants? A. Yes, sir.

Q. And I presume there is a reasonable probability that these warrants are all paid in due course? A. Yes, sir.

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Q. And you can kind of figure them as cash? A. We do.

Q. All right, write that down? A. \$30,366.01.

Q. Now you have an item of cash due from banks in the state, \$351,204.07. Let's assume they paid it all. Write that down. The next item appears to be \$105,610.26, which is due from correspondent banks outside of North Dakota. There is a good reasonable probability that that is all worth 100 cents on the dollar? A. It is.

Q. Well, put that down. The next item appears to be "due from 785 depositary banks in North Dakota on redeposits—" now does that include the banks that are closed? A. It does.

Q. Can you tell us about what the amount of money there is on redeposit in the banks that are closed? Just give us a rough estimate of it? A. Why I don't have it in mind, somewheres about six hundred or more thousand dollars, probably considerably stronger than that.

Q. That is on redeposit? A. Yes, sir.

Q. The total liability is about a million and a half, is it

not, from the closed banks, about a million and three or four hundred thousand.

Q. Well, let's take it as an estimate, Mr. Cathro, and in talking with Mr. McAneney right now his estimate is that the total liability is about a million and a quarter. Is that about
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your judgment on it, I just want it roughly? A. Well, that would include both redeposits and loans.

Q. Well, now, let's suppose, for the purpose of making up my calculation here, that all of the open and going banks in the state paid over to the Bank of North Dakota every dollar the Bank of North Dakota deposited with them, and also paid the Bank of North Dakota every dollar of borrowed money that these banks had, what would that amount to, roughly? The amount due from all the depositary banks to the Bank of North Dakota on redeposits, is \$4,939,045.43? A. It is.

Q. And according to your statement the amount loaned to banks of the State of North Dakota is \$2,464,041.38? A. It is.

Q. Well, now, if you add those together you will find out what the total liabilities of the banks of the State of North Dakota, both open and closed, is to the Bank of North Dakota? A. Yes.

Q. Well, add them up. A. \$7,403,086.81.

Q. And I think we agree that as an estimate, the obligation of the closed banks to the Bank of North Dakota is a million and a quarter, so if we deduct a million and a quarter from the amount you have just given we will find approximately the amount of obligation from the open banks in the state to the Bank of North Dakota? A. Yes.

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Q. Well, let's do it. What does that amount to? A. \$6,153,086.81.

Q. Now that amount that you have just given is the amount of money that the Bank of North Dakota would realize if every solvent bank in the State of North Dakota paid to the Bank of North Dakota every dollar that the Bank of North Dakota has on redeposits with them and in addition thereto every dollar they have borrowed? A. Yes, sir.

Q. Add that amount then to the list of assets that I have given you. We will assume that they did it. Are there any other items over in these reserves that you have mentioned that are moneys or that can be promptly turned into money? We can't turn the first item of bonds or warehouse receipts or loans to public institutions and departments or loans on real estate or interest earned and uncollected? A. Interest earned and uncollected will come when those other items are paid.

Q. Yes, that is right, if we get it. Let's put it in. \$185,156.05. We can't get much money out of furniture and fixtures the way prices are now. All right, add those up and let's see what we have. A. \$6,875,504.32.

Q. Taking everything that we have on hand that is changeable into cash promptly and assuming that all the banks of the State of North Dakota paid everything they owed to the Bank of North Dakota in redeposits and loans, we
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would have a total of— A. \$6,875,504.32.

Q. Now, assuming that I am right in my contention that

the counties, cities, and subdivisions of the state are entitled to withdraw their sinking funds from the Bank of North Dakota under the law, and assuming the other situation that we have here as shown by your figures, how much would the Bank of North Dakota be short of enough to pay out on those obligations? You would find that by subtracting those two amounts? A. Well, that question is misleading, because there is all these other assets that should be taken into consideration to offset those time liabilities.

Q. Well, we are going right on to a cash basis in my question. A. Well, you can't transfer to a cash basis items that don't call for cash payment.

Q. Well, if you are going to assume that the Banks of the state paid their obligations to the Bank of North Dakota, it isn't anything unreasonable to expect the Bank of North Dakota to pay its demand obligations and bills payable, for the sake of comparison? A. You are including more than demand obligations in this computation.

Q. I have included only the obligations on the sinking funds of the subdivisions of the state that you and I don't agree on, isn't that true? A. Yes.

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Q. Well, now outside of that—and if you will kind-a-let me have my way about it until we get this figured out, we will probably have to leave it to the court as to which one of us is right. Will you make that subtraction and tell us how much we would be short if we went on to a cash basis? A. If we went on to a cash basis, we would have \$1,006,296.45 more than is required to pay demand obligations as I determine time obligations.

Q. Well, now I am asking you to determine them my way and you knew what I wanted; now determine it or we will stay here until next summer? A. There is \$2,197,269.62 of demand obligations plus sinking funds more than the cash available from the estimate made.

Q. Well, now that is not correct, is it, because you have added in sinking funds? A. Eliminating this \$500,000 we have agreed to eliminate, otherwise it is correct.

Q. Now, if the sinking funds of counties and other subdivisions of the state may be withdrawn from the Bank of North Dakota as demand deposits and adding to that the other demand items on the Bank of North Dakota and your bills payable, and subtracting that from your cash on hand and all of your available paper that may be turned into cash, and assuming that all the banks in the State that are solvent

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would pay every dollar that they owe you and would pay all their redeposits you would be short \$2,197,269.62 of paying out, wouldn't you? A. But they couldn't—

Q. Well, don't get away from this subject because I want you to answer it. That is the solution of your figures and I want an answer yes or no. A. You are presenting a hypothetical question.

Mr. Chairman: Mr. Sullivan is inquiring under his interpretation and understanding of the law, under a theory that he has gotten from his understanding of the law, and he is not asking you to assume the responsibility for that theory.

He is asking you to find the figure according to his theory and he will be responsible for the theory.

Mr. Sullivan: Absolutely.

Mr. Cathro: Now, Mr. Chairman—

Mr. Sullivan: Now, just answer the question and we will be through and can go and eat. Mr. Reporter, repeat the question.

(Question repeated).

A. Your attorney is asking me to form a conclusion.

Q. I am not asking you any such thing. I am asking you the result of your figures based upon my theory of the law. You made the figures and you can answer the question. A. under that computation, yes.

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On motion of Mr. Freeman, seconded by Mr. Nagel, adjournment taken until 9:30 a. m. February 24, 1921.

End of February 23, 1921.

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FEBRUARY 24, 1921.

Meeting called to order by the chairman, at 9:30 a. m., all members of the committee being present, except Messrs. Johnson of Steele, Hanson and Weld. The attorneys and reporter were also present.

Minutes of previous meeting read by the Secretary and approved.

JOHN N. HAGAN, having been called as a witness, was duly sworn and testified as follows:

DIRECT EXAMINATION BY MR. SULLIVAN:

Q. Your full name is Mr. John N. Hagan? A. Yes, sir.

Q. And what official position, if any, do you hold in the state of North Dakota, Mr. Hagan? A. Commissioner of Agriculture and Labor

Q. How long have you been Commissioner of Agriculture and Labor? A. A little over four years.

Q. As a part of your duties as Commissioner of Agriculture and Labor do you have a position on any other commissions or boards of the State of North Dakota? A. Yes, sir.

Q. You are also a member of the Industrial Commission of the State of North Dakota, are you not? A. Yes, sir.

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Q. The Industrial Commission of the State of North Dakota being composed of yourself as Commissioner of Agriculture and Labor, the Governor and the Attorney General? A. Yes, sir.

Q. The Industrial Commission, as such, has charge and control of the other industries of the state, does it not? A. It has charge of the Bank of North Dakota, the Home Builders Association, and the Mill and Elevator Association.

Q. To simplify the situation somewhat, your position as the Industrial Commission might be compared to, for instance, the Board of County Commissioners of a county with reference to the affairs of a county, and the Board of City Commissioners of a city with reference to the affairs of a city. That is you have supervisory and also in many instances direct control of the business of those institutions.

That is true in a general sort of way? A. I think it is very similar.

Q. Now as the Industrial Commission your commission hires the principal officer or officers of these industries that you have referred to, for instance, the Bank of North Dakota. You hire the manager of the Bank of North Dakota do you not? A. Yes sir.

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Q. And the Director General of the Bank? A. Yes, sir.

Q. Which, at this time, is one person? A. Yes, sir.

Q. And that is Mr. Cathro? A. Yes, sir.

Q. And you also hire the Manager of the Mill and Elevator Association? A. Yes, sir.

Q. And also hire the Manager of the Home Builders Association? A. Yes, sir.

Q. And you have power, I take it, to direct the policy of the various institutions that have been named, through your control over the manager? A. Yes, sir.

Q. Then permit me to inquire as to whether or not heretofore your commission, as such, has taken cognizance of any of the details in connection with the management of either or any of these institutions. What I am getting at, Mr. Hagan, is, are there times when, for instance, the manager of the Bank of North Dakota when a question comes up to him, whether or not he submits that and talks that matter over with the Industrial Commission before acting? A. There are some matters that they bring before the Commission.

Q. I suppose matters of policy or matters of conduct of

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the business of the various institutions? A. The general policies—not much of the detail work.

Q. However, in some instances, I assume that matters of detail more or less would be taken up before the Commission, the Industrial Commission? A. Not very much of the detail.

Q. In some instances an isolated case now and then? A. There may be some.

Q. There was appropriated by the Legislature for the carrying into effect of the law that created the Industrial Commission an appropriation of \$200,000, was there not, Mr. Hagan? A. Yes, sir.

Q. That appropriation was made by the 1919 Legislative Assembly? A. Yes, sir.

Q. That money was made available by taxes, was it not—that is, it comes from taxes? A. An appropriation by the legislature—I think their appropriations all come from taxation of some kind.

Q. It would be, the \$200,000—what I am getting at—wasn't accumulated from profits from any industry or anything of that sort, but came through the regular process of taxation in the state? A. That is the way I understand it.

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Q. And in accordance with the report which your Commission has filed with the Secretary of State, there remained in that fund on December 31, 1920—what is the balance that remained in that appropriation? A. This shows an unexpended balance December 31, 1920, of \$185,656.21.

Q. That money was appropriated for the purpose of carrying into effect the act that created the Industrial Commission,

which is Chapter 151 of the Laws of 1919? A. Section 7 provides the appropriation.

Q. And Section 7, that you refer to, provides as follows: "Sec. 7. There is hereby appropriated out of the general fund of the state, not otherwise appropriated, \$200,000 or so much thereof as may be necessary to carry out the provisions of this act. This appropriation is hereby made available immediately upon the passage and approval of this act." I have read that correctly, have I? A. I think so.

Q. Now, Mr. Hagan, I notice in the public press some page advertising that appears to be carried on in the name of the Industrial Commission. I want to inquire as to whether or not that advertising has been ordered and contracted for by your Industrial Commission. A. Yes, sir.

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Q. And has the Industrial Commission contracted to pay for that advertising? A. I think so.

Q. Do you know where the contracts are, the advertising contracts I am referring to? A. The Industrial Commission authorized the secretary to make arrangements for this advertising.

Q. Did the Industrial Commission place any instructions as to the amount of advertising or any limitation upon the amount of it? A. I think the records would be the best evidence in that case.

Q. Well, what is your best recollection of it in that case, Mr. Hagan? A. I don't remember the details of that.

Q. Well, it contemplates a rather substantial expenditure, does it not? A. Probably quite a considerable amount.

Q. And the whole matter was, you say, turned over to the Secretary? A. He was authorized to make the arrangements.

Q. And from your statement, I take it that the Industrial Commission simply authorized the Secretary to make arrangements for this advertising? A. Yes, and report to the Industrial Commission.

Q. And report to the Industrial Commission before the advertising was out or afterwards? A. Before.

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Q. Well, did he report? A. Yes, sir.

Q. And did he advise you as to the amount of expenditure that was contemplated by the contracts that he had obtained? A. I don't recall any specific amount that was given, but the usual rates were to be paid, I think.

Q. The straight advertising rate of each newspaper? That is true, isn't it? A. I think that is the amount.

Q. And the secretary advised you that the advertising in the "League" papers was taken care of by an arrangement with the Publishers National Service Bureau? A. With the League papers?

Q. Yes. A. I don't think so.

Q. Well, do you know whether it is a fact that the advertising in this state is being sent out from Fargo by the Publishers National Service Bureau to League papers? A. This advertisement authorized the Industrial Commission?

Q. Yes, I am talking about the advertisement that both you and I have in mind. That is, the so-called Industrial Commission page advertising? A. As I recall it, it is a St. Paul or Minneapolis firm that has that.

Q. Well, you are not advised then that the Publishers Na-

tional Service Bureau have anything to do with it? A. Not
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to my knowledge.

Q. What is the name of the St. Paul concern that has to do with it? A. I am not sure that I have the correct name in mind, but I think it is the Reeves Advertising Agency—Reeves or Greve's, I am not certain which.

Q. Of St. Paul? A. I think it is St. Paul.

Q. Have you a written contract? A. I have not seen the written contract.

Q. Well, have you been advised as to whether there is a written contract? A. I don't recall, although the record would show if there is one.

Q. You do recall, however, that the advertising is to be paid for by the Industrial Commission, out of its appropriation at the regular straight advertising rates of the newspaper? A. It is to be paid for by the Industrial Commission, as I recall it, at the regular rates for that kind of work.

Q. Well, now you have read those advertisements, have you, Mr. Hagan? A. I have read one that I recall.

Q. Well, I think you are two behind. I think there has been three altogether. When did you read the one that you refer to, Mr. Hagan? A. I can't recall the date.

Q. What I am getting at, did you read it before it was
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printed or afterwards? A. I read it after it was printed. And as I recall, I went over some of it before it was printed.

Q. Well, you were familiar then with the contents of all three of these advertisements that have been printed? A. In a general way.

Q. You know the tenor of them? A. Yes.

Q. And knew the tenor of all three of them before they were printed? A. I think so.

Q. Who prepared the statements that are contained in those? A. Why we left that with the secretary of the Industrial Commission to have those prepared.

Q. That also was left with the secretary? A. Yes.

Q. Well, do you know where the secretary got his assistance, if any? A. Yes, a Mr. Large assisted him.

Q. Who is he, please? A. He has done considerable writing for newspapers.

Q. Does he live in this state? A. He has lived here.

Q. Does he live here now? A. I don't know where his legal residence would be, whether it would be here or Minneapolis.

Q. Maybe I can help you out on that—he is the Daily Star man from Minneapolis, isn't he? A. He has been working on that paper.

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Q. You are familiar with the Daily Star? A. Somewhat.

Q. And you know its general tenor and editorial policy? A. I have read some of the editorials.

Q. Did you know that Mr. Large was going to be employed by your secretary to assist in writing those articles? A. It was discussed at one of the Commission meetings.

Q. And the Commission, of course, gave their approval of the employment of Mr. Large? A. Yes sir.

Q. Did anybody else assist in the preparation of the articles? A. I don't know all the details of that.

Q. Well, do you know whether anybody else did? A. I don't know.

Q. Or have you heard that anybody else did? A. I haven't inquired definitely.

Q. These articles were submitted, I take it, to all three of the members of the Industrial Commission before they were printed? A. I think they were.

Q. You think the first one was? A. That is the one that I have in mind.

Q. Now a bit ago we discussed the matter of the general tenor of this advertising, and I think you stated that you were familiar with their general tenor at least if not in detail, and
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I want to inquire from you, Mr. Hagan, as to whether or not, in your judgment, those advertisements could be designated as political advertising? A. I wouldn't consider them such.

Q. They were not written with an object of obtaining votes for the class, or for the people of the state who belong to or believe in the principles of the Nonpartisan League? A. They were not written with the idea of obtaining votes at all.

Q. I know, but I am just talking about the general tenor, and want to get your opinion on it? A. You want my opinion?

Q. Yes. A. I would rather not testify as to my opinion. I would rather use the records on these things.

Q. Well, you mean to say you would rather not give your opinion as to whether that advertising was calculated from its general tenor to simply get votes for the principles for which the Nonpartisan League stands? A. I think I testified it wasn't done for the purpose of getting votes.

Q. Well, is it not a fact, Mr. Hagan, that the purpose of that advertising is simply to substantiate, to create in the state a public opinion in favor of the continuance of the state Industrial Commission? A. We wanted the people to know
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the truth in regard to these industries.

Q. You wanted the people to get the truth about it? I notice that the third advertisement, just for instance, had in it the testimony of Mr. Thatcher up in the Senate, didn't it? A. Do you have a copy here?

Q. I don't have it, but I remember it. Well, you remember the advertisement that is based on Mr. Thatcher's testimony up in the Senate? A. I don't recall that, but it may have been in there.

Q. Well, there is one there. You can take my word for it. Did you notice anything in that advertisement about what Mr. Thatcher testified to before this House Committee, one single word on the whole printed page as to what Mr. Thatcher testified to here? A. I don't recall.

Q. No, you couldn't possibly, because it isn't there. If there had been a real, honest, substantial, good faith desire to give the truth about a situation, isn't it a fact that it would have been well to have given both sides of that Thatcher testimony in the advertisement, as a general proposition, Mr. Hagan? A. I don't consider that this is a very good hearing.

Q. You don't consider it? I didn't ask you for your opinion about that—you said a while ago that you didn't like to
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express your opinions. Now, will you just read the question again, Mr. Reporter?

(Question repeated.)

A. I don't think they could get both sides from the hearing there in the House.

Q. Well, you think that they got both sides from the hearing up in the Senate, do you? A. As I understand it the Senate has given the minority the privilege—

Q. I didn't ask you about that. I am asking you a question—do you think you can get both sides from what you hear up there in the Senate? A. You want my opinion again.

Q. I am asking you for your opinion as to whether you think you can get both sides from what you hear up there in the Senate? A. I would rather testify to facts that I might know of my own knowledge, rather than opinions.

Q. Do you think Mr. Thatcher told the truth up in the Senate and didn't tell the truth down here? A. I have confidence in whatever Mr. Thatcher swore to in his testimony would be the truth. I have no reason to believe otherwise.

Q. And you would believe that if Mr. Thatcher swore to a statement down here before the House Investigating Committee that it is just as liable to be the truth as what he testified to before the Senate, don't you? A. I would think so.

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Q. Then why not take the examination of Mr. Thatcher, and leave the Committee out of consideration down here. Why not take the testimony of Mr. Thatcher that he gave down here in the House investigation and print that along side of that advertising, if you wanted the people, as you say to get the truth? Wouldn't that have been the fair way to do it if we wanted to get the truth to the people? A. You may think so.

Q. Well, I do think so. Don't you think so, Mr. Hagen? A. That might be a matter of opinion.

Q. Now in any event, the people of the state of North Dakota, by our taxes, are paying for that advertising anyhow, are we not? A. Yes.

Q. All of us are paying for it? A. Yes, sir.

Q. Nonpartisans, Independents, Standpat Republicans and good old, standpat ironclad, stone-ballasted democrats? A. They are if they are paying taxes.

Q. Well, you will find all good democrats pay taxes. Now I want to direct your attention to Chapter 151, Laws of 1919, and ask you, Mr. Hagan, to advise us as to just what portion of that law the Industrial Commission relied upon as your authority for paying out this money for this advertising? A. "The Industrial Commission is hereby empowered

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and directed to manage, operate, control and govern all utilities, industries, enterprises and business projects, now or hereafter established, owned, undertaken, administered or operated by the State of North Dakota, except those carried on in penal, charitable or educational institutions. To that end it shall have the power, in the exercise of its sound judgment, and it is hereby directed:

(a) To determine the locations of such utilities, industries enterprises and business projects."

Q. Are you going to read the whole section? A. Not unless you want me to, but I will probably have to read some of it to find the exact answer to it.

Q. Yes, I think you will? A. And I think I will find it.

Q. All right, go ahead? A. Under (i) of Section 5: "To make rules and regulations for its own procedure; and to do

any and all things necessary or expedient in conducting the business of such utilities, industries, enterprises and business projects, and in the accomplishment of the purposes of this Act."

Q. That is the one, is it—that is Section (i)? A. Section (i) of Section 5.

Q. I will read it so we will have it in twice. "To make
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rules and regulations for its own procedure; and to do any and all things necessary or expedient in conducting the business of such utilities, industries, enterprises and business Act."! That is the one you refer to? A. Yes, sir. And also the fore part that I read in Section 5.

Q. Which is: "The Industrial Commission is hereby empowered and directed to manage, operate, control and govern all utilities, industries, enterprises and business projects, now or hereafter established, owned, undertaken, administered or operated by the State of North Dakota except those carried on in penal, charitable or educational institutions." A. Yes, sir.

Q. Now then, Mr. Hagan, it appears to the Industrial Commission, does it, that in order to operate the Mill and Elevator and Bank, in the operation of it now that it is necessary to create the sentiment in the state that is apparently desired by this advertising. Is that the theory of it? A. When these industries have been attacked in the way they have I believe the people are entitled to get the facts.

Q. Yes, we discussed that? A. And not theories and opinions.

Q. You think that theories and opinions have nothing to
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do with the proposition, and that whenever any theory or opinion is raised against the policy of the Industrial Commission in the conduct of this business that the Industrial Commission have the right to spend the people's money in setting aside that opinion. Is that correct? A. Not necessarily, but if that opinion, if any adverse advertising or criticism of the industries is being made that may leave the wrong opinion in the peoples mind as to the facts.

Q. Well, who is going to be the judge as to whether or not it is wrong. Do you hold that the Industrial Commission are the people who can determine for all of the people whether or not an opinion against the Industrial Commission is wrong? A. No, I think not.

Q. That section that you refer to confines your activities in any event to the accomplishment of the purposes of the act, that is the Act creating the Industrial Commission, doesn't it? A. It would appear so.

Q. Well, the purpose of the Act was as outlined in Section 1—"A commission is hereby created and established to conduct and manage, on behalf of the State of North Dakota, certain utilities, industries, enterprises and business projects, now or hereafter established by law. It shall be known as
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the Industrial Commission of North Dakota, but may be designated as the Industrial Commission." Do you figure that this political advertising that you are putting in the papers has anything to do with the conduct of or management of the utilities, industries, enterprises and business projects estab-

lished by law? A. I haven't testified that that was political advertising.

Q. Well, lets change its name so we can get that question answered. This advertising that you have placed in the papers, do you think and want to testify that that advertising has anything to do with the conduct and management of the Utilities, Industries, Enterprises and business projects of the State? A. I would think that if we didn't protect these industries that it would be very poorly conducted.

Q. And then this advertising is for the purpose of protecting them? Yes.

Q. And protecting them against what—the public opinion of the state? A. Against the criticisms that were quite common in some of the newspapers from which people oftentimes receive opinions, conclusions.

Q. Now, then, carry out your present position, if the people of the state decided, or any considerable number of the people of the state decided that this so-called Industrial program was a mistake, that the people were mistaken in their views concerning this so-called Industrial Program, do you

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feel that you could spend the balance of this \$180,000 in newspaper propoganda to prevent the people from setting aside these industries. A. I haven't been advised that the people have decided that.

Q. But I said if any considerable number of them felt that way about it, do you think you could spend the balance of this \$180,000 to dissuade them by newspaper advertising? A. Now would you state that question again.

Q. Well, I will make it more plain. If in case of a recall election in this state based upon the proposition of setting aside any one or more of these industries, do you feel that under this law the Industrial Commission would be justified in spending tre people's money to defeat a recall? A. There seems to be several questions in your question. I wish you would separate them, one at a time.

Q. Just read it, Mr. Reporter, and we will see if there are. (Question read). A. We weren't advertising this on the assumption that there was to be a recall election. Q. were you spending it upon the assumption that it would prevent a recall election? A. No sir.

Q. Now let's go back to the question. Read it again Mr.

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reporter. (Question read). A. We would be justified in spending this money to set the facts before the people.

Q. As you claim the facts to be? A. As we see them to be.

Q. As you claim them to be, isn't that true? A. Yes, sir.

Q. You don't claim that you are omnipotent, do you? A. What do you mean by "omnipotent?"

Q. That is defined as all powerful? A. Oh, no, we don't claim that.

Q. Not subject to error? A. No, we don't claim that.

Q. Then, when you say the facts as you claim them to be that is right isn't it, that is the way it should be? A. As we understand them to be.

Q. And you concede that there might always be between men absolutely honest a real disagreement on a question of fact? That is true, isn't it? A. There might be.

Q. Then would you say that because you see the facts to be one way and a considerable number of people see the facts

to be another way that you would be justified in spending the peoples money by newspaper advertising to substantiate before the public your views of what the facts are? A. As a public official I would think that I would be derelict in my duty if I didn't do that.

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Q. If you didn't spend the people's money to place before the people your view of what the facts are? A. I think the people would be entitled to know the facts as the Industrial Commission see them, the Industrial Commission that was selected by the people.

Q. And will you add that you would feel that you were justified in spending the peoples money to place before the public the facts as the Industrial Commission see them? A. Now Mr. Chairman, I take it that you are wanting the facts as we see them here, that is the Committee—I hope so, and we will lend you all assistance that it is possible by the Industrial Commission to get those facts before you, and in this advertisement which your hired man here has asked me in regard to spending this money for, we believe that the Industrial Commission should conduct its affairs very similar to any private institution, and if a private institution was being attacked, we believe that that person, if he has business ability, would protect himself even though he had to advertise and spend his own money to do it.

Q. Well, there would be no objection to that all, and I don't know that there is any objection if you boys would spend your own money. Now, Mr. reporter, if the witness has finished his speech, will you kindly, at the suggestion of

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the hired man that he refers to, read back the question again that we are seeking an answer to? (Question repeated). A. Now, Mr. Chairman—

Q. I am going to insist on having an answer. You have made your speech and I don't think there is anything difficult about that question. I want to be courteous to you and I know you do to me, and I would like to have an answer? A. I presume that the Committee would like to know something about this, and not you particularly—

Q. No, it doesn't make any difference what I know. I have my own opinions anyhow? A. Yes, I have arrived at that conclusion myself.

Q. But would you just answer the question that is put to you and then if you want to make any observations, make them in writing and we will file them and put them in the report.

Mr. Chairman: I think the question just implies whether or not in your judgment, the Industrial Commission would be justified in spending the peoples money to present before the people the views of the Industrial Commission on these matters. That could be answered—whether or not in your judgment you feel that they are justified in doing that? A. Absolutely.

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Mr. Sullivan: Now read my question and see if you will make the same answer. (Question repeated). A. I think the people would want us to do that.

Q. Then the answer to my question would be, yes, wouldn't it? A. Your question never has been very clear to me.

Q. Well, whenever it isn't, you let me know and I will try and straighten it out? A. I have tried to let you know several times. This was a very intelligent question that the Charman asked.

Q. Yes, I know, and there is quite a distinction between the intelligence of the Chairman and myself. Now then, Mr. Hagan, I want to get that perfectly clear, and if you will sort of bear with me in my apparent lack of ability to ask an intelligible question, I will try and make it sufficiently clear so we will both understand one another. As I take your position, you think and feel that the Industrial Commission, in case of a recall election, would be justified, under this law, in spending their appropriation for the purpose of placing before the public by newspaper advertising the facts as you, the Industrial Commission, see them? A. I think that we would be justified in spending the peoples money to place the facts before the people whether there was a recall election or not, to protect the industries.

Q. And the facts that you are referring to are the facts as the Industrial Commission sees the facts to be? A. Yes, sir.

Q. Well, if you could put it in the newspapers to protect the industries, in case of a recall election, it would be of the utmost importance to the Industrial Commission and to the industries, as you see it, to get enough votes so that you people would be returned to office, wouldn't it? A. It is immaterial whether I would be returned to office or not.

Q. But the Industrial Commission that feels the same way you do about this, wouldn't you say that it would be just as important to these industries to have men returned to office who are in sympathy with these industries? A. I don't think a man or a commission that was not in sympathy with the industries would be very apt to make a success of them.

Q. That is very true from your standpoint, but what I am trying to get at is the question of expenditure of money, Mr. Hagan. Would you feel—on the same line that you have heretofore testified—that you could extend it from newspaper advertising to political propaganda for the purpose of protect-

(789)
ing the state industries. What I am getting at is: is there any limit to what you might do in the expenditure of that money for the protection of the industries that you refer to? A. There has been no idea of political propaganda in my mind in this.

Q. I am asking you in the nature of a hypothetical question, as to whether or not, if a recall election came on, the protection of the industries wouldn't require that you spend the peoples money for the purpose of putting out political propaganda so that a majority of the people would return to office men in sympathy with this program? A. Not for political propaganda, no.

Q. You don't believe that would be justified? A. No, I don't believe they would be justified in spending the peoples money for political propaganda under any consideration.

Q. So you distinguish, I take it, and in conclusion on this subject, between political propaganda and the advertising that has been sent out? A. Absolutely.

Q. Now Mr. Hagan, can you produce for us a copy of this advertising, the three advertisements that have appeared in the newspapers? A. I think so.

Q. Mr. Hagan, are you interested in the Security State
(791)

Bank of Deering? A. No sir.

Q. I notice in our list of farm loans that there is a farm loan to Mr. John N. Hagan. Do you happen to have a mortgage contract with the Bank of North Dakota? A. Yes, sir.

Q. You had a loan of \$2,300? A. Yes sir.

Q. You made that loan—that is the date of the mortgage contract is December 13, 1919, or substantially that date? A. Practically that, I think.

Q. It appears in the Bank as Loan No. 36, or are you familiar with the number there? A. No, I am not familiar with the number.

Q. The land is in McHenry county, is it? A. Yes, sir.

Q. And it is the southeast quarter of Section 14, Twp. 157, R. 80? A. Yes, sir.

Q. You say that was made about December 13, 1919? A. I think the early part of December, 1919? A. Yes, sir.

Q. It appears on the Bishop, Brissman report as Application No. 1219 and appears on this report as being Bank Loan No. 36. That would indicate that there were 1219 applications and you got the 36th loan? A. I don't know what that indicated. That is a detail you would have to ask someone in the Bank about.

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Q. I notice on the Home Builders report, Mr. Hagan, a reference to a John N. Hagan. Have you a contract with the Home Builders Association for a house? A. Yes, sir, I have a house.

Q. Built by the Home Builders Association? A. Yes, sir.

Q. And built under an arrangement made by you with the association under the Home Builders Association law? A. Yes, sir.

Q. That house is described as being at No. 1008, 5th street, Bismarck. That is correct, is it? A. Yes, sir.

Q. And it appears under the list of Home Building Accounts and Payments, that you had paid \$1,010. I don't suppose you remember the detail of that at this time? A. I have paid more than that.

Q. Did you ever look up the law as to whether or not you had a right, under the law, to contract with the Bank of North Dakota, while you are holding a position as a member of the Industrial Commission? A. I haven't found anything under the law why I as a citizen couldn't secure a farm loan from the Bank of North Dakota.

Q. You would distinguish between John N. Hagan, citizen, and John N. Hagan, member of the state Industrial Commission? A. Yes, I didn't secure that loan because I was a

(793)

member of the Industrial Commission.

Q. No, I didn't inquire about that. You, however, have never found anything in the law that would prevent your contracting with the bank of North Dakota for a farm loan? A. No, I haven't.

Q. Even though you were a member of the Industrial Commission, which commission you have already testified, appointed the manager of the Bank and which manager of course had charge of the farm loans? A. What is it you want there?

Q. I am talking about whether or not you have discovered

anything in the law that would prevent you from making a contract with the bank of North Dakota? A. No, I have not.

Q. Nor in your quest have you found anything that would prevent your contracting with the Home Builders Association for a house? A. No, I have not.

Q. Even though you are a member of the Industrial Commission? A. Yes.

Q. And even though the Industrial Commission hires the manager of the Home Builders Association? A. I haven't found anything that would prevent it.

Q. Did you ever read Section 1825 of the Compiled Law of North Dakota for the year 1913? A. What does that section
(794)

refer to?

Q. Section 1825? A. I can't recall the section.

Q. Well, I will read it for you:

"Sec. 1825. No member of any board of trustees or managers, or any officer or employe of any state, educational, charitable, or correctional institution now existng in this state or which may hereafter be established by law shall be interested, directly or indirectly, in any contract, purchase or sale for or on account of the institution with which he may be connected."

And "Section 1826. Penalty. Any violation of the preceding section shall be sufficient cause for removal from office." Did you ever read that over.

A. I don't know whether I have or not. I don't recall it.

Recess taken for ten minutes, after which meeting called to order by the Chairman, and examination of Mr. Hagan resumed by Mr. Sullivan:

Q. Mr. Hagan, I enquired from you pa while ago with reference to your minutes of your Industrial Commission as to the advertising that is being run in the public press under the name of the Industrial Commission. You now have before you a book, which appears to be the minutes of the Industrial Commission. Do you find anything in that minute book that refers to this political—strike out that word political—to this,
(795)

newspaper advertising? A. Yes I think this is it (indicating.) I am not very familiar with this book.

Q. What you refer to as this, is as follows:

"Mr. Lemke introduced the following resolution and moved its adoption:

WHEREAS, the people of the state of North Dakota, through their legislature by their votes did in the year 1919 engage upon an industrial program, and,

WHEREAS, at the end of the period of one year and a half that Industrial Program has proven a success to the extent of having shown earnings of 32.5 per cent. upon the money actually invested by the state, and

WHEREAS, the Board of Auditors of the State of North Dakota did cause to be made an audit of the state industries, which said audit took place between December 3, 1920, and December 31, 1920, and since that time the Industrial Commission has made its report, and

WHEREAS, both the House of Representatives and Senate of the Seventeenth Legislative Assembly have appointed committees to investigate the state industries, and those investigations are now being made, and

WHEREAS, not only the members of the legislature nor

those opposed to this industrial Commission are interested in
(796)

the outcome of such investigation and in learning the truth about such industries, but every taxpayer of the state is entitled to know the things reported in the audit above referred to and in the report of the Industrial Commission, in the report of the House Investigating Committee, in the report of the Senate Investigating Committee and the evidence taken before both of those bodies, now therefore,

BE IT RESOLVED, that the Secretary of the Industrial Commission is hereby authorized to employ such persons, make such contracts for space and issue such publicity setting forth such reports and such evidence as may be necessary to furnish to the public all of the information concerning the charges being made against the state industries and all other information that may be had concerning the said industries, subject to the approval of the Commission.

The motion being duly seconded, upon roll call all members voted in favor thereof. The motion was declared passed and the resolution duly adopted. The meeting adjourned.

.....
Lynn J. Frazier, Chairman.

Signed, H. A. Paddock

.....
H. A. Paddock, Secretary."

Q. It appears that the place for the signature of the Governor, as chairman, has not been signed as yet. I assume
(797)

that he will sign that, however, won't he, or is that just an oversight? A. He has signed up to a certain date, but he don't appear to have signed that one yet.

Mr. Murphy: What is the page number and date of that?

Mr. Sullivan: That is Page 128 of Exhibit 2, and dated, February 4, 1921.

Mr. Sullivan: Have you got with you the advertising, Mr. Paddock?

Mr. Paddock: What do you mean, "the advertising?"

Mr. Sullivan: The full page advertisements, signed by the Industrial Commission?

Mr. Paddock: In what paper?

Mr. Sullivan: Any paper?

Mr. Paddock: Yes, sure.

Mr. Sullivan: Well, let's have it.

Q. In any of the advertising, Mr. Hagen, that has been placed before the public, do you recollect any of the evidence which was taken before the House Committee being inserted in it? A. I wouldn't trust my memory to answer that.

Q. You don't now have any recollection of it at least? A. I say I wouldn't trust my memory on that.

Q. I want to direct your attention to the advertisement that appeared in the Farmer Labor State Record February 10,
(798)

1921, which I understand is the first advertisement, and direct your attention to your testimony heretofore to the effect that this advertising was not political propaganda, but was as you state an effort to place the views of your commission before the people, or rather the facts as your commission see them before the people? A. The facts and the truth.

Q. Now the first word in the first advertisement that was printed is what? A. The first line is "Political Conspiracy to Wreck—"

Q. The first word in the first advertisement printed is the word "political?" A. Yes, sir.

Q. You sat on the Industrial Commission when the transfers of public funds were made in the Bank of North Dakota accounts to the various state institutions? A. Yes, sir.

Q. At various times amounts were transferred to the Home Builders Association? A. Yes, sir.

(799)

Q. And to the Mill and Elevator Association? A. Yes, sir.

Q. And the application of funds of the bank to the farm loan business was also approved by the Industrial Commission? A. I don't quite get you.

Q. The application of the funds in the Bank of North Dakota to the farm loan portion of the business of the bank was approved by the Commission? A. So that those funds in the bank might be used to make farm loans? Is that what I understand.

Q. Yes. A. Yes, we recognized it.

Q. Now in connection with getting the truth to the people in any of those advertisements did you indicate that Mr. John N. Hagan had obtained \$2,300 of that money that was to be used for farm loan purposes on a loan with the Bank of North Dakota? A. I don't think so. I have no objection to them knowing it though.

Q. But you didn't tell them that though in the advertisement? A. We may yet, since you desire them to have that knowledge.

Q. I don't desire it. I am just asking you if you sent it out. It don't make any difference to me, however. I think it will probably be in line with the balance of it? You don't say anything in any of these political—strike out the "political"—in any of this newspaper advertising to the effect that John N. Hagan, after the funds had been transferred to the Home Building Association, had become a beneficiary of a portion thereof for the building of a house for himself? You don't say anything about that in the political advertising? A. We

(800)

didn't put out any political advertising.

Q. No, that is right, but in any of these advertisements that you sent out, did you say anything to the effect that Mr. John N. Hagan after the funds of the Bank of North Dakota had been transferred to the Home Building Association had become a beneficiary of the Home Building Association in a sufficient sum to have a house built for himself? A. I don't think there was anything said, but we can also advertise that and be glad to.

Q. Well, you don't need to do it on my account, but if you think it will help out the state industries it will be perfectly all right with me for you to do so.

Mr. Sullivan: Have you got any contracts with the different agencies, Mr. Paddock?

Mr. Paddock: I haven't said there were any.

Mr. Sullivan: I am asking you if you have got them. Your friend up here has sort of indicated that there were some.

Mr. Paddock: I haven't any contracts, I have some letters.

Mr. Sullivan: Well, let's see them, letters constitute a contract sometimes.

Mr. Paddock: Which agency do you want?

(S01)

Mr. Sullivan: All of them.

Mr. Paddock: Two that I know of.

Mr Sullivan: All of them

Q. Now, just before we get to that, let's check up the other end of it. Was there any of this advertising run in the Grand Forks American? A. I don't know.

Q. You didn't investigate to find out? A. No, sir.

Q. Are you a stockholder in that? A. No, sir.

Q. Have you ever been a stockholder in the Grand Forks American? A. I think I had one share at one time.

Q. And you have transferred that share, have you? A. Yes sir.

Q. You have no interest in it at this time? A. No, sir.

Q. That advertising was run in the Courier News? A. I think so.

Q. Are you a stockholder in the Courier News? A. No, sir.

Q. Is Mr. Lemke, do you know? A. I don't know.

Q. The League? A. I don't know.

Q. Were you a stockholder in the Scandinavian-American Bank? A. No.

Q. Or in the Peoples State Bank of Grand Forks? A. No.

Q. You knew, of course, the Bank of North Dakota was depositing and loaning substantial funds to the Scandinavian-American Bank of Fargo? A. I knew they were having some deposits there and some loans.

Q. Well, you knew it was a substantial amount, didn't (S02)

you? A. Depends on what you mean by a substantial amount.

Q. Well, a substantial amount to me is when it gets to be about \$440,000, I claim that is substantial. A. I would think it would depend upon the capital stock of the bank and the general standing.

Q. General standing—yes that is right. Let's see the correspondence now that makes up the contract in connection with the publication of this advertisement, have you got that?

A. Why, here is some correspondence that the Secretary has handed me, I am not familiar with it.

Q. Well, let's both of us get familiar with it. A. We probably better have the Secretary read it.

Q. Well, let me have a look at it. (Witness hands letters to counsel).

Q. Is that the name that you gave in your testimony Greve Advertising Agency? A. I said I thought it was either Greve or Reves.

Q. Well, it appears to be Greves Advertising Agency, doesn't it? A. I presume that is correct.

Q. Committee's Exhibit 108, marked CCW four pages, appears to be a letter forwarded to the various newspapers in the state, doesn't it? A. Yes sir.

Q. And it reads as follows

(S03)

FRIDAY, MARCH 4, 1921

1321

EXHIBIT 108

"THE INDUSTRIAL COMMISSION
of North Dakota

Bismarck, N. D.

William A. Anderson, Secretary

Lynn J. Frazier, Governor
William Lemke, Attorney General
John N. Hagan, Commissioner of Agriculture
and Labor

Commissioners.

Feb. 8th, 1921.

Dear Sir: Enclosed please find copy for page ad for the Industrial Commission of North Dakota to run in this week's Feb. paper.

Send bill attached to checking copy of your paper by first class mail to the Greve Advertising Agency, 616 Hamm Building, St. Paul, Minnesota, and check for the advertising will be promptly sent.

The Greve Advertising Agency is sending you a formal order for this advertising from their office and we are sending a copy direct to you, in order to be sure of getting it in this week's issue.

Several more page ads will follow.

Very truly yours,
THE INDUSTRIAL COMMISSION OF
NORTH DAKOTA."

Q. How many more page advertisements are to follow? A. I don't know, that will depend upon how long the industries are attacked.

Q. How long they are attacked—I suppose if they keep on being investigated that the Commission will keep on sending
(804)

page advertisements? A. Looks pretty much like it.

Q. Well, it will quit when the \$180,000 is gone? A. I think so if it requires that much.

Q. But that is the only thing that will cause it to stop. A. It would as far as I am concerned. I will protect those industries as long as I am in this position.

Q. If it takes all the money in the appropriation to do it? A. Yes, sir.

Mr. Sullivan: The next letter appears to be—

EXHIBIT 108—continued.

February 8th, 1921.

Greve Advertising Agency,
616 Hamm Bldg.,
St. Paul, Minn.

Gentlemen: Please issue orders to the following publications for a page advertisement to run in this week's issues:

McLean County Independent, Garrison, N. D.
Hazen Star, Hazen, N. D.
News, Mandan, N. D.
Sun, Stanley, N. D.
Record, Petersburg, N. D.

Republican, Center, N. D.
 Pioneer Express, Pembina, N. D.
 Tribune, Rugby, N. D.
 Journal, Devils Lake, N. D.
 Independent, Enderlin, N. D.
 Farmers Press, Renville, N. D.
 Farmers Press, Rugby, N. D.
 (805)
 Renville Co. Farmers Press, Mohall, N. D.
 Richland Co. Farmer, Wahpeton.
 Recorder-Post, Dickinson, N. D.
 Record, Cando, N. D.
 News, Hillsboro, N. D.
 Ward Co. Farmer Press, Minot, N. D.
 Citizen, Valley City, N. D.
 Pioneer, Mandan, N. D.
 Staats Anzeiger, Bismarck, N. D.
 Globe Gazette, Wahpeton.
 Peoples Opinion, Valley City.
 Farmers Press, Minnewaukan.
 Pioneer, Fryberg.
 Courant, Bottineau.
 Farmers Leader, Bowman.
 Tribune, Bowbells.
 Farmer Labor State Record, Bismarck.
 Forum, Fargo.
 Republican, Langdon.
 Leader, Ellendale.
 Farmers Press, Crosby.
 Farmers Journal, Dunn Center.
 Farmers Provost, New Rockford.
 Record, Linton.
 Independent, Carrington.
 Advance, Beach.
 Herald, Grand Forks.
 Press, Carson.
 Sentinel Courier, Cooperstown.
 Pioneer Press, Mott.
 Farmers Press, Steele.
 Mail, Edgeley.
 Homestead, Napoleon.
 Mouse River Farmers Press, Towner.
 Tribune, Ashley.
 McKenzie Co. Farmer, Arnegard.
 Record, Carrington.
 Golden Valley Sun, Beach.
 Grant Co. Leader, Carson.
 News, Hankinson.
 Enterprise, Hannaford.
 Tribune, Bismarck.
 Normanden, Grand Forks.
 Herald, Grand Forks.
 News, Leeds.
 Farmers Press, Park River.
 Peoples Press, Mayville.
 Tribune, Mayville.
 Gazette, Bisbee.
 Pioneer, Hope.
 Times, Belfield.

Selfridge Journal, Selfridge.
Citizen, Goodrich.

(S06)

Independent News, Forman.
Times, Oakes.
Turtle Mountain Star, Rolla.
Free Press, Lisbon.
Chronicle, Cavalier.
Herald News, Edmore.
Observer, Lakota.
American, Lakota.
Republican, Stanton.
Leader, Washburn.
Guide, Watford City.
LaMoure Chronicle, LaMoure.
Herald, Killdeer.
Williams Co. Press, Williston.
Free Press, Fessenden.
Independent, Minot.
News & Times, Grafton.
Banner, Hillsboro.
Herald, Cando.
Alert, Jamestown.
Farmers Press, Finley.
The Press, Dickinson.
Farmers Press, Amidon.
Sioux Co. Pioneer, Ft. Yates.
Gazette, McClusky.
Enterprise, Cogswell.
Record, Rolette.
Adams Co. Record, Hettinger.
Independent, Osnabrook.
Farmers Sentinel, Forbes.
Courier News, Fargo.
Enterprise, Sanborn.

Copy for this advertisement is being sent direct from Bismarck, N. D., and we have instructed the various publications to send checking copy and bill direct to you for payment.

Very truly yours,
THE INDUSTRIAL COMMISSION OF
NORTH DAKOTA.

WMR

.....
Secretary."

(S07)

Q. There are ninety-seven different newspapers? A. It would appear so from your count.

Q. Well, did you count them as I did? A. I tried to follow you, but I see there is a figure ninety-eight, so you must have made a mistake.

Q. Well, it will be ninety-seven or ninety-eight? A. Probably.

Q. I take it you would rather take the ninety-eight than take my count for it? A. If I was to testify positively, I would want to count it myself.

Q. Well, I think I will have you do it so we will get it straight. I want you to count them so you can tell us how many papers this letter was sent to. A. I counted ninety-

eight, not counting one that was crossed out; there appears to be two others.

Q. Now that is ninety-eight pages of advertising, do you know how much that cost; what the cost of that is, Mr. Hagan?

A. No, sir.

Q. Did the Industrial Commission have any statement of how much it was going to cost before the order was placed?

A. No, I think not.

Q. The Secretary was just given a carte blanc order on that proposition? A. The records show what authority was given the Secretary.

Q. And we are construing it correctly when we agree

(808)

that it was just put up to the Secretary to have it done and no limitation was put upon the amount as far as the secretary's contracts were concerned? A. No, but as I recall in the discussion, he wasn't expected to go beyond the usual rates for that kind of work.

Q. No limitation was put upon the number of papers that the advertisement should be run in? A. As I recall the discussion it was rather agreed that about a hundred newspapers would carry this information to the people in the State.

Q. Well, have you got any correspondence there that connects this advertisement there up with the National Publishers Service Bureau at Fargo? A. I don't know, I haven't gone over the correspondence.

Q. Well, let's have a look at it and see. We can do it right now as well as any time, I guess. A. Here is one from the Secretary of the Industrial Commission to Mr. Aarhus, Publishers National Service Bureau, Fargo.

Q. The correspondence you just referred to appears to be a copy of a letter written by Mr. Paddock as Secretary of the Commission, the copy of which would indicate that it was written upon the Industrial Commission's stationery, which reads as follows:

(809)

EXHIBIT 109.

"Lemke.

Feb. 19th, 1921.

Mr. Aarhus, Publishers Nat'l Service Bureau,
Fargo, N. Dak.

Dear Sir: Enclosed find copy of letter in response to request from Mr Meitzen for warrant.

Would suggest that when you submit vouchers, submit herewith proofs of each paper covered by the voucher.

Very truly yours,

H. A. PADDOCK,

Secretary of the Commission."

HAP-M
Encl.

(810)

Q. That would indicate that there was some money owing at least to the National Publishers Service Bureau, would it not? A. I would take it to mean that some of the papers with which they have something to do would publish this report.

Mr. Sullivan The next one is on the North Dakota Leader stationery:

FRIDAY, MARCH 4, 1921

1325

EXHIBIT 109 continued.

"NORTH DAKOTA LEADER
Box 941

Fargo, N. D. Feb. 22, 1921.

Mr. H. A. Paddock,
Secretary of the Commission,
The Industrial Commission,
Bismarck, N Dak.

Dear Mr. Paddock: Replying to yours of the 19th will say that owing to a mix-up between this office and the Minneapolis office we are not sure about the rate so we have written them since and find that instead of the 85c rate it was 70c. Accordingly we are making a new bill as per instructions to the Publishers National Service Bureau who will take the matter up with you direct.

Thanking you for a prompt reply to our former letter and with best wishes,

Yours,
NORTH DAKOTA LEADER,
E. R. Meitze, Mgr.

ERM-ET

(S11)

EXHIBIT 109 continued.

"Lemke.

Feb. 19th, 1921.

Mr. E. R. Meitzen,
North Dakota Leader,
Fargo, N. Dak.

Dear Sir: Your favor of the 18th arrived today. We find by our records that orders for publication in the Volksrogerung were furnished to the Publishers National Service Bureau, and that we are responsible to them for the bill.

I am enclosing some vouchers to the Publishers National Service Bureau today together with a copy of this letter. Would suggest that you furnish them with the proof of the publication in the Volksrogeirung, then if they will prepare the vouchers in duplicate and forward them to this office, we shall be glad to have a warrant issued for the amount of the claim.

However, although I have not had an opportunity to investigate the matter. it strikes me that the charge is rather unreasonable in amount.

Kindly take this matter up with Mr. Aarhus. Have Mr. Aarhus furnish me with a certified statement as to the circulation of the Volksrogierung, and the space and rate advertised by it.

(S12)

Very truly yours,

HAP-M

H. A. PADDOCK,
Secretary of the Commission."

EXHIBIT 109 continued.

"NORTH DAKOTA LEADER
Box 941,

Fargo, N. D., Feb. 18, 1921.

Mr. H. A. Paddock,
Secretary of Industrial Commission,
Bismarck, N D.

Dear Mr. Paddock: Enclosed find bill for advertising in

the Volksregierung. Inasmuch as we are greatly in need of funds would like to have a cashable check for this amount by return mail. That is, do this or have it done if it is not asking too much.

With best wishes,
Yours,

NORTH DAKOTA LEADER & VOLKSREGIERUNG,
ERM-ET E. R. MEITZEN, Manager."
(813)

EXHIBIT 109 continued.

"VOLKSREGIERUNG,
Box 941

Fargo, N. D.

February 19, 1921.

N. D. Industrial Commission, Bismarck, North Dakota.
Feb. 19, 1 page advertising (including translation)...\$160.00

Q. I read those correctly substantially, didn't I? A. Apparently so.

Q. Now here appears to be a letter of somebody acting for the Industrial Commission, which appears to be a copy that was produced and is marked Committee's Exhibit 110 CCW. This Exhibit 110 is one of the copies of letters that were produced by Mr. Paddock as a part of the files of his office?
A. Yes, sir.

EXHIBIT 110.

"Feb. 19, 1921.

Western Newspaper Union,
Fargo, N. D.

Attention Mr. DeHaven:

Dear Sir: This day we are forwarding to the Publishers
(814)

National Service Bureau copy for a page ad to be run in a list of 50 newspapers in the state. Will you obtain a copy, have it set up, and 50 plates made and forwarded to the newspapers along the line of the arrangement we made with you last week. The Service Bureau has the list of papers with our order. It is understood the composition and plate casting will cost us \$165 for the Service Bureau list of 50.

In turn we also are sending to the Greve Agency in St. Paul a list of newspapers. This list runs about 45. You will cast plates for that list, get in touch with the Greve Agency for a direct order, and bill the cost to them. It is understood you will forward these plates for the Greve Agency also.

Yours very truly,
Acting for the Industrial Commission."
(815)

EXHIBIT 111.

Feb. 19, 1921.

• Publishers National Service Bureau,
Fargo, N. D.

Gentlemen: Copy accompanies this for a page ad to be run in the very first issue consistent with possibility in the ac-

FRIDAY, MARCH 4, 1921

1327

companying list of newspapers. It is understood, by you, of course that those newspapers which have not yet run previous copy are to make this succeed the very next week the copy they have on hand.

Please accept this as an order from the Industrial Commission, subject, however, to cancel for each and all of the papers at any time prior to publication on order from the Industrial Commission.

I am today instructing the Western Newspaper Union, Fargo, to obtain copy from you, set up and make stereotype plates enough to supply the papers for which we are enclosing run orders.

Please observe, however, that the Commission dislikes the form of set-up obtained last week. Three columns, even to a six column paper are too wide to be read easily when set as small as brevier. Set in measure that will provide at least four columns, with white space, instead of rules, in between.

Yours very truly,
Acting for the Industrial Commission."
(S16)

EXHIBIT 111 continued.

Publishers National Service Bureau,
Fargo, N. Dak.

February 19, 1921.

Gentlemen: Copy accompanies this for a page ad to be run in the very first issue consistent with possibility in the accompanying list of newspapers; it being understood, of course, that these newspapers, which have not published previous copy forwarded to them will publish the previous copy now and the accompanying copy in the next succeeding issue.

Please accept this as an order for the Industrial Commission as an order, subject, however, to cancellation of this order for each and all of the papers on order from the Industrial Commission at any time prior to publication.

I am today instructing the Western Newspaper Union, Fargo, to obtain copy from you, set up and make stereotype plates enough to supply the papers for which we are enclosing run orders.

Please observe, however, that the Commission dislikes the form of set-up obtained last week. Three columns even to a six column paper are far too wide. Set the copy in measure that will provide at least four columns, with white space instead of rules, in between. We would prefer a five column
(S17)

measure, especially in the dailies that have seven column pages.

Yours very truly,
Acting for the Industrial Commission."

EXHIBIT 111 continued.

"Enc.—Service Bureau, Fargo.
McLean County Independent, Garrison.
Hazen Star, Hazen.

News, Mandan.
 Sun, Stanley.
 The Republican, Center.
 The Independent, Enderlin.
 The Farmers Press, Renville.
 Renville Co. Farmers Press, Mohall.
 Richland County Farmer, Wahpeton.
 Recorder Post, Dickinson.
 The Record, Cando.
 The News, Hillsboro.
 Ward County Farmers Press, Minot.
 The Staats Anzeiger, Bismarck.
 The Peoples Opinion, Valley City.
 The Farmers Press, Minnewaukan.
 The Pioneer, Fryburg.
 The Courant, Bottineau.
 The Farmers Leader, Bowman.

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The Tribune, Bowbells.
 Farmer Labor State Record, Bismarck.
 The Farmers Press, Crosby.
 Farmers Journal, Dunn Center.
 Farmers Provost, New Rockford.
 Sentinel Courier, Cooperstown.
 The Pioneer Press, Mott.
 Farmers Press, Steele.
 The Mail, Edgeley.
 Mouse River Farmers Press, Towner.
 The Tribune, Ashley.
 McKenzie County Farmer, Arnegard.
 The Record, Carrington.
 Golden Valley Progress, Beach.
 Grant County Leader, Carson.
 The Farmers Press, Park River.
 The Peoples Press, Mayville.
 The Chronicle, Cavalier.
 The Observer, Lakota.
 Williams County Press, Williston.
 The Free Press, Fessenden.
 Farmers Press, Finley.
 Farmers Press, Amidon.
 Gazette, McClusky.
 Adams County Record, Hettinger.
 The Farmers Sentinel, Forbes.
 The Courier News, Fargo.
 The German Leader, Fargo.

(819)

North Dakota Leader, Fargo.
 Devils Lake World, Devils Lake.
 Cavalier Co. Farmers Press, Langdon."

EXHIBIT 112.

"Lemke.

Feb. 4th, 1921.

Publishers National Service Bureau,
 Fargo, North Dakota.

Gentlemen: Can you give us the prices for a half page a quarter page and a full page of space in the weekly issues of all of the papers to whom you furnish service. The matter to be printed in said space to be furnished by me.

FRIDAY, MARCH 4, 1921

1329

Kindly give me a list of the papers with which you correspond in each county. It is my understanding that in many counties the paper with which you correspond is neither the official paper nor the paper largest in circulation so kindly furnish me with the name and address of the other papers in the counties where your paper is not the official paper or where it is not the paper of the largest circulation.

If this matter is closed, it will mean a considerable amount
(820)

of advertising revenue for the papers with which you correspond and it seems to me they ought to make us a very low price in view of the size of the order.

Kindly let me hear from you at your earliest convenience.

Very truly yours,

H. A. PADDOCK,

Secretary of the Commission."

HAP-M

EXHIBIT 112 Continued.

"PUBLISHERS NATIONAL SERVICE BUREAU

Fargo, North Dakota,

Feb. 6, 1921.

H. A. Paddock, Secretary
Industrial Commission,
Bismarck, N. D.

Dear Sir: This will acknowledge receipt of your letter of the 4th inst., relative to advertising rates in the weekly newspapers of this state.

We are direct agents for fifty farmer-owned weekly newspapers, one in each county, and quote you a rate of 29c per column inch for display in each. If your order were placed to include the entire fifty, the rate would be \$14.50 per column inch to cover the whole fifty newspapers.

We take from your letter that you desire only to use the official newspapers. Of our list, thirty-two are official, and
(821)

the rate above given for the entire list will be applicable to these, namely, 29c per column inch per paper. That is 29c multiplied by 32, or \$9.28 per column inch, display, for the 32 official newspapers.

We will be glad to accept your orders for advertising in any newspapers in this state, regardless of its political affiliations or its position as official or unofficial newspaper. On receipt of list of selected newspapers from you, we shall be pleased to quote you advertising rates, either upon separate publications or upon an entire list.

Our service as advertising agents includes furnishing the copy, with instructions, to the publishers, securing and placing before you proof of publication, and assuring your advertising the preferential position and treatment which we are able because of our position, to assure to our customers.

The rate quoted above may be regarded as preferential as they are net cash to us. We do not believe you can secure as low a rate dealing direct with the newspapers, and you will find the usual trouble as to placing of copy and other service items, in addition to the higher rate you will pay.

We submit the following figures to show cost to you on
(822)

page, 1-2 page and 1-4 page spaces in our fifty newspapers:
 1 page, or 120 inches, in 50 newspapers, 1 publica-
 tion \$1,740.00
 1-2 page, or 60 inches, in 50 newspapers, 1 publica-
 tion \$ 870.00
 1-4 page, or 30 inches, in 50 newspapers, 1 publica-
 tion \$ 435.00

Yours very truly,
 PUBLISHERS NATIONAL SERVICE BUREAU,
 By P. L. Aarhus, Manager."

Q. I have read them correctly, have I not? A. I think
 so.

EXHIBIT 113.

"THE INDUSTRIAL COMMISSION
 of North Dakota

Bismarck, N. D.

Lynn J. Frazier, Governor.
 William Langer, Attorney General Secretary.
 John N. Hagan, Commissioner of Agriculture
 and Labor.
 Commissioners.

D U P L I C A T E

Feb. 14, 1920.

Publishers National Service Bureau,
 Fargo, N. D.

Gentlemen: Copy accompanies this for a page ad to be run
 in the very first issue consistent with possibility in the ac-
 (823)

company'ng list of newspapers. Please accept this as an
 order on behalf of the Industrial Commission for publication
 of the page ad in these newspapers, subject, however to can-
 cellation of this order for each or all of these papers on
 order from the Industrial Commission at any time prior to
 publication.

If acceptable please inform us at once.

We trust you will have this ad set up and stereotyped so
 you will save us composition expense. We have your quota-
 tion of 29 cents per inch per newspaper. Where the mini-
 mum rate for any newspaper is less than 29 cents we expect
 to pay the minimum.

I shall confer with you tomorrow over the telephone regard-
 ing further details of stereotyping which it may be necessary
 for me to outline.

Yours very truly,
 Acting for the Industrial Commission."

Mr. Sullivan: The second page of that read as follows:
 "(Enc)

Newspapers in which the Publishers National Service Bu-
 reau will run one page ad subject to cancellation of each or
 all papers by the Industrial Commission:"

(824)

Mr. Sullivan: Then follows a list of fifty-one newspapers.
 (Same list as set forth on Pages 818 to 820 inclusive.)

Q. That count is substantially correct? A. Yes, according to your count there would be fifty-one.

Q. Now, have you got any correspondence that would indicate what money you are paying to the Greve Advertising Agency for the advertising? A. I don't know. I might suggest that you probably could get the details of this better by calling the Secretary of the Industrial Commission, who is familiar with it.

Q. Do you know who is paying for the costs of the investigation that the Senate is conducting? A. Who is paying the cost of that?

Q. Yes. A. I take it that the State will have to.

Q. Well, has the Industrial Commission itself contributed anything toward that expenditure? A. Well, the record would probably show that better than what my memory would.

Q. Well, you may have some recollection on it? And possibly I can refresh that. Do you know, for instance, whether or not the reporter that has been heretofore hired and has been working in the Senate investigation, whether or not his salary or fees, as we might call it, has been paid by the Industrial Commission? A. I think you had better consult the

(S25)

records on that.

Q. I know, but do you remember it? A. I wouldn't trust my memory to remember all the details of it. I can't even remember all the details in my own office.

Q. Undoubtedly, but I wondered if you have any knowledge or any recollection on that subject, Mr. Hagan? A. The records will reveal that.

Q. I have no doubt, but what they will, but I want to inquire as to whether you have any knowledge of it yourself? A. I wouldn't trust my memory on details.

Q. Then, I take it you do not know at this time? A. I didn't say I didn't know.

Q. Well, there is some place in between there, where you could give us some information then. Maybe you can figure that place out. Let's do it right now. Now, did you say you didn't know? A. I said the record would show.

Q. Now, just answer the question. I want to ask you first, is the Industrial Commission paying any of its funds towards the expense of the investigation in the Senate? A. The records will show whether it is or not.

Q. Do you know whether the Industrial Commission is paying anything toward the expense of the investigation that is being conducted in the Senate? A. I wouldn't trust my

(S26)

memory to give any evidence under oath as to what particular items had been taken care of in any way or had not been taken care of.

Q. I am not asking you for the particular items, I am asking you, do you know if they ever paid any of the costs of the investigation in the Senate? A. My reply is just the same, that the records will show, Mr. Sullivan.

Q. But you see the reply doesn't answer my question as to whether or not you know? A. Isn't it possible to get the records?

Q. I suppose it will be eventually, but I want to know if you know anything about it. You are on the Industrial Commission and presumptively you passed on it and it might be a pertinent question as to whether or not you know what is

going on there. I assume you do. Now, can you tell us whether or not you have any information, as to whether any of that cost is being paid by the Industrial Commission? A. My reply is just the same, that we had better consult the records and determine. I will not trust my memory.

Q. Well, do you know? A. Mr. Chairman, I think I have answered the question three or four times.

Q. You haven't answered that question. You know something about it? A. What do I know.

Q. You know whether or not the Industrial Commission
(827)

is paying any of that cost. A. How do you know it?

Q. I know a part of it was O. K.'d by the Industrial Commission and paid to the stenographer down in Jamestown, now I want to know if you know anything about it? A. Bring the records here and I will—

Mr. Chairman: Do you know as an individual and a member of the Industrial Commission anything about the payment of that?

Mr. Hagan: I told you very plainly I wouldn't trust my memory on all of those things.

Mr. Chairman: Well, you may have looked it up.

Mr. Hagan: I take it it is facts that your committee wants.

Mr. Sullivan: And one of those facts—permit me to interrupt you—

Mr. Hagan: I am talking to the Chairman, and I am going to appeal to the Chairman to let me finish.

Mr. Sullivan: Now, you make that speech in writing, and send it up here and we will file it, but I am going to insist on an answer to the question.

Mr. Chairman: What is the statement that you want to make?

Mr. Hagan: I want to make the statement that I have tried to answer this man's question without perjuring myself
(828)

and I cannot trust my memory upon details in any of these industries or even in my own office, or upon my farm even in the operation of my farm. It is impossible for me to do that, but the records, I presume are the best evidence, and I presume you want to base your conclusions upon facts, and we are willing to give you all the facts that we have at our command.

Mr. Sullivan:

Q. Now, if you are through with that speech, may I inquire from you what part of the records we may find that will tell whether John N. Hagan knows that any of that money is being used to pay the expenses of the investigation in the Senate, and that is the question I ask you? A. The Secretary has charge of those records.

Q. But the Secretary hasn't got charge of what John N. Hagan knows, nor is there any record of it any place, and that is what I am inquiring from you about, as to whether or not you, as a member of this Industrial Commission, know as we sit here that any of this money of the Industrial Commission is being used to pay for the expenses of the Senate investigation, now if you do know, say so, and if you don't know say so. A. Do you want me to bring the records?

Q. Well, I don't think there is any record there that is going to tell what you know about it or tell whether or not you

have any knowledge of it. You know what I am getting at Mr. Hagan, and I want to get an answer to that question. I think it is pertinent as to whether or not a member of the Commission knows himself or has any knowledge as to whether or not the Commission is paying any of the expense of the investigation in the Senate? A. I think I have given you an answer.

Mr. Shipley: Mr. Chairman, I think the witness understands perfectly what the attorney is asking him for, and I move that he be directed to answer the question.

Mr. Ulland: I second the motion.

Mr. Chairman: It is moved and seconded that the witness be directed to answer the question as propounded by counsel, all those in favor of this motion will respond by saying aye, those opposed, no.

On roll call, all members present voted aye, and the motion was declared passed.

(Last question repeated.)

Mr. Paddock: That is not a question, that is a statement of counsel.

Mr. Sullivan: Well, I will ask it again.

Q. Do you know whether or not the Industrial Commission (S30)

is paying any of the expense of the Senate investigation? A. If you will permit me to consult the record and look it up, I can tell you positively. I am not in a position to tell you positively at this time.

Q. You don't know at this time? A. Not positively.

Q. You, of course, can direct us to what records we can get that information from? A. I think I can find it for you.

Q. Well, you just find it will you, Mr. Hagan, so you can tell us definitely tomorrow morning at 9:30? A. Yes.

On motion of Mr. Freeman, seconded by Mr. Johnson of Ward, adjournment taken until 9:30 a. m., February 25, 1921.

(S31)

FEBRUARY 25, 1921

Meeting called to order by the Chairman, all members present, except Johnson of Steele, Weld and Hanson. The attorneys and reporter were also present.

Minutes of last meeting read and approved as read.

JOHN N. HAGAN, recalled as a witness and testified as follows:

EXAMINATION BY MR. SULLIVAN:

Q. Mr. Hagan, when we closed yesterday, you agreed that you would look up the matter of whether or not the Industrial Commission was paying any part or portion of the expenses of the investigation which is being conducted by the Senate. Have you looked that up, Mr. Hagan? A. Yes, sir. I have taken a copy off the book that was here at the time I referred to it yesterday, and I would like to read part of that pertaining to this into the minutes.

Q. Why not put it all in? A. I just have the part here that refers to that payment. That reads—the last three lines of page 135 of the Special meeting of the Industrial Commis-

sion February 18th, 1921, and all of page 136—"Moved by Mr. Lemke, seconded and upon roll call unanimously carried that the employment of two court reporters to report the doings

(832)

of the House and Senate Investigating Committee be hereby ratified, and that the Secretary be instructed to approve vouchers submitted for the payment of their compensation and expenses.

The motion was declared carried.

Thereupon the meeting duly adjourned.

.....
Lynn J. Frazier, Chairman
(Signed) H. A. PADDOCK,
H. A. Paddock, Secretary."

Mr. Chairman: How many members were present at the meeting?

Mr. Hagan: All three members were present, although this doesn't indicate that because I just copied that part that referred to this matter.

Mr. Chairman: You were there yourself at the time?

Mr. Hagan: Yes, sir.

Q. And yesterday you didn't remember that part of the resolution, Mr. Hagan, is that correct? A. That is not exactly correct. We had the records here and I wanted to refer to the records, and you didn't seem to want the records.

Q. Oh, is that so. Well, I was inquiring from you yesterday as to what you knew about it, and you still don't seem to have gotten that well established in your mind. Now then I want to ask you whether or not Mr. Paddock, who appears to be the

(833)

one of the attorneys conducting the investigation of the Industrial Commission in the Senate, is the same Mr. Paddock who appears to be Secretary of the Industrial Commission? A. Yes, sir.

Q. I assume that the Industrial Commission is also paying Mr. Paddock? A. I take it that we are paying him his regular salary.

Q. And there is nothing, I assume, taken out of his salary for the time that he spends in the Senate as attorney for the investigating committee in the Senate investigating the Industrial Commission? A. That matter has not been taken up by the board and discussed, to my knowledge.

Q. Are there any other items of expense in connection with the Senate Investigation of the Industrial Commission that the Industrial Commission has agreed to pay? A. Not that I know of.

Q. Has there been any conference of the Industrial Commission in which it was indicated that the Industrial Commission was going to pay any additional items of expense of the Senate Investigating Committee, which is investigating the Industrial Commission?

A. No sir, I think not.

(834)

Q. Do you know what the total amount of the expense is that has been paid by the Industrial Commission in connection with the Senate Investigation? A. No sir. I inquired of the secretary as to whether he had approved any vouchers and he said that he had.

Q. But as I take it, you don't know the amount? A. No, I

didn't ask for the amount. But if you desire copies of the vouchers I can secure them for you and will be glad to.

Q. Well, you might do that and just have them sort of certified to? A. Who do you want them certified by?

Q. Well, you can have them certified by whoever has possession of them, and have them given to the Chairman of this Committee? A. Yes, sir, I will be pleased to do it.

Mr. Murphy: I will say that the Committee has repeatedly requested from Mr. Paddock and the Industrial Commission, the balance of the Drake records necessary to complete the audit. After considerable difficulty with them they finally informed us they were here and we asked them to bring them over, which they did, and stated that when our auditor wanted to use them to complete his work he could have them. The Auditor now reports that he has been hampered in the completion of the work in two different ways.

(S35)

First he is not permitted to work nights, and secondly, the Senate Committee have seen fit to subpoena him and keep him away from the work all afternoon. Last evening I saw Mr. Paddock and requested that he return to this committee the Exhibits in question the first thing this morning, and he doesn't appear to be here, and I would like to have them at once.

Mr. Shipley: Mr. Chairman, I move that the Committee instruct Mr. Paddock to produce the records that are desired before this committee at once.

Mr. Freeman: Second the motion.

On roll call all members present voted aye, and the motion was declared passed.

Mr. Chairman: I would suggest that the Marshal get in touch with Mr. Paddock and make known our requirements.

Mr. Murphy: I further desire to state that Mr. Sullivan and I have been subpoenaed by the Senate Committee to appear before them Monday at three o'clock, so we would like to have permission to be absent from duty.

Mr. Johnson of Ward: I move that they be excused.

Mr. Shipley: I move to amend that motion by adding, whenever they may desire.

(S36)

Mr. Chairman: I would like to inquire of Mr. Liederbach, the chairman of the Senate investigating committee, the purpose of this subpoena, what information it is you desire from counsel for the House auditing committee?

Mr. Liederbach: Why it is not any information we want from the audit committee, it is information we want from attorneys for the committee.

Mr. Chairman: You want the information from the counsel for this audit committee?

Mr. Murphy: I will say that any information we have relative to this proceeding is the information belonging to this committee and I believe you ought to learn just exactly what its nature is. Mr. Liederbach, doubtless, will tell you.

Mr. Liederbach: I am not in a position to tell you just the nature of the information we want at this time.

Mr. Chairman: You realize we are doing the best we can here to expedite matters and get through as rapidly as possible.

Mr. Liederbach: That is the reason we had them call for

the afternoon, so it would not interfere with your work in the forenoon.

Mr. Murphy: I will inform the gentleman that the attorneys work all the afternoon.

(837)

Mr. Chairman: In your judgment how long will you require them up there?

Mr. Liederbach: I don't imagine it will be long. It is pretty hard to tell. I couldn't say as to that. I wouldn't judge it would take a great deal of time.

H. A. Paddock, recalled as a witness, and testified as follows:

EXAMINATION BY MR. MURPHY:

Q. Mr. Paddock, I take it you are still the secretary of the Industrial Commission? A. Yes, sir.

Q. I asked you several days ago to produce for the use of this committee certain records of the Drake mill? A. Yes, sir.

Q. Have you those with you at this time? A. I have the records I had in court before, with the exception that I bundled these together as you had them marked exhibits and delivered them over to Mr. Aultman, and some of them are untied at this time. These here I just received from Mr. McGovern.

(Exhibit No. 114)

(Exhibit No. 115)

Q. Exhibits No. 114 and No. 115 are the exhibits which you recently received from Mr. McGovern? A. Yes, sir, those are the papers I received from Mr. McGovern.

(838)

Q. And the others which you produce here now are the ones you produced sometime ago? A. With the exception that I don't know if they are all here, because Mr. Aultman untied some of them.

Mr. Murphy: We offer in evidence Exhibits 99, 100, 101, 102, 103, 114 and 115.

(Exhibit No. 116)

Q. I show you Committee's Exhibit 116 and ask you if the signature attached to the first page there is your signature? A. Yes, sir.

Q. And that document is what? A. That is a duplicate original of the report of the Industrial Commission which was delivered to the Secretary of State for filing on February 1, 1921, and which duplicate original was delivered to the House of Representatives of the Seventeenth Legislative Assembly on the same date.

Q. And that covers the report of the Industrial Commission of the State of North Dakota for the preceding year up to December 31st? A. Some of it covers for a longer period of time than that.

Q. How much longer? A. Well, each part of it designates what period is covered.

Q. Some of it dates beyond January 1, 1920? A. As it shows.

Q. And it also includes the Bank of North Dakota, The
(S39)

Home Builders Association and the Mill and Elevator Association? A. The index shows exactly what it includes.

Q. I know, but I just want to cover it generally.

Q. Those are the three main classifications? A. Those are three of the classifications which it refers to.

Mr. Murphy: We offer Exhibit 116 in evidence.

Q. Mr. Paddock, do you remember receiving a letter from this committee recently addressed to the Industrial Commission relative to the production of the consignment sales of the Lemke mill and also relative to the production of one F. R. Pollard? A. I couldn't say as to who the letter was addressed to but it didn't have any reference to a Lemke mill.

Q. I didn't say anything about a Lemke mill. A. Please read the question and see.

Q. Well, let it stand that way if I said it, it is more correct that way. A. I received two letters, I think, signed by Mr. D. E. Shipley.

Q. And in response to that you sent this Committee Exhibit No. 117? A. I sent to the Secretary of the House Committee, at least, the second page of the exhibit and I think the first page as well.

(S40)

Q. Well, just read it over and see, I don't like the imputation that we have slipped something over. A. Well, by comparing the copy I have I could tell exactly, but I think this is the first page.

Q. There is not much question about it is there? A. No, sir.

Q. Now, I wish you would take that letter and count the number of "I's" in it, I am just referring to the capital "I's". A. Oh, the capital "I's".

Q. You know what I want. There are enough of those in there without looking for any more. A. Do you want the personal pronouns or all of the capital "I's"?

Q. I think most of the capital "I's" are personal pronouns, if you find one that isn't I would like to look at it.

Q. Well, you look at that one, you take a look at that one. Well you take the personal pronouns, capital "I's" which are supposed to represent Mr. H. A. Paddock? A. I now think I know what you want. If I am able to count, I think there are fourteen.

Q. I assume you are able to count. A. I thought maybe you doubted it.

Q. Well, I am willing to assume it. Now you are not a member of the Industrial Commission? A. I never have pretended to be and am not.

(S41)

Q. You are an employee of that Commission, I take it? A. Yes, sir.

Q. And likewise acting as attorney in the hearing before Senate Committee? A. I couldn't say whether, technically, I would be considered as acting as attorney or secretary of the commission.

Q. Are you a lawyer? A. Yes, sir.

Q. Admitted to practice in North Dakota? A. Yes, sir.

Q. When? A. I believe it was—I am not sure whether it was 1918 or 1919.

Q. Shortly after you came to the state? A. I think I had

been in the state sometime. Q. How long? A. I couldn't say positively, if I had the record, I could tell you.

Q. About how long? A. Well, you are asking me for something which is a matter of recollection, but I know I had been here several months.

Q. You know you hadn't been here a year, don't you? A. Well, as I say, if I can get the clerk's record, I can tell you when I first came to North Dakota.

Q. Haven't you any definite recollection when you came to North Dakota, Mr. Paddock? A. Well, I first did work in North Dakota in September, 1918.

(S42)

Q. That is the first time you ever did any work here? A. My family didn't come to North Dakota until sometime in February or March, 1919, and it was during sometime of 1919 that I was admitted to the bar in North Dakota.

Q. So you hadn't resided here a year at that time? A. I don't think I had resided a full year in North Dakota at the time I was admitted.

Mr. Murphy: Now, I want to read to the committee, this letter:

(Exhibit No. 117)

"THE INDUSTRIAL COMMISSION
of North Dakota,

Bismarck, N. D.

Lynn J. Frazier, Governor.
William Lemke, Attorney General.
John N. Hagan, Commissioner of Agriculture
and Labor.
Commissioners.

Feb. 19th, 1921.

Secretary House Audit Committee,
17th Legislative Assembly,
Capitol Building,
Bismarck, N. Dak.

Dear Sir: I am in receipt of a letter from your Mr. Shipley dated Feb. 16th, 1921, which arrived in my office February 17th and reached my attention on the afternoon of that day.

(S43)

It called for the records of the Drake Mill, including the records of Consignment Sales. I was informed by Mr. Lemke that he had wired the Drake Mill to forward the Consignment Sales record—"

Q. Mr. Murphy: Now you see why I mixed up Lemke and the Drake Mill.

"—and the production sales record, which was all that had been requested by Mr. Lee of the Bishop Brissman Company; and that Mr. Lemke attempted to telephone for these records, but the wires were reported down. To date the records have not arrived at my office. As soon as they do, we will be glad to produce them for the examination by your committee.

In view of the fact that the records are at Drake, where they properly belong, which fact should have been known to your committee, there was no necessity of your Mr. Shipley making the insinuation in his letter that there had been unnecessary delay.

I am also in receipt of a letter dated February 18th which arrived on February 19th, and which was signed by D. E. Shipley, Secretary, which reads: "The House Audit Committee request that you produce Mr. F. R. Pollard and have him appear before the Committee for examination immediately.'

(S44)

I have seen Mr. Pollard, but I do not think I have ever been introduced to him. I understand he was at one time employed by the Home Building Association. He is not in my possession. I am not his guardian, nor has he ever been under my control. The last information I had of his whereabouts is a letter dated February 8th, 1921, signed by him and addressed from 305-307 Mercantile Building, Denver, Col. I do not know that the letter was signed by him, but the signature says F. R. Pollard, and I presume he may be located there. I would suggest that if you wish to secure his presence at your hearing, you issue a subpoena for him or request that he appear.

I will be glad to do all I can to assist you to get in touch with him, but your order to me to produce Mr. Pollard looks to me like a ridiculous attempt upon which to base an unfounded charge——"

Mr. Murphy: I want to read that over again—"your order to me to produce Mr. Pollard looks to me like a ridiculous attempt upon which to base an unfounded charge that the Commission refuses to produce evidence.

Again assuring you that I will do everything in my power to locate Mr. Pollard, I remain,

Very truly yours,

H. A. PADDOCK,

HAP-M

Secretary of the Commission."

(S45)

Q. Now, Mr. Paddock in this exhibit 116 which was prepared by you as Secretary of the Industrial Commission, you set out the list of the employees of the various concerns, don't you? A. The first list of employees I find is Exhibit 6 in that report.

Q. What does that relate to, the Drake Mill? A. It says "Pay Roll at State Mill, Drake, Jan 1, 1920, to December 31, 1920."

Q. Find the one for the Home Builders Association? A. It appears as Exhibit 12 in the report.

"Home Building Association general payroll year ending December 31, 1920."

Q. Do you find the name of F. R. Pollard down there any place? A. No, sir.

Q. Well, look closely. A. I was mistaken, yes.

Q. What does it say? A. Purchasing Agent, \$1,400.00.

Q. \$1,400.00 a year? A. I couldn't say as to that. I imagine that is what it means.

Q. Well, when you made this report, you knew all about who employed Mr. Pollard? A. No, I didn't know all about Mr. Pollard.

Q. I didn't ask you that. I asked you if you knew who employed him at the time you made the report? A. At the time I made the report, I took the list or payroll of the Home Builders and set it up in the report.

(S46)

Q. And acquired some knowledge of who the employees were? A. Some knowledge is right. There are many employees listed there that I don't know about.

Q. You knew who Mr. Pollard was before that? A. I knew he was supposed to be employed by the Home Building Association, as I said in the letter.

Q. Did you ever learn that he got \$300.00 a month instead of \$1,400.00 a year? A. It doesn't say \$1,400.00 a year.

Q. What does that \$1,400.00 cover? A. I couldn't tell you, I presume it covers what was paid him during the year.

Q. Supposed to represent salary? A. I presume so.

Q. Well, you knew prior to that he was employed in the Bank of North Dakota, prior to his employment in the Home Building Association. A. No, I didn't know that. I heard that Mr. Pollard had formerly been employed there.

Q. Well, the people who said that—you had some confidence in the truth of what they said.

A. I had no reason to doubt what they said.

Q. So you had some general information, if not actual information? A. I have related all the general information I had.

(S17)

Mr. Murphy: Well, I guess that is enough, we can draw our own conclusions.

Q. You weren't charged or the Commission wasn't charged in that communication with being the guardian of Mr. Pollard? A. The letter was addressed to me as secretary and I was ordered to produce him.

Q. This exhibit 12, that you showed us here in Committee's exhibit 116, the F. R. Pollard item on it reads, does it not: "Home Building Association, general pay roll, year ending December 31, 1920?" A. Yes, sir.

Q. And underneath that follows what purports to be a list of the payroll? A. Yes, sir.

Q. And in that list, "F. R. Pollard, purchasing agent, \$1400.00?" A. Yes, sir.

Q. Now, wouldn't you say that covers the whole year? A. I don't locate the commentary on it, but it is my opinion that that represents the total amount of money paid to Mr. Pollard during the year ending December 31, 1920, and that all the other items in that exhibit represent the same thing.

Q. That is that would be his whole salary during that year, whatever time he worked? A. The rest of the items show amounts down to \$87.50 and \$85.00 and various small amounts. It appears from the face of it as though it was the entire amount of money paid out on the payroll during 1921.

(S18)

Q. 1920, you mean? A. Yes, I thank you.

Q. Now, you say in this letter "in view of the fact that the records are at Drake where they properly belong which fact should have been known to your committee, there was no necessity of your Mr. Shipley making the insinuation in his letter that there had been unnecessary delay." A. That is in substance what it says.

Q. Well, that is correct—where those records belonged was at Drake? A. Yes.

Q. Well, why weren't they there when the auditor of the Bishop Brissman Company tried to audit them? A. You will have to ask somebody that knows.

Q. If they weren't there, they were some where where they shouldn't have been? A. I couldn't swear to that.

Q. Then they must have been where they improperly belonged? A. Well, they might have been out of the place where they properly belonged, and not have been out of there improperly.

Q. Well, how did this Commission know that they were in just that condition at the time they wrote this letter? A. The records we naturally presumed are in Drake where they belong, unless they are directed to be taken out of there for (849)

some reason or other, such as here.

Q. Well, that is a mere presumption, as I understand your answer. A. Well, that is where they came from when they came here.

Q. Well you say, "We naturally presume they are there unless they are somewhere else?" A. Well, the fact that they came from there shows the presumption is correct.

Q. But it is a presumption or was at the time you gave the answer? A. Of course, we assume the records are where they belong.

Q. So when they were not there at the Drake Mill, where they properly belonged, when the auditor came around to look for them, they must have been somewhere else? A. I don't know that to be a fact.

Q. Are there any other matters that I asked you to produce the last few days? A. Not that I know of. Are you through with the records, your man was working on them and didn't want me to interrupt him today?

Q. Well, we won't interrupt him today. That is why we have got them here. A. I thought you would do that, so I had copies made.

(850)

HARRY L. AULTMAN, having been called as a witness, was duly sworn, and testified as follows:

EXAMINATION BY MR. MURPHY:

Q. What is your name? A. Harry L. Aultman.

Q. What is your business? A. Public accountant

Q. With whom are you connected? A. Bishop, Brissman & Company.

Q. Were you connected with that concern in the fall of 1920? A. Yes, sir.

Q. As a part of your duties were you directed by your firm to make an audit of what is known as the Drake Mill in North Dakota? A. Yes, sir.

Q. What did you do with reference to making that audit? A. I went there with assistants, to make the audit, on December 11th.

Q. 1920? A. Yes, and went ahead with the audit as far as I could.

Q. Why couldn't you complete it? A. Because I didn't have all the records.

Q. Where were they, do you know? A. I do now, but not then, I asked for them then.

Q. Who did you ask? A. I asked everyone in connection with the Commission; I asked the bookkeeper at Drake for these specific records and were told they were not there.

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Q. Were you told where they were? A. I was told they were somewhere else, and one of our men asked of the Industrial Commission where they were and couldn't get them.

Q. Never were able to get hold of them? A. We never were able to get hold of them.

Q. And since you came here to complete this audit, how much time have you been permitted to work on them? A. Yesterday, from 9:15, I believe, until 2:30.

Q. Then where did you go to? A. To the Senate Investigating Committee.

Q. They kept you there all the rest of the afternoon? A. Yes.

Q. Why didn't you work nights? A. I couldn't get at the records

Q. Why not? A. I asked for the privilege to work night, and I was told I couldn't get

Q. Who told you that? A. Mr. Paddock, here, and Thatcher, told me I could get them nights if their men work nights. And I asked their men, or one of their men, he said he couldn't work at

Q. Those have been the conditions under which you been compelled to work ever since you came here? A.

Mr. Murphy: That is all.

(S52)

Mr. Murphy: Mr. Chairman immediately upon this witness leaving the stand he was directed by a gentleman who purports to represent the Senate Committee to appear before the Senate Committee this afternoon, and we have got to have some understanding on this proposition or we are never going to be able to complete this audit.

Mr. Paddock: Mr. Murphy, will you tell me—

Mr. Murphy: I will tell you nothing. I don't recognize you in this hearing as anything except a witness. We are never going to be able to complete the audit on the Drake Mill unless the committee's auditor is permitted to work on these records.

Mr. Paddock: This witness was notified by the Senate Committee yesterday to be there this afternoon, so it is not a matter of calling him upon what he may have testified to yesterday.

Mr. Murphy: The minute he got off the stand, Mr. Sinkler turned around and said we want that man up there this afternoon and told him so.

Mr. Sinkler: And that was in accordance with the order made by the Senate Committee.

Mr. Chairman: On how many occasions has that witness been testifying before the committee?

(S53)

Mr. Sinkler: Two different afternoons. Yesterday he was on the stand for over two hours and a half.

Mr. Chairman: And how long the day before?

Mr. Sinkler: I don't recall. I think about thirty minutes, I won't say for sure.

Mr. Chairman: And have you any idea of how long you are going to use him there this afternoon?

Mr. Sinkler: I don't.

Mr. Paddock: We will gladly excuse him any time we are not using him on the stand.

Mr. Sinkler: Are there any more records you need?

Mr. Aultman: I cannot say until I get through with these.

Mr. Sinkler: Well, if there are any, we will hire a dray and take them up to the Capitol and you can have a room there and work on them.

Mr. Sullivan: Why all this generosity?

Mr. Chairman: I want to call your attention to one seeming discrepancy in that procedure. This man has been called here for the purpose of perfecting the audit of the Drake Mill, and he has been subpoenaed up there. Now you know as well as we do that we have been trying to expedite this examination, and now you subpoena our attorneys and the only ones, I take it, that you won't subpoena are the members of the committee, who are not subject to subpoena.

(854)

Mr. Paddock: We have no desire to hold up your proceedings at all. This man now has these records where he can work on them any time he wants them.

Mr. Chairman: But he must have time to work on them.

Mr. Paddock: Surely, but there are several of us, yourself and Mr. Murphy, included, I presume, who are working fifteen to sixteen hours a day and he should be able to do the same. The Senate Committee sent for this man long before he appeared here and tried to get him here and he never came until he came in response to a telegram as shown by Mr. Murphy's statements in court here, and he was the man who audited the Drake mill, and claims to know something about the audit in the Bank of North Dakota, and the Senate Committee is just as much interested in hearing his testimony as anything else. The Senate Committee had been unable to get Mr. Bishop to come here.

Mr. Murphy: I insist that this man be requested to sit down and let us proceed. We know what the facts are and they have been trying to keep this auditor away from this work. It has been going on ever since he came here, and long before that. For two or three weeks prior to that, when Mr. Lee was here, we were trying to get those records and got nothing except personal pronouns "I's."

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Mr. Paddock: When did you make that first demand on—

Mr. Sullivan: Oh, go on over and sit down.

Mr. Shipley: I move that the marshal be directed to eject Mr. Paddock from the room unless he takes his seat and keeps it.

Mr. Freeman: I second the motion.

On roll call, all members voted aye, and the motion was declared passed.

Mr. Chairman: Mr. Marshal you will see that Mr. Paddock takes his seat and keeps it.

G. A. EBBERT, having been called as a witness, was duly sworn, and testified as follows:

EXAMINATION BY MR. MURPHY:

Q. What is your name? A. G. A. Ebbert.

Q. Where do you live? A. Minot, N. D.

Q. What is your business? A. Banking.

Q. With what bank are you connected? A. First Farmers Bank of Minot.

Q. How long have you been connected with that bank? A. Just about a year.

Q. You commenced sometime in February, 1920? A. The first of March.

Q. You have been there in that bank ever since, in the capacity of General Manager of the Bank? A. Yes.

Q. And who is the president of that bank? A. Anthony
(856)

Walton.

Q. He has been during all that period? A. Yes, sir.

Q. Mr. Walton is likewise connected with the Equity Cooperative Packing plant of Fargo? A. Yes, sir.

Q. And is a director, is he not? A. Yes, sir.

Q. And has been during all the period which I have covered? A. Yes, sir.

Q. Now, the records of the Bank of North Dakota, as of December 3, 1920, show a rediscount by the First Farmers Bank of Minot with the Bank of North Dakota, of the following note—note dated 5th of June, 1920, due on demand, made by the Equity Cooperative Packing Company, secured by note to same by same, dated 19th day of March, 1920, and due June 1, 1920, for \$20,000.00, at seven per cent. Do you recall that note? A. Yes, sir, I do.

Q. The first you heard of it was from Mr. Walton, was it not? A. Yes, sir, I believe it was.

Q. He returned from a meeting of the Equity Cooperative Packing Company in Fargo with the note? A. I am not so sure whether he returned with the note. But the information from the best of my recollection came from that source.

Q. Do you remember when the note came to the First Farmers Bank? A. Shortly thereafter, I rather think it came by mail.

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Q. It was submitted to you as general manager for investigation? A. Yes, sir.

Q. Then at the time Mr. Walton first spoke to you about it did he inform you as to any arrangements which had been made with the Bank of North Dakota to take care of it? A. He told me something about it.

Q. What did he tell you? A. That the Packing Company had made some arrangements, or rather the Board of Directors of the Packing Company had made arrangements with some members of the Bank of North Dakota that we could rediscount it with the Bank of North Dakota.

Q. Then, subsequently, did you take the matter up with some officer of the Bank of North Dakota? A. I did.

Q. Who was that man, do you remember? A. To the best of my recollection, I think it was Mr. McAneney.

Q. The director of credits? A. Yes, sir.

Q. And that arrangement was carried out, was it? A. Yes, sir.

Q. And the note of the Equity Cooperative Packing Company was sent down to the Bank of North Dakota and rediscounted.

Q. And you got your money back? A. Yes, sir.

Q. So in substance it amounted to a loan by the Bank of
(858)

North Dakota to the Packing Company? A. Yes, sir.

Q. Although it went around by that route? A. Yes, sir.

Mr. Murphy: That is all.

Witness: You don't care to know if the note is secured or not or if it is paid?

Mr. Murphy: No, the point is to show the method of making it; to show that the Bank of North Dakota was making

this loan, and it is immaterial whether it is a good or bad loan or whether it is paid or not.

B. H. STARY, having been called as a witness and being duly sworn, testified as follows:

EXAMINATION BY MR. MURPHY:

Q. What is your name? A. B. H. Stary.

Q. Where do you live? A. Conway, North Dakota.

Q. Where do you live? A. Conway, North Dakota.

Q. What is your business? A. Automobiles and tractor business.

Q. How long have you been engaged in that business? A. I couldn't just recall, but I think somewhere in the neighborhood of seven years.

Q. What county is Conway in? A. Walsh.

Q. About how far is it from Grand Forks? A. Fifty miles.

Q. And about how far from Michigan City? A. About (S59)

thirty-eight.

Q. How large a town is Conway? A. About 140 inhabitants.

Q. About how many buildings in it? A. I couldn't just recall how many buildings, but there is a Union depot there and two roads go through it.

Q. Two different railroads cross there, so they have a depot and use it together? A. The Soo Line and the Great Northern.

Q. A nice large depot, I take it? A. Well pretty fair, yes.

Q. Now, you say you are in the automobile and tractor business, what is the name of your concern, under what firm name do you operate? A. Well, I operate under the name of B. H. Stary and Conway Storage Company.

Q. What is the business of B. H. Stary? A. Automobile and tractor business.

Q. That is selling them? A. Yes, sir.

Q. And then you have got the Conway Automobile Company, you say you operated that? A. We operated a bonded warehouse under that name.

Q. But it is operated right there in Conway? A. Yes, sir.

Q. You are the chief owner of it? A. Well, I am the one that is interested, I am president and manager.

Q. Well sometimes, you know, they hire presidents and (S60)

managers—you are really president, manager, chief cook, and bottle washer? A. Am mayor of the town at the same time, I guess.

Q. Well, did you get the whole 140 votes? A. Well, at that time the women couldn't vote, and I don't know how I stand with them.

Q. Well, you are the largest owner of the Conway Storage Company? A. Yes, sir.

Q. The majority of stock in it? A. Yes, sir.

Q. Is it a corporation? A. Yes, sir.

Q. Where is it incorporated, in the State of North Dakota? A. Yes, sir.

Q. And you operate what you call a bonded warehouse? A. Yes, sir.

Q. Where was it bonded? A. Well, at Conway—how do you mean bonded, I didn't quite understand your question.

Q. Well, that is what I wanted to find out—what you mean by it. A. Well, if you will explain your question—

Q. Well, you say it is a bonded warehouse, what do you mean when you say it is bonded? A. Well, the Conway Storage Company—it is a storage company where you store automobiles, tractors, or merchandise, and issue warehouse receipts.

Q. Well, you used the word bonded—how did you acquire the right to use the word bonded, what formalities did you go through to get it? A. I just don't understand your ques-

(861)

tion, Mr. Murphy.

Q. What is the difference between a bonded warehouse and one that is not? A. Well, bonded state licensed warehouses, I guess that is the way all these warehouses run.

Q. Well, have you a state license as a bonded warehouseman? A. Yes, sir.

Q. From whom did you acquire it? A. From the State of North Dakota, I think.

Q. Well, what particular office or department of the State of North Dakota? A. Well, I couldn't just recall that without looking up my records.

Q. You have some records on that? A. Yes, sir.

Q. In the name of the Conway Storage Company? A. Yes, sir.

Q. Well, now, Mr. Stary, the Conway Storage Company and B. H. Stary are engaged in the automobile business, and both operate in the village of Conway? A. Yes sir.

Q. And I assume you have separate buildings? A. Well, I guess I have, yes. I couldn't just recall that, I issue warehouse receipts for cars stored in the automobile garage.

Q. Let me get this thru my head? A. Well, I will explain anything you ask me.

(862)

Q. How large a building is it you operate in? A. I operate in one—how long is two lots?

Q. I don't know how long they make them in Conway.

Mr. Chairman: Is it a business or residence lot? A. It is a business lot.

Q. Well, they are generally twenty-five feet. A. Well, the front is fifty feet and they are across two lots.

Q. How long would it be? A. About one hundred forty feet.

Q. Well, what kind of a building is it? A. Frame.

Q. What kind of a floor? A. Cement.

Q. The whole way back? A. It is gravel in the back.

Q. Where is the storage end of it? A. Well, we use both parts for storage.

Q. So the part that the B. H. Stary occupies is used for storage, and also the back part. A. Yes.

Q. Well, which part of the building is bonded? A. Well, the back part—I don't know just which part, I think my bonded warehouse calls for certain lots, I think that is the way it is and any buildings that are on that lot.

Q. I understand you to say you had divided this building by some kind of partition. A. We just kept building on, that is all.

Q. But when you finally kept building on, there was some kind of a division in the building? A. Yes.

(853)

Q. And which end of it did the storage company operate in or didn't you separate the storage company and B. H. Stary? A. Well, not to my knowledge.

Q. Well, you would know about it doubtless, if they were separated. So you used the same building to handle the automobiles you were selling as the Conway Storage Company used to hold the automobiles they were storing there? Is that true? A. Yes, sir.

Q. Well, now the records of the Bank of North Dakota indicate that sometime in the month of March or April, you made a loan with a bank called the Michigan City Bank? A. Yes, sir.

Q. And gave several notes aggregating \$27,800.00, I think they total up? A. I think I had more at one time.

Q. What was the amount of it? A. I couldn't just recall it.

Q. About \$47,000 wasn't it, originally? A. Well somewhere along there.

Q. But all of them didn't get down here to the Bank of North Dakota? A. I don't know that. I dealt with the Michigan City Bank.

Q. You dealt direct with the Michigan City Bank? A. Yes.

Q. Now, you gave that note of the Conway Storage Company? A. Yes, sir, I think I did.

Q. And you signed those notes as President and General
(854)

Manager? A. I don't know, I think I signed them personally, and signed them Conway Storage Company, to the best of my knowledge.

Q. You signed B. H. Stary and also Conway Storage Company? A. Yes, sir.

Q. And as security, you put up warehouse receipts on certain automobiles? A. On automobiles, tractors, or whatever I sold.

Q. Which automobiles and tractors were then stored by the Conway Storage Company? A. Yes, sir.

Q. That is true? A. Yes, sir.

Q. And upon them they loaned you \$27,800.00? A. Who?

Q. The Michigan City Bank?

A. They loaned me more at one time, I couldn't tell how much.

Q. Well, we have agreed that you had \$47,000.00? But we will just cut it down to be easy on the boys and call it \$27,000.00. Now these automobiles you had there were what Stary got in to sell? A. Yes.

Q. And when Stary wanted to borrow money on them, he went in to the Bank and gave the Bank warehouse receipts? A. And put them in the warehouse and bonded them.

Q. That is what you did? A. Yes.

Q. Are they all there yet? A. Well, anything I owe on is there.

(865)

Q. I am talking about the automobiles? A. Automobiles and tractors—well, I don't just quite understand what you mean.

Q. I am trying to get the relationship between Stary and the Storage Company. Now Stary gets in a bunch of automobiles, that he buys to sell? A. Yes.

Q. That is his business? A. Yes, sir.

Q. Then he gets an idea he wants some money, and he goes over to the bank and as president and general manager

of the Conway Storage Company he issues warehouse receipts and borrows a sum of money from the Michigan City Bank on the automobiles that Stary got in to sell? A. Not only the Michigan City Bank.

Q. Well, we are just confining ourselves to this one deal—you have done that with quite a number of banks? A. Yes, sir.

Q. Well, that is the way you did it? You issued warehouse receipts on automobiles B. H. Stary had gotten in to sell? A. We bought from the manufacturers under contract that B. H. Stary had.

Q. Well, how many of those have you sold that you borrowed money on from the Michigan City Bank? A. I couldn't tell that.

Q. Didn't you look it up the other day when the gentleman was up there to see you? A. He didn't ask me.

(S66)

Q. Didn't you tell him some were sold, and some were there yet, you didn't know how many? A. Yes, sir. I think I told him something to that effect. I naturally borrowed more money and paid for somewhere in the neighborhood of \$17,000.00.

Q. Paid whom? A. The Michigan City Bank.

Q. Have you paid the Bank of North Dakota on this \$27,800.00? A. I never dealt with the Bank of North Dakota, I dealt with the Michigan City Bank.

Q. Well, did you have any understanding with anybody connected with the Bank of North Dakota that the Bank of North Dakota would take care of your financial operations with the Michigan City Bank? A. Well, not to my knowledge.

Q. Well, you would know? A. Well, I just want—I had one letter.

Q. Well, what is the letter, let's see it? Committee's Exhibit 118 is the letter you just referred to? A. Yes, sir.

Q. And Exhibit 118a is the envelope in which it was contained? A. Yes, sir.

Q. Now, then, this letter reads as follows, does it not?

(Exhibit No. 118)

“Office of State Examiner
STATE OF NORTH DAKOTA

Bismarck

O. E. Lofthus,
State Examiner.
Gilbert Semingson,
Chief Deputy Examiner.

(S67)

January 7, 1920.

Mr. Bert H. Stary,
Conway, North Dakota.

Dear Sir: I can advise you that I have had an opinion from the Attorney General stating that paper secured by automobile stored in a licensed and bonded warehouse will not be considered as excess loan.

Yours truly,
O. E. LOFTHUS,
State Examiner.”

OEL-G

A. Yes, sir.

Q. And it is addressed on the outside, to Bert H. Stary, Conway, North Dakota, with a return stamp on the envelope: "State Examiner, Lock Box 348, Bismarck, North Dakota?" A. Yes, sir.

Q. Now, you had conferred with Mr. Lofthus before you made the loan with the Michigan City Bank, had you? A. Well, I had to explain to these banks that this was not supposed to be considered as excess loans.

Q. Why isn't it? A. Well, it states in the letter, I don't know.

Q. All you know is what Mr. Lofthus told you? A. I had information from the Attorney General and the State Examiner.

(S68)

Q. That you could go to a bank the size of the Michigan City Bank and borrow \$47,000.00 on automobiles in bonded warehouses? A. It doesn't specify there any amount, it just says it isn't considered as excess loans.

Q. Did you write to Mr. Lofthus? A. Just wrote him and asked him in regard to bonded warehouses, as I understood some of the other fellows, some of the big distributors at Grand Forks told me it wasn't an excess loan.

Q. What kind of a bond did you put up? Do you know? A. I couldn't just recall that.

Q. Did you ever put one up? A. I think a \$5,000 bond.

Q. Have you any idea of whom you got that bond? A. I have not, without looking up my records.

Q. And the limit of the bond is \$5,000.00? A. I think so.

Q. And you could do \$47,000.00 worth of bonded business on such bond, is that the idea? A. I guess that is it.

Q. Now, we kind-a-got diverted a little bit. You drove me over into the arms of my old friend, Lofthus. Now, of course, you told Mr. Lofthus or advised him when you were down here about what the deal was so he could understand it? A. When was this?

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Q. Well, at the time before you made this deal with the Michigan City Bank and the other banks. A. Well, I wrote him a letter in regard to it.

Q. Did you go into detail on it? A. No.

Q. Did you ever have any talk with him about it? A. No, sir, I never met the man until yesterday or the day before. I knew he was State Bank Examiner.

Q. Now, who else did you talk with, connected in any way with the State Administration, relative to this transaction?

A. How I came to talk to Mr. Lofthus? He testified it was considered an excess loan, they said in one of the papers.

Q. He testified before this committee? A. Yes.

Q. Well, I am talking about way back in 1920 when you made this deal? A. When I incorporated the Conway Storage Company, I wanted to know whether or not I could borrow—how much I could borrow—from each individual on these warehouse receipts, and some of my distributors at Grand Forks told me that a bonded, state licensed warehouse notes secured on automobiles and tractors or merchandise or whatever you put in it, threshing machines, wouldn't be considered as an excess loan, so I had to write to the State Bank Examiner and get a letter to that effect.

Q. Of course, you understood when you put them in bond

and issued the warehouse receipt that they were supposed to stay there in bond, didn't you? A. No.

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Q. You thought you could take them out and sell them while that receipt was out against them? A. Well, I didn't sell them that way. If I sold a car or a tractor, I replaced it with equal value, either by a different make or similar make.

Q. You left that up to your own judgment though as to whether it was of equal value, is that the way you operated? A. Well, I made that arrangement with the banks.

Q. With the Michigan City Bank? A. Yes, sir.

Q. That was understood? A. Yes, sir.

Q. Now, you had been handling automobiles for several years? A. Yes, sir.

Q. You have handled automobiles for A. C. Townley? A. I have sold to anything from an Icelander to a Nigger.

Q. Well, is he in between those or on either side? A. I have sold the League. I have sold I. V. A.'s and everybody else.

Q. Did you sell any Democrats? A. Yes, sir.

Q. And stand-pat Republicans? A. Yes, sir.

Q. Did you sell Townley? A. I didn't sell Townley—well, I wouldn't say I didn't, I have sold Townley cars.

Q. And got the money on them? A. Yes.

Q. You, as a matter of fact, were handling cars for the League in the first instance, weren't you? A. I was in

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that business, selling automobiles, and anybody that came along with the money got an automobile.

Q. And you were in this little town of one hundred and forty people up there about fifty miles from Grand Forks?

A. I have sold more cars at retail than any man in the state of North Dakota.

Q. Most of them to Leaguers? A. Well, I will just explain that.

Q. I am asking you? A. I sold a bunch to the Non-partisan League.

Q. Now, I will agree that you have got the state record and the championship belt, but didn't you get that by selling cars to the Leaguers? A. Well, that is where I practically started.

Q. And where you cinched the championship, too, wasn't it? A. No, I don't think it was.

Q. Do you remember Brother Bowen—A. E. Bowen— A. I think I do.

Q. Do you remember his coming up there and getting a car at one time with another fellow and riding off with it? A. No, I don't.

Q. Don't you remember that? A. There has been so many up there, I couldn't just recall the time.

Q. Well, the time is not particular. But didn't he and some other big Leaguer come up there? A. Naturally somebody connected with the League drove off cars.

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Q. Well, you didn't sell Bowen that time then? He just came in and said, charge this car up to the League and got in and drove off with it? A. I don't remember that.

Q. And you don't remember afterwards, getting into difficulty with the League about some of these transactions, and they were going to try to make you some trouble? And

you showed them what Bowen and somebody else had done and they had never shown it on the records, you see I have some information on that and you might as well come clear it; do you remember that? A. Well, there is something to that effect, I guess.

Q. Now, Mr. Stary, that was before you made these famous storage receipts transactions, wasn't it? A. Yes, sir.

Q. Now, just who was it that you made your arrangements with for the Bank of North Dakota to carry this paper, Mr. Cathro or Mr. McAneney? A. I never knew either one of those gentlemen at the time.

Q. Well, which gentleman did you make it with, which one of the gentlemen connected with the League did you make your arrangement with, so they would carry this big load of paper down here at the Bank of North Dakota? A. Well, there was one man I knew in the Bank of North Dakota at that time, and that was J. R. Waters.

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Q. Did you make any such arrangement with J. R. Waters? A. Not that I can recall.

Q. Did you know anybody else in the Bank of North Dakota? A. Well, I do now, since I have been down there.

Q. Who? A. I have met Mr. Cathro.

Q. Have a talk with him since you came down here? A. No, sir, just shook hands with him and met him.

Q. And Mr. McAneney? A. Well, I have met him sometime before.

Q. Well, how long before, did you meet Mr. McAneney? A. Well, I couldn't just say, I think I met him in Grand Forks or Fargo.

Q. I know that is the place, but not the time.

A. Well, I couldn't just recall that, it was sometime last fall, I think.

Q. The fall of 1920? A. Somewhere along there.

Q. That was shortly prior to the time that the Bank of North Dakota took this paper over from the Michigan City Bank wasn't it? A. No, sir.

Q. How do you know that? A. Well—I don't know—

Q. How do you know it? A. I suppose I don't know it.

Q. As a matter of fact, you do know when the Bank of North Dakota took your paper from the Michigan City Bank?

A. I never dealt with the Bank of North Dakota. I dealt (874)

with the Michigan City Bank.

Q. Who are the officers of the Michigan City Bank? A. Oliver Knutson, former State Bank Examiner.

Q. Under a democratic administration—it doesn't hurt me a bit, go a head, who else? A. Mr. Orvik.

Q. You did quite a lot of business at that time with quite a lot of other banks too. A. Yes, sir.

Q. What other banks? A. I just couldn't recall that without looking it up. I know there was the Park River bank, the Park River bank, and two banks at Conway.

Q. Now, this bank at Michigan City, do you know what its capital was? A. No, I don't.

Q. Never inquired into that? A. No, sir.

Q. Just a small bank, though? A. Yes.

Q. Michigan City isn't much larger than Conway, is it?

A. I was only there once or twice, and it is larger than Conway, I guess.

Q. Probably has one hundred and fifty instead of one hundred and forty? A. No, I don't know the number.

Q. Well, you know the Bank's capitalization isn't over \$10,000.00? A. I don't know that.

Q. Well, how did you induce those bankers to take \$47,000.00 worth of paper in that little, small bank? A. Well, I just went up there and told them I wanted to borrow money on new cars and pay my manufacturers and showed them the letter and opinion I had from Attorney General Langer.

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Q. You didn't have a letter from Attorney General Langer? A. I had from his office, or I had a copy.

Q. What is this, a copy? A. A certified copy.

Q. Now, Exhibit 119, purports to be a certified copy of an opinion dated January 6, 1920, and signed by Edward B. Cox, Assistant Attorney General. When did you get this Exhibit 119? A. I just got it yesterday.

Q. From whom? A. From the State Bank Examiner's office.

Q. Had you had the original prior to that, or did you come down here to find out whether they had an opinion or not? A. What is that?

Q. Was the first time you saw anything from the Attorney General's office when you came down here yesterday? A. Absolutely, but I had the opinion in Mr. Lofthus' letter.

Q. In Exhibit 118, Mr. Lofthus advised you that he had an opinion? A. Yes, sir.

Q. So you came down to find out whether he did or not and got Exhibit 119? A. Yes.

Mr. Murphy: I would like to read this.

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(Exhibit No. 119)

"COPY.

January 6, 1920.

Mr. O. E. Lofthus,
State Bank Examiner,
Bismarck, N. Dak.

OPINION

Dear Sir: In your letter of recent date directed to Attorney General Langer you request an opinion as to whether or not a loan made by a bank secured by automobile warehouse receipts covering automobiles stored, in a licensed and bonded warehouse should be taken into consideration in determining whether or not the borrower has exceeded the legal loan limit of the bank from which such loan is obtained.

In reply, your attention is directed to the following language, taken from Section 5172, C. L. 1913:

' * * * the discount of bills of exchange drawn in good faith against actual existing values, or loans upon produce in transit or actually in store as collateral security; provided, that all paper relating to such transactions be made payable to and such paper and the security therefor, be and remain in the possession and control of such association until the advance or debt be paid shall not be considered as money

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borrowed, and such association may discount commercial or business paper actually owned by the person negotiating the same without it being deemed an addition to the loans to said negotiator.'

It is probable that automobiles would be considered as "existing values;" likewise, I find upon consulting the authorities that "produce" is defined as meaning "the product of natural growth, labor or capital." It is clear under the last definition given that automobiles should be classed as produce." Such being the case, if the provisions of Section 5172 are complied with, that loans secured by warehouse receipts covering automobiles stored in a licensed and bonded warehouse should not be considered in determining the amount of the loan which a negotiator to whom money had been advanced upon such stored automobiles could obtain.

Yours very truly,
(Signed) EDW. B. COX,

EBC-K

Assistant Attorney General.

I hereby certify that the attached is a true and correct copy of opinion received from Assistant Attorney General Edw. B. Cox, under date of January 6, 1920, original opinion being on file in the State Examiner's Department.

Bismarck, N. Dak.,

Gilbert Semingson,

February 24, 1921.

Chief Deputy Examiner."

Seal—

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Mr. Murphy: We offer in evidence Exhibits 118, 118a, 119.

Q. Now all you were concerned with was whether this large amount of money would constitute an excess loan? A. Yes, sir.

Q. Then how did you persuade the bankers in those small banks to loan you up to \$47,000.00? A. Well, I saw Mr. Waters to that effect sometime before that and he said the Bank of North Dakota would take any paper endorsed or guaranteed, or that is rediscount any paper that any good substantial bank would endorse.

Q. Well, did you tell these bankers that? A. Yes, sir.

Q. Which men did you tell that? A. I guess I told that to Mr. Orvik at Michigan City.

Q. And what other bankers? A. The Bank at Park River and the bank at Inkster.

Q. When was it you had that conversation? A. I couldn't just say, it was in March, sometime.

Q. Just a little prior to the time you made this deal, that is correct, isn't it? A. Well, a little before that.

Q. Don't you know that Mr. Waters wasn't in the country at that time, in March, 1920? A. I don't know that.

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Q. Don't you know that he was down in Florida about that time? A. Well, he went to Florida later, but I remember I talked with Mr. Waters before I—

Q. Where? A. Talked with him by telephone.

Q. Where was he and where were you? A. He was at Bismarck and I was at Conway.

Q. Well, don't you know that he went out of the Bank before this paper came into it? A. I don't think so.

Q. The paper couldn't have gotten into it before it was dated, could it? It is impossible that that paper of yours could have gotten down here to Bismarck and into this bank before it was dated? A. Yes, sir.

Q. You notice it is all dated March 15, 1920; March 15, 1920; April 13, 1920; March 24, 1920; April 5, 1920, the earliest date being March 15, 1920, you notice that? A. Yes, sir.

Q. So it must have come down here after that date? A. I couldn't swear to that.

Q. Well you figure they sent it down before it was dated? A. No, sir.

Q. Then it got down after it was dated? A. It came down a day or two after, I would judge.

Q. That quick? A. I don't know as that quick.

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Q. They got it down here in a hurry, anyway? A. I got my money from the Michigan City Bank and I don't know when it got down here.

Q. Did you get your money from the Michigan City Bank the minute you put your paper in? A. Yes, sir, I checked it out immediately. I gave a check for a carload of cars.

Q. And you were using the money you got to buy those cars that you were giving the warehouse receipts on? A. Yes, sir.

Q. You didn't even have the cars in your possession at the time you issued the warehouse receipts? A. Yes, sir.

Q. But you hadn't paid for them? A. No, not until I took up the Bill of Lading.

Q. How did you get possession of them if you hadn't been able to take up the bill of lading? A. I issued the warehouse receipts on my invoices and took up the bill of lading.

Q. The warehouse receipts were issued on the invoices, and not on the cars then? A. They were issued on the cars, but the cars were there at Conway or were just going to be unloaded.

Q. Well, now, let's get this straightened out. I am not a business man and never sold an automobile in my life, although I have bought several which I wish I hadn't. Now your method of financing was this—you had a bunch of cars shipped in to you on bill of lading, and, of course, they sent

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you invoices and you couldn't get these cars until you got the money to take up the bill of lading. The railroad company wouldn't deliver them? That is correct, isn't it? A. Yes, sir.

Q. So you issued warehouse receipts on these invoices, but described the cars? A. I had cars in stock there, the cars that I had just unloaded and taken over to the warehouse.

Q. Well, you have already told us you issued your warehouse receipts on invoices, and came over to the bank and got the money on those warehouse receipts and then took the money and took up the bill of lading? A. Yes, sir.

Q. That is the way you worked it? A. To some extent.

Q. And then afterwards, you sold those cars, you say, and replaced them with others? A. With others of equal value, or tractors of equal value.

Q. According to your judgment? Did you ever pay up the warehouse receipts, when you sold the car which was covered by the warehouse receipt? A. Yes, sir, I paid up lots of them.

Q. Have you paid up any of these to the Bank of North Dakota? A. I don't know anything about the Bank of North Dakota.

Q. You haven't heard anything about that? A. Well, I

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don't know only what you showed me.

Q. Hasn't the Bank of North Dakota informed you anything about that? A. No, sir.

Q. You notice they are all overdue? A. They weren't overdue with my bank at Michigan City.

Q. These are due July 4th, September 18th, August 15th, September 13th, August 19th and September 24th, they have all been overdue since last fall and earlier, haven't they? A. That's what they look like according to that, but I fixed up with my bank in Michigan City somewhere along in September.

Q. You went up and fixed up with your Bank in Michigan City? A. Yes, sir.

Q. Well, when this note of \$5,600.00 fell due August 15, 1920, did the Bank of North Dakota write and tell you they had that note and wanted you to pay it? A. No sir.

Q. Never said a word about it? A. No, sir, I never knew it was in the Bank of North Dakota. I turned the paper over to the Bank of Park River the same way, and I think they rediscounted it to the Bank of North Dakota, and when the note came due why the bank paid it and I paid it a little later. I think I could show that note if I had it.

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Q. Well, you just gave us some information we didn't have. You think the Bank of Park River also rediscounted your note, do you, the same kind of notes backed by warehouse receipts? A. Yes, sir.

Q. And what other banks were doing business with you along the same lines? A. Well, I just couldn't recall which ones, because some of them rediscounted them. I told them they could rediscount them through the Bank of North Dakota, that I talked with Mr. Waters and he would take a certain amount.

Q. Now, did you ever get any of these notes back that you gave to the Michigan City Bank, did they ever return those notes to you? A. I think I did.

Q. Which ones did you get back, can you tell by looking at the statement? A. I couldn't tell without looking it up.

Q. You haven't got this \$5,600.00 one? A. I might have, I don't know.

Q. And there is another \$5,600.00 one? A. Well, I think I have one \$5,600.00 one back.

Q. But that might have been on that \$20,000 surplus, over and above this \$27,800.00? A. No, I don't think so.

Q. Have you got the \$7,000.00 one back? A. Not yet.

Q. Do you know where it is? A. No.

Q. Well you did business of that kind all that summer in 1920, didn't you; started in about March and kept on doing business that way all during the year 1920? A. No, sir, I

(SS4)

couldn't. Shortly after Mr. Waters went out of the bank, I couldn't rediscount any more paper with the Bank of North Dakota.

Q. But this stuff must have gone in after he left the bank? A. I don't think it did. I think it went in when he was there.

Q. If he left the bank and went to Florida on the 15th of March or earlier, you will agree that this paper went in the bank after he left? Because the earliest date of that is the 15th day of March, 1920. A. Well, I suppose he left instrue-

tions there on that. I made my arrangements. I just asked him if they would rediscount some paper.

Q. Have you had any correspondence with the Bank of North Dakota lately? A. Not to my knowledge.

Q. Well, wouldn't you know about it? A. No, sir, I haven't had any.

Q. Have you ever had any? A. Not that I can recall; not to trust my memory.

Q. You wouldn't want to trust your memory on that? A. No, sir, because there was only one man I knew in the Bank of North Dakota and that was Waters.

Q. You have known Mr. McAneney for some time? A. Just since last fall.

Q. Haven't you written to him at all? A. Not that I know (885)

of.

Q. You remember when E. B. McCutcheon was up at Conway? A. Yes sir.

Q. And he visited you at your place of business? A. Yes, sir.

Q. And I assume as mayor of the town you entertained him probably? A. Yes, sir.

Q. You had a talk with Mr. McCutcheon and he told you who he was, didn't he? A. Yes, sir.

Q. And you told him that you had sold some of these automobiles and tractors and you didn't know how many were out there? A. I don't know just what I told him. He asked me if the cars were in stock, or something, and I told him some were.

Q. Some were and some were not? A. Yes.

Q. You see there are quite a number of cars here—four Buick automobiles, valued at \$5,600.00? A. Yes, sir.

Q. That is about \$1,400.00 a car? A. Yes, sir.

Q. What are those sixes? A. Yes. That is the only car they built in 1920.

Q. 1920 model? A. Yes, sir.

Q. Are those all up there now? A. Why, I told you—I answered that question a while ago that I either substituted to satisfy the Bank that I was doing business with, or—

Q. Did you make any substitution to the Bank of North Dakota? A. I had nothing to do with the Bank of North Da- (886)

kato, I was dealing with the Michigan City Bank.

Q. Well, the notes were rediscounted down here and the Bank of North Dakota owns them and owns the warehouse receipts, and you never made any substitution with them? A. I didn't know they were at the Bank of North Dakota.

Q. Didn't you know about it, when you were the man who originally told the bankers where they could send those notes?

A. I didn't know whether the paper was taken by the Bank of North Dakota.

Q. But you knew that it had been sent down here? A. Absolutely.

Q. You have four Nash automobiles, valued at \$5,600.00? A. Yes.

Q. Pretty good automobiles? A. Yes.

Q. About \$1,400 a throw? A. Yes, sir.

Q. Is that list price? A. Less than they cost me.

Q. So you are losing money? A. How am I losing money on that?

Q. You weren't losing—you and I will agree on that. You were not losing a penny on this deal. Well, are those Nash automobiles up there? A. I couldn't say that, I have got some Nash automobiles. I handle seven different makes.

Q. There are five Overland automobiles, valued at \$4,500; that would be about \$800 a car. A. The cars sold for \$1,125 at that time

Q. Were they the five passenger, four cylinder cars? A.
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Yes.

Q. Have you got those five up there now? A. I couldn't recall that, I couldn't say that, because as I told you before—

Q. Then there are five Chevrolets, valued at \$4,200. Do you know whether you have got those up there? A. I have got Chevrolets:

Q. Well, have you got five? A. Yes, more than five.

Q. Have you got the five particular ones described in the warehouse receipt you issued to the Michigan City Bank? A. I couldn't tell.

Q. There are five Wallace tractors, have you got those? A. I have got Wallace tractors, I have got about fifty tractors in all in stock.

Q. Have you got five Wallace tractors? A. I couldn't say without looking up my books what I have on hand.

Q. Did you finance those fifty tractors you have the same way you have been financing the rest of this deal? A. On warehouse receipts?

Q. Yes. A. No, sir, I didn't; not all.

Q. Well, how many about? A. I couldn't just recall that without looking up my books.

Q. You didn't keep all these automobiles, including the fifty tractors in that bonded warehouse? A. They are not all bonded, some of them are out.

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Q. Out where? A. Outside, I haven't got room inside. Some are in different places. I have some tractors at Ardock, Fordville, Union.

Q. Is that where you kept the seven Ford automobiles described in here, down at Fordville, valued at \$4,900.00? A. What are those? There has been some joke in the newspaper about that. There was a sedan and a coupe in that carload. These cars were bought a year ago and the price was up. You must remember the price of Ford automobiles went down since then.

Q. I can't explain it Mr. Stary because that is all it says, just seven Ford automobiles valued at \$4,900.00. Don't you know the particular cars you hypothecated to this Michigan City Bank? A. I couldn't just recall the numbers.

Q. Well, the sedan and coupe, what did you say about that? A. Well, I noticed this in the newspapers.

Q. Well, that was just a Ford joke? A. Well, it wasn't much of a joke. I don't think it was any credit to the Michigan City Bank.

Q. No, it isn't much of a joke on the Michigan City Bank or on the Bank of North Dakota, either, I will admit that.

Q. Now, let me ask you a few questions about your method of selling automobiles to the League. Isn't it true that these League organizers, or men who represented the League, would

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come along there and get cars from you and use a method

something of this kind: They would bring up a blank note signed by A. C. Townley or some other League leader and you would take that note out into the country and get some good farmer's note and use the farmer's note to pay for the automobile? A. Something to that effect. Yes.

Q. And you would get the farmers to sign the A. C. Townley note? A. Get farmers to sign?

Q. Yes, sir. A. Well, that was when they were first starting out. I got postdated checks.

Q. Farmers' notes and accommodation notes and that sort of thing? A. No, sir, no accommodation notes.

Q. Well, they just gave you the notes right out? A. Well, it was endorsed by the Non-Partisan League and signed by A. C. Townley and I have had lots of them.

Q. About how many, would you say? A. I couldn't say that.

Q. Well, now, you sold cars to Mr. Townley, you told us that already. A. Not only Mr. Townley, but Mr. Brinton, and Mr. Waters and other members.

Q. And Mr. A. E. Bowen? A. I don't know his first name, I think I sold Bowen.

Q. Well he is the gentleman with the imperfect vision? A. I think I know who he is.

Q. Well, you sold him a car? A. A Willys-Knight.

Q. That was the time he walked off with the car? A. I don't know as he walked off with it, he got one.

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Q. And J. Arthur Williams, you sold him a car, didn't you? A. I think I did.

Q. And that was also on these farmers notes, the same method? A. On Non-Partisan notes.

Q. Well, I suppose Bowen and Townley got their cars also under the same method, on these Non-Partisan notes? A. Yes.

Q. Now, do you remember selling a car to William Lemke in the same way? A. Mr. Lemke bought a car direct from me, and he signed, I got his—he paid me partly cash and gave a note and he took care of his note when it was due.

Q. What kind of a car was it that Mr. Lemke got? A. A Buick.

Q. Six cylinder? A. Yes, sir.

Q. A nice car, I suppose? A. I think it was a 1919 Buick, a brand new one.

Q. He used some farmers' notes? A. No, sir, he didn't, he gave me his personal note and personal check.

Q. Was anything endorsed on the back of them? A. No, sir, it was a transaction just between me and Mr. Lemke, the same as it was between Mr. Waters and Mr. Brinton and myself, I had their straight note. Q. Well, they were selling Buicks down in Fargo at that time, weren't they? A. Yes, sir.

Q. And you knew Mr. Lemke lived down there? A. Why,

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I guess, to some effect, I knew he lived there.

Q. You knew he didn't live in the Conway district? A. Yes

Q. Did you notify the Buick agent down there at Fargo that you had been selling Buicks to people in his district? A. He filed an encroachment against me, but it didn't work. He filed it after I had had the car in stock ninety days.

Q. What kind of a discount did you give Mr. Lemke? A. I don't remember that I gave him any discount.

Q. Well, you cut it down pretty well? A. I don't remember about that.

Q. Don't you remember that because Lemke and those cars had been making you so much money that you had just slipped Lemke at a pretty easy price? A. Well, I made some money on it, I just couldn't tell what; I split the commission with him I guess; and at the same time I split the commission with Mr. Brinton and Mr. Waters I took some Sisal stock.

Q. Yes, Mr. Brinton told us about slipping you that Sisal stock the other day. Now, how about F. B. Wood, did you sell him a car? A. I guess he drove some cars out of there.

Q. He gets right in and drives them off, does he, is that it? A. No, sir, not exactly.

Q. Well, what do you mean when you say he drove some out of there? A. He drove some Fords out of there. He came down there with a bunch of organizers or a bunch of men

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and went out with a bunch of cars.

Q. You distinguish between organizers and men, then, I take it? And when they took those cars, they financed them with the farmers' notes, didn't they? When they drove them out? A. No, sir, they financed them with other collateral.

Q. Postdated checks? A. Well, to some effect, yes.

Q. Well, how did you finance the situation like that, you had to turn those postdated checks somewhere to get the cash? A. I took the postdated checks into the bank and put them up as collateral. Used to give \$2.50 collateral to every dollar, and then I took Mr. A. C. Townley's straight note or the Non-Partisan straight note.

Q. And then took it over to the bank and they would give you the money? A. Yes, sir.

Q. All League banks, though? A. Yes sir, and all those notes, as far as I know, are paid.

Q. Well, you don't know much about it whether they are

Q. Do you know anything about whether on December 3, 1920, not now, but on December 3, 1920, you had the automobiles that I have described to you from the storage tickets that were in the Bank of North Dakota? A. I tried to explain that to you, that I fixed up satisfactory with my bank. I did business with the Bank at Michigan City, and I either substituted or—

Q. That is the best way you can answer it? A. Yes.

Q. These notes were in the Bank of North Dakota on the third day of December? A. Well, you see I didn't fix it on that particular day. I told you sometime in December.

Q. Wasn't it sometime after December third? Don't you think the Michigan City Bank heard about this audit report and said you better come in and fix these up? A. Not that I know.

Q. Well, how did you do it? A. I substituted cars and fixed up satisfactory with that bank at Michigan City.

Q. Did you give them storage receipts on substituted cars? A. No.

Q. How did you do it? A. Gave them collateral and security or substituted cars.

Q. Mr. Chairman: One warehouse receipt on December third, covers four Buick automobiles, did you have those on

hand, do you remember? A. Mr. Witness: Well, I did when I issued the receipt.

Mr. Chairman: Well, on December third, did you have those four Buick cars? A. I couldn't say that I had some Buick cars. You fellows are all asking me the same question, and I can't tell off-handed, and I told you when I took a car out—

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Mr. Chairman: Just a moment. I want to know whether these specific cars covered by these receipts, were there? A. I don't know that.

Mr. Chairman: Were there four Nash cars on hand? A. I don't know whether there were.

Mr. Chairman: Well, you know whether the four Nash cars were there on December third? A. I don't know.

Mr. Chairman: Do you know whether the five Chevrolet cars were there on December third? A. I don't know, there was that number of cars, but I don't know whether they were them cars.

Mr. Chairman: You have already testified as to the Wallace tractors, and were there seven Fords there on that day? A. I got some Ford automobiles.

Mr. Chairman: Were the seven mentioned there at that time? A. I don't know.

Mr. Chairman: When you put up a storage receipt, securing or acting as security for a note, and reciting in this storage receipt a certain number of cars, is there anything that identifies the cars outside of the name? Is the factory number of the cars specified in the receipt? A. Yes, sir, it is specified.

(S95)

ALLAN McMANUS, having been called as a witness, was duly sworn and testified as follows:

EXAMINATION BY MR. MURPHY;

Q. What is your name? A. Allan McManus.

Q. Where do you live, Mr. McManus? A. At present, I am living in Grand Forks.

Q. Prior to that? A. At Inkster.

Q. You have lived there quite a number of years?

A. I have been there for thirty-eight years.

Q. When did you move to Grand Forks? A. This fall I think in September.

Q. 1920? A. Yes.

Q. Mr. McManus, do you know anything about the Peoples State Bank of Grand Forks? A. No, sir.

Q. Were you one of the original organizers? A. I wasn't one of the organizers, no.

Q. Did you subscribe for stock? A. I never took any. I agreed to take stock.

Q. Well, you agreed to? A. Yes, I signed up.

Q. For one hundred shares? A. Yes, sir.

Q. But you subsequently refused to take it? A. Yes sir.

Q. And you have never held any stock in it? A. No, sir.

Q. Why didn't you take the stock? A. Well, when they came to me at first and asked if I wanted to go into the bank,

and I talked it over with them, I said I would. I think it was
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Mr. Box.

Q. Thomas Allen Box? A. Yes, sir. And they never said anything about a promotion fee, so afterwards when they came along and talked it over with me, I think it was Mr. Knutson said it was a ten per cent. promotion fee that the subscribers would have to pay, and I decided I didn't want any of the stock.

Q. That is, ten per cent of the capital? A. Ten per cent of the capital, as I understand it.

Q. What was the capital to be? A. I think it was \$75,000.00.

Q. In other words, there was \$7,500.00 to be paid as promotion fee? A. Yes, sir.

Q. And that was to go to whom? A. Why, Box, I suppose was one of them—whoever the organizers of the bank were.

Q. Box and Hastings? A. I suppose so.

Q. That is what you heard? A. Yes.

Q. And they are the men who organized the bank? A. Yes.

Q. You see the organization certificate carried your signature and also an acknowledgment on your part? A. Yes, sir.

Q. Before H. A. Bronson, a notary public? A. Yes, sir.

Q. That was in 1917? A. Yes, sir.

Q. The 29th of December, 1917? A. Yes, sir.

Q. You did sign up? A. Yes, sir.

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Q. And acknowledged it before Judge Bronson? A. Yes, sir.

Q. And then subsequently, you refused to take the stock? A. Yes, sir, on account of the ten per cent promotion fee.

E. L. FOUKS, having been called as a witness, was duly sworn and testified as follows:

EXAMINATION BY MR. MURPHY:

Q. What is your name? A. E. L. Fouks.

Q. Where do you live? A. Valley City

Q. How long have you lived in Valley City? A. Off and on for the past five or six years.

Q. What is your business? A. Assistant cashier of the bank.

Q. What bank? A. Security National Bank.

Q. How long have you occupied that position? A. Ever since the bank was organized.

Q. And that was about when? A. 1919 August 2nd

Q. Are you a member of the Board of Directors? A. No, sir.

Q. Mr. Colwell I suppose you know? A. Mr. Colwell, yes, sir.

Q. And Mr. Ellis? A. Yes, sir

Q. They are both members of the Board of Directors? A. They are.

Q. Mr. Ellis, I understand, is Vice President of the bank? A. Yes, sir.

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Q. They are both members of the Board of Directors? A. They are.

Q. And Mr. James Grady is the President? A. Yes, sir.

Q. All three of them are on the board? A. Yes, sir.

Q. And who is the cashier? A. Mr. H. C. Aamoth

Q He lives there in Valley City? A. No, sir.

Q. He lives in Grand Forks? A. Fargo.

Q. You perform practically the duties of cashier yourself?
A. Yes, sir.

Q. In his absence? A. Yes, sir.

Q. Well, now, you gave some testimony the other day before the Senate Committee, you recall that, do you not? A. Yes, sir.

Q. You don't pretend that you were present at any conversation had between Mr. Ellis and Mr. Cowell and Mr. Grady after the directors' meeting? A. No, sir; never.

Q. And if they testified Mr. Grady said so and so to them after the directors' meeting, during your absence, you wouldn't say that what they said was false?

A. I have no reason to believe either of them would tell an untruth.

Q. You know they are both high class men and officers of your bank? A. Yes, sir.

Q. Now, in that testimony, you started to tell there was some kind of a deal made that you would carry some C. D.'s
(899)

for certain concerns and you got one out before they stopped you. I think you got the one from the Watford Bank? A. We got only one out, did you say?

Q. Into the record, I mean. A. Yes.

Q. What bank was that? A. The Watford Exchange Bank of Watford City.

Q. How much was that C. D.? A. \$2,500.00.

Q. And the Security National was carrying that C. D.? A. Yes, sir

Q. Grant Youmans is an officer of that bank? A. I don't know who the officers are.

Q. How many C. D.'s were you carrying? A. I think five or six.

Q. How much did they amount to in the aggregate? A. I think between \$8,000.00 and \$11,000.00, it might have been a trifle over \$11,000.00 and a trifle under \$9,000.00.

Q. What other bank C. D.'s were you carrying? A. The First National Bank of Plentywood, Montana, I think we had two of that bank, and two on the American Exchange Bank of Watford City. I think both for \$2,500.00. And we had a C. D. on some bank in Alexander, N. D., or Minnesota, I wouldn't say which.

Q. Well, there was a deal made with reference to those, was there not? A. There was a deal, I expect, in regard to those C. D.'s.

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Q. And the deal led down to the Bank of North Dakota?
A. Well, I don't know whether the State Bank of North Dakota was mentioned in the deal, personally I don't know that Mr. Murphy.

Q. Well, I don't want you to testify to anything you don't know, Mr. Fouks, but you do know this that when the Bank of North Dakota drew on your bank you didn't honor the draft? A. Yes, sir.

Q. And you personally wrote about it, didn't you? A. Well, in one or two instances, I wrote.

Q. For instance, I have here what purports to be a copy of the Senate Committee's Exhibit 133—it looks like, as fol-

FRIDAY, MARCH 4, 1921

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lows: Written on the letterhead of the Security National Bank of Valley City, N. Dak.,

Jan. 24, 1921.

"Mr. J. W. Greenfield,
Audits Department,
Bismarck, N. Dak.

Dear Sir:

Replying to your wire of the 22nd advising us to wire the First National Bank of Minneapolis one thousand dollars to credit Bank of North Dakota, this matter was taken up with Mr. McAneney direct. Trust he has taken this matter up with you by this time.

Yours truly,

E. L. Fouks,
Assistant Cashier."

(901)

Q. Do you remember writing such a letter? A. Just let me see it, I think I remember writing that letter. Yes, that letter I wrote.

Q. Now, let's see if I can get this whole deal out of these exhibits in chronological order. First let me ask you who Mr. Greenfield is? A. I don't know, only that he had something to do, I believe, with the drafts that were drawn. I am not positive.

Q. He was in the audits department? A. I think probably he was, but I am not positive.

Q. Now, according to these exhibits, which were probably identified by you up there in the Senate, their Exhibit 135, was a Western Union Telegram dated Dec. 31, 1920: "Security National Bank Valley City, N. Dak., Remit First National Bank Minneapolis two thousand dollars by wire at once. Advise us by mail. Bank of North Dakota. Chg. Bank of N. D."

Q. Now, that would indicate that the Bank of North Dakota wired you to remit for their account to the First National Bank of Minneapolis the sum of two thousand dollars? A. Yes, sir.

Q. Do you remember some such transaction about that time? A. Well, we received, I believe, more than one wire in December, but I remember that particular one.

Q. Well, that was December 31st—I haven't got these in

(902)

chronological order, so I will have to see if I can dig them out—On January 13th there was a letter written, Senate Committee's Exhibit 136.

"Security National Bank,
Valley City, N. D.
Gentlemen:

On December 31st we wired you as follows:

'Remit First National Bank Minneapolis two thousand dollars at once. Advise us by mail.'

Up to date, we have failed to receive an answer to our wire. We will thank you to comply with our request.

Very truly yours,

J:WGM

Audits Department."

Q. Do you remember some such letter as that being written, following up the wire? A. This is the letter we received from the Bank of North Dakota.

Q. Yes, to the Security National? A. I don't remember that letter, no sir.

Q. Well, you wouldn't say there wasn't such a letter? A. No, sir.

Q. Were you up in the Senate Committee when they introduced that exhibit while examining you? A. No, I don't remember their reading that to me.

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Q. Well, maybe they slipped that into the record up there without your knowing about it. A. I don't remember that letter.

Q. Well, here is one dated January 14, 1921, addressed to: "J. W. Greenfield, Audits Dept., Bismarck, N. Dak.

Dear Sir: Replying to your favor of the 13th will say that on receipt of your letter of December 31st the matter was taken up direct with Mr. L. P. McAneney.

Yours very truly,

James Grady,
President."

Q. Do you recall that transaction? A. Yes, sir.

Q. Who is L. P. McAneney? A. I believe he has charge of the credit department of the Bank of North Dakota.

Q. Then it was followed by Senate Committee's Exhibit 137, dated January 25, 1921, addressed to Mr. Greenfield:

"Please cancel your wire of the 22nd Security National Bank Valley City requesting transfer of one thousand dollars."

You don't know anything about that? A. No.

Q. It is addressed to Greenfield and signed by McAneney. Well, the fact remains, you and I can agree that there was

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some deal made by Mr. Grady with the Bank of North Dakota whereby the redeposit put in your bank would remain until certain arrangements had been completed? A. I was given that impression, yes sir.

Q. Do you know that in addition to the redeposits of \$16,077.10, your bank had a loan of \$15,101.92 from the Bank of North Dakota? A. No, sir.

Q. On December 3rd? A. No, sir. Just let me ask this question. What is the fraction—the amount of money is \$15,000, what is the last part in dollars and cents?

Q. \$15,101.92. A. It seems to me that amount is familiar to me.

Q. On December 3rd, 1920, it appears that the Security National had a redeposit of \$20,508.77 and had in turn deposited with the Bank of North Dakota, \$3,895.93? A. I think that is correct.

Q. Now, do I understand that as far as you know that is the only transaction that was had between your bank and the Bank of North Dakota? A. The only transaction, in what way?

Q. Well, the only liability of your bank to the Bank of North Dakota of that date? A. As far as I know, yes sir.

Q. You do not know whether there were any loans or not? A. No, sir, I don't know whether there were any loans.

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Q. Any rediscounts that you know of? A. None that I know of. I am quite positive—I am not positive of the amount, but that amount you mention seems familiar to me.

but I know positively that we have no paper of the Bank of North Dakota in our loans and discounts.

Q. Well, I didn't ask you if you have any paper of this bank? A. We carry an account with the Bank of North Dakota. This account has run, the last two or three months, from \$3,000.00 close to \$4,000.00, money that we deposited in the Bank of North Dakota to the credit of our account there.

Q. What I refer to, Mr. Fouks, is not deposits, but either loans or discounts made by you with this Bank, did you borrow any money from this bank or did this bank rediscount any of your paper? A. No.

Q. I will show you Committee's Exhibit 120, and ask you if the signature there is your signature? A. Yes, sir.

Q. That was a statement made out by yourself personally? A. The statement was made out by the bookkeeper, Mr. Biewer, and I went over the figures and verified them.

Q. As assistant cashier of the Security National? A. Yes.

Q. And it shows that Bank of North Dakota in account with
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the Security National Bank of Valley City, North Dakota? And shows the debits and credits, and balances? A. Yes, sir.

Q. And shows that on March 19, 1920, a credit account of the bank of North Dakota with your bank was \$20,000.00? A. Yes, sir.

Q. And the credit balance was the same on that date? A. Yes, sir.

Q. And that continued down to January 29, 1921, when the credit balance of the Bank of North Dakota with you is \$16,193.71? A. Yes, sir.

Q. So that up until the thirtieth of November, you had a credit balance on your books to the Bank of North Dakota of \$20,000.00? A. Yes.

Q. And it never got below \$16,000.00, up to January 29, 1921, when this was made public? A. No.

Mr. Murphy: We offer Exhibit 120 in evidence.

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(Exhibit No. 120)

"The Bank of North Dakota
Bismarck, North Dakota.

In account with the Security National Bank, Valley City,
North Dakota.

Date.	Dr. Amt.	Cr. Amt.	Dr. Bal.	Cr. Bal.
Mar 19th		\$20,000.00		\$20,000.00
May 12th		94.25		20,094.25
May 28th		66.98		20,161.23
June 18th		2.25		20,163.48
June 30th		67.21		20,230.69
July 29th		69.67		20,300.36
Aug. 30th		69.90		20,370.50
Sept. 29th		67.90		20,438.40
Oct. 30th		70.37		20,508.77
Nov. 30th		68.33		20,577.10
Dec. 14th	\$3,000.00			
	62-wire			17,576.48
Dec. 21st	1,500.00			16,076.48
Dec. 30th		63.30		16,139.78
Jan. 29, . . 1921		53.93		16,193.71

I, E. L. Fouks, Ass't Cashier of the Security National Bank, Valley City, North Dakota, do hereby certify that the above is a true and correct copy of the account of the Bank of North Dakota, Bismarck, North Dakota, with the Security National Bank, Valley City, North Dakota, as per the entries on the books of the said Security National Bank, Valley City, North Dakota.

(Signed) E. L. FOUKS.

Subscribed and sworn to before me this 4th day of February,
A. D. 1921. (Signed) A. J. Biewer,
(Seal) Notary Public, Barnes Co., N. D.,
My commission expires Feb. 14, 1923."

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Q. Of course, you must have had some information from Mr. Grady with reference to these C. D.'s and their connection with the redeposits by the Bank of North Dakota, didn't you?
A. Well, I had this instruction from Mr. Grady that in the event that a draft came in in his absence, to send it back with these instructions that an agreement had been made whereby they were not to draw on us until a certain time, until certain agreements had been lived up to.

Q. Were those agreements ever given to you specifically by Mr. Grady? A. Not specifically, no.

Q. Well, generally? A. Well, I drew my own conclusion, that is all.

Q. He didn't tell you just exactly what the agreements were? A. No, I never knew from him about any of these deals and never inquired.

Q. Mr. Grady was the executive officer of that bank? A. Yes, sir.

Q. And he instructed you as cashier, in charge, not to honor drafts drawn by the Bank of North Dakota on their account? A. Yes.

Q. But to return the drafts? A. Yes.

Q. With notations that these will not be honored until certain agreements have been kept? A. Yes, sir.

Q. And you followed out those instructions? A. I did.

Q. Did he himself occasionally send them back? A. When sr, I got those statements to refute Mr. Langer's charges of wasn't there I took care of it.

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Q. Did you use any pink slips when you took care of it? A. Well, it has been a question in my mind ever since I heard about those slips. I might have attached one slip to a draft, I don't remember anyhow, and I am not positive I attached that.

Q. Did you use pink slips? A. I don't remember that it was a pink slip. I don't just remember how the deal was dandled at this time.

Q. Well, have you any pink slips of the bank that you use for any purpose? A. Well, no we have not.

Q. Well, in any event you put some kind of a slip on it? A. It might have been the first and might have been the second, but I think it was the first.

Q. What conclusion did you draw as to what the arrangement was—understanding, of course, that it is nothing but your opinion I am asking for? A. I concluded that there was some arrangement whereby they would not draw on us.

Q. And it was connected with those C. D.'s you were carry-

ing from around the country? A. It was connected with those C. D.'s we have just talked about.

Q. That was your conclusion? A. No, that was my absolute understanding?

Q. Those were the C. D.'s specifically mentioned in this agreement. A. No, those C. D.'s were not mentioned by him.

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Q. Now, you wouldn't dispute Mr. Staube's word when he said Mr. Townley and Mr. Grady came out to see him together and got him to sign a note? A. I wouldn't dispute Mr. Staube's word, not knowing what his word was.

Q. Well, Mr. Staube testified here to that effect, that when he signed up that note for twenty-five hundred dollars, along with those other five notes, that Mr. Townley and Mr. Grady came out to his place and got him to sign them and then a C. D. was issued for the amount and then he endorsed it and turned it over to Townley. You wouldn't want to say that he testified falsely? A. No, sir.

Q. And that that was the same arrangement with the two Noltimeiers? A. I want to state that I have understood this thing clearly from the very first time that the gentlemen Staube, McIntyre, Rasmussen, Olson and the two Noltimeiers—that these C. D.'s we gave to these gentlemen were given not with the understanding with the Bank of North Dakota that we were to receive money from them to take care of these notes, but merely that it was a good banking proposition. We received these notes that were dated to mature sometime in December, the C. D.'s we gave matured sometime in January, giving us an opportunity to collect every dollar before

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the C. D.'s came due. The notes bore ten per cent and the C. D.'s five, we got five per cent with absolutely nothing invested.

Q. And the money you got from the Bank of North Dakota only drew four per cent? A. The money on deposit in our Bank from the Bank of North Dakota drew only four per cent.

Q. We agree that was a good business proposition and you are telling us just what your understanding was? A. Yes.

Q. Now, you will not dispute that Mr. Cowell and Mr. Ellis gained any understanding, from what Mr. Grady told them in your absence, different from your understanding? A. I believe those gentlemen told just exactly what they thought, but I don't believe Mr. Grady ever told those gentlemen that the deal was made in that way, except probably to keep them from criticising the taking of those notes, they not being customers of ours.

Q. Now, that is just what they said that they had criticised it and he told them the thing was absolutely safe, first because the signers were good—and they are good—and secondly there was a nice profit in it, and thirdly the Bank of North Dakota would take care of them? A. Mr. Grady has never told me—

Q. I am asking about what he told them. A. Yes, he may

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have told them that.

Q. The Senate Committee has tried to put you in a position and their press has put you in the position of testifying that the testimony of Mr. Cowell and Mr. Ellis was false?

A. The statement in the Courier News that the assistant

testified that Ellis and Cowell testified falsely is absolutely wrong. That is not the way I intended to give my testimony.

Q. And absolutely unjustified? A. I didn't mean to make out that these gentlemen had said anything that they didn't think was absolutely true. I came here to tell the thing as I understand it, and if their version differs from mine, I didn't mean to imply that their testimony was false and I was correct. Mr. Grady has told me ever since Trubshaw first printed those editorials in regard to our bank's transactions that they were wrong. And they were wrong, as I understood it from Mr. Grady, and he told me not very long ago that they were wrong and that Mr. Ellis and Mr. Cowell certainly misunderstood him.

Q. But this much you and I can agree on—that whatever deal was made was made by Mr. Grady himself and whatever understanding you or Ellis or Mr. Cowell have got from him? A. Yes, sir.

Q. And if Mr. Grady told you one story and told them another, then you are both coming down and testifying as to

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what you believe to be true? A. That is exactly the point.

Q. Who is the chairman of the Board of Directors? A. Mr. Cowell.

Q. And in a deal like this, who would be the most liable to get the most accurate information, the Chairman of the Board of Directors or the Assistant Cashier? A. Well, I believe that I being in the bank at all times and having charge of those details would know more about what went on than Mr. Cowell.

Q. Mr. Cowell was also on the discount committee? A. Well, I couldn't say as to that at that time.

Q. Mr. Ellis was? A. I don't know.

Q. Well, if they were, it was their duty to inquire as to paper taken into the bank? A. Yes, sir.

Q. Now, have you any idea what Mr. Grady went out and got these C. D.s from the banks around the country for and brought them down to your bank? A. That is something I couldn't answer.

Q. Do you know anything about its connection with these other \$2,500.00 notes that were gotten, the Noltimeier and other notes? A. Well, all I know about it is we handled them in that way.

Q. There may have been a direct connection in the method of financing? A. There may have been, yes.

On motion of Mr. Freeman, seconded by Mr. Nagel, adjournment taken until 9:30 A. M., Feb. 26, 1921.

End of February 25, 1921.

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FEBRUARY 26, 1921.

Meeting called to order by the Chairman at 9:30 a. m., all members being present, except Johnson of Steele, Hanson and Weld, the attorneys and reporter were also present.

Minutes of previous meeting read by the Secretary and approved as read.

J. R. WATERS, having been called as a witness, was duly sworn and testified as follows:

EXAMINATION BY MR. SULLIVAN:

- Q. Give your full name? A. J. R. Waters.
- Q. Where do you live, Mr. Waters? A. Beach, N. Dak.
- Q. How long have you lived in the State of North Dakota?
A. Between twenty-one and twenty-two years.
- Q. You have been ill for some little time past? A. About a month, about four weeks.
- Q. And you have been in the hospital here at Bismarck a portion of that time? A. Yes, sir.
- Q. And a portion of the time you were in bed, I believe, at home? A. Yes, sir.
- Q. And confined to your room a substantial portion of the
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time at your hotel? A. Practically all the time.
- Q. I am going to cut this as short as possible, Mr. Waters, and to the point. You lived at Beach how long? A. About twelve years.
- Q. Do you know Mr. Arthur Townley? A. Yes, sir.
- Q. Mr. Townley formerly lived at Beach? A. Yes, sir.
- Q. Do you know Mr. Brinton? A. Yes, sir.
- Q. Mr. Brinton also lived at Beach at that time, did he?
A. Yes, sir.
- Q. You were formerly manager of the Bank of North Dakota, I believe, Mr. Waters? A. Yes, sir.
- Q. And prior to that time, what position, if any, did you hold? A. I was State Examiner for nearly three years.
- Q. You were State Examiner under Governor Frazier? A. Yes, sir.
- Q. And did Governor Frazier appoint you as State Examiner? A. Yes, sir.
- Q. I wonder if you know by whose influence you were appointed to that job? A. Yes, sir.
- Q. Would there be any embarrassment to you by telling us by whose influence you obtained your appointment? A. No, sir.
- Q. Through whose influence? A. Through the influence of J. W. Brinton.
- Q. I suppose Arthur Townley had something to do with it? A. Yes, but he was taking his advice at that time from Mr. Brinton.
(916)
- Q. There has been some talk for some time—some notoriety in connection with a certain letter that has come to be known as the "shoot-it-to-other banks" letter? A. Yes, sir.
- Q. I think it is plain that that letter was written in connection with the condition of the Scandinavian-American Bank? A. Yes, sir.
- Q. At the time that letter was written, you were the State Examiner of this state, Mr. Waters? A. Yes, sir.
- Q. Did you write the letter? A. No, sir.
- Q. Who did write the letter? A. R. M. Halliday.
- Q. What position, if any, did Mr. Halliday hold at the time that letter was written? A. He was Blue Sky Clerk in my office.
- Q. Did you dictate the letter, Mr. Waters? A. No, sir. Unfortunately I was sick in the hospital at the time and didn't know anything about it.
- Q. The Scandinavian-American Bank at that time was being examined or about to be examined in connection with its en-

try under the Guaranty Fund Commission law? A. Yes, sir.

Q. Have you any evidence, Mr. Waters, that would indicate the lack of responsibility on your part for the contents of that letter? A. Yes, sir.

Q. Any written evidence? A. Yes, sir.

Q. Have you got that with you? A. I have.

Q. May I see it? A. Yes, I would like to qualify this by
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a little statement as to why I never made this public before.

Q. Very well. A. The reason I never made it public before was the opposition papers were riding me pretty hard and I wasn't going to have it said that I was making a goat out of the man that worked for me. He wanted me to publish it at that time and I wouldn't do it.

Q. The paper you have handed me is marked Committee's Exhibit 121, and the signature attached to that, do you know whose signature attached to that is? A. Yes, sir, that is Mr. Halliday's signature.

Q. It appears to be sworn to before a notary public? A. Mr. George Thompson.

Q. If you have no objections, I will read this into the records. I presume you want it back? A. I prefer to have it back.

(Exhibit No. 121)

"State of North Dakota, County of Burleigh—SS.

Roy M. Halliday, first being duly sworn, on oath, deposes and says that in June, 1918, he was employed in the state examiners office as Blue Sky clerk at a salary of \$160.00 per month, and that said salary was paid him from the Blue Sky fund and not from the appropriation made for salaries of the State Examiner's office. Further, affiant says that he wrote a letter on June 10, 1918, to J. J. Hastings, of the Scandinavian
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American Bank at Fargo, at a time when Mr. Waters was sick in a hospital and without the knowledge of Mr. Waters; that he never was deputy bank examiner, and that he had nothing whatever to do with the criticism or advice in regard to the affairs of banking in any way; that the letter written by him under date of June 10, 1918, was not advance information to the Scandinavian-American Bank as to when the examiner would be there as the examiners had already worked at least two days in the Scandinavian-American Bank at the time he wrote this letter. Further affiant sayeth not.
(Signed) ROY M. HALLIDAY.

Subscribed and sworn to before me this 7th day of November, 1919.

GEORGE THOMPSON,

Notary Public, Burleigh County, North Dakota."

(Seal).

Q. Mr. Waters, did you write any criticism yourself as state examiner of the Scandinavian-American Bank's condition prior to the time it was admitted under the Guaranty Fund Commission Act? A. I wrote a letter of criticism on the day I met with the Guaranty Fund Commission and we went over the examiner's report and decided on matters that had to be cleaned up in the bank before they could be admitted, and I dictated that letter of criticism myself.

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Q. That letter of criticism as I remember it criticised the bank pretty severely? A. Yes, sir.

Q. You knew what the Bank's condition was at that time? A. Yes, sir.

Q. And knew there were a great many things in it that required a substantial fixing before it would qualify under that law? A. Yes, sir.

Q. You don't have a copy of that letter? A. No, that would be in the Examiner's office.

Q. In Mr. Lofthus' Office? A. Yes, probably under the Guaranty Fund Commission correspondence, or it may be under the correspondence of the examiner under letters of criticism.

Q. Have you some evidence that will substantiate the position that you took in connection with your criticism of that bank? A. I have.

Q. Have you got those with you? A. I have—two statements from two of the members of the Commission.

Q. Who were the members of the Commission? A. O. S. Hanson, of Grand Forks, and B. J. Schoregge, of Williston.

Q. Mr. Hanson was a member of the Commission? A. Yes sir, and president of the Northwestern National Bank.

Q. And Mr. Schoregge was a member of the Commission at that time? A. Yes, sir, and Vice President of the Williams County State Bank.

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Q. And these two statements you have just handed me, Exhibits 122 and 123, are the statements you refer to? A. Yes, sir, I got those statements to refute Mr. Langer's charges of advance information.

(Exhibit No. 122)

"State of North Dakota, County of Grand Forks—SS.

O. S. Hanson, being duly sworn on oath deposes and says, that he was a member of the Guaranty Fund Commission during the time of admission of all banks admitted under said law, and that at no time was the Scandinavian American Bank of Fargo refused admission, and that he was present at a meeting of the Commission when the matter of advising the Scandinavian American Bank as to what was necessary for them to do to comply with the requirements of the Commission for admission under said law.

That said board did not order Waters to write them a stringent letter; that said Waters wrote the letter of criticism of his own free will and submitted same to them for their consideration as was the procedure in all other cases, and asked the Commission if they wished to add anything, and the Commission agreed that the letter was all right, and that they did not desire to add anything more to it.

Affiant further says that during Mr. Waters' services as State Examiner, he never found him trying to hamper the

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work of the Commission in any way, and that he always aided and assisted the Commission in every way possible; that affiant further says that he has had a number of years experience in the banking business, and with his knowledge of the office of State Examiner, he also considered Mr. Waters a

capable and efficient examiner and with the best interests of the banking fraternity at heart at all times.

O. S. HANSON,
Member of Guaranty Fund Commission."

(Exhibit No. 123)

"State of North Dakota, County of Williams—SS.

B. J. Schoregge being first duly sworn on oath deposes and says, that he was a member of the Guaranty Fund Commission during the time of admission of all banks admitted under said law, and that at no time was the Scandinavian-American Bank of Fargo refused admission, and that affiant together with Mr. Halldorson and Mr. Semingson were at work examining said bank to ascertain its condition previous to its admission under the Guaranty Law on or before June 10, 1918; and that he was present as a member of said Commission at a meeting of the commission when the matter of advising the

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Scandinavian American Bank of Fargo as to what was necessary for them to do to comply with the requirements of the board for admission under the Guaranty Law.

That J. R. Waters was present when the report of examination was considered, that he assisted in suggestions as to what paper should be eliminated, and that said commission did not order Waters to write this bank a stringent letter; that said Waters wrote the letter of criticism of his own free will, and submitted the same as was the procedure in all cases, and asked if the commission wished to add anything, and the commission agreed that the letter was all right, and did not desire to add anything to it.

Affiant further says that during Mr. Waters service as State Examiner, he never found him trying to hamper the work of the Commission in any way; that he always aided and assisted the Commission every day possible; that affiant was at one time a deputy bank examiner before Mr. Waters was State Examiner, and with his knowledge of the office and its duties, he considered Mr. Waters a capable and efficient examiner and with the best interest of the banking fraternity at heart at all times.

B. J. SCHOREGGE,
Member of Guaranty Fund Commission."
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Q. Mr. Waters, when did you first know there was a possibility of your becoming manager of the Bank of North Dakota? A. That was in the early part of January during the session when the Bank law was passed.

Q. The bank law was passed in the session of 1919? A. Well, that was the early part of January, just prior to the time the bank bill was passed. One morning Mr. Townley came into the State Examiner's office and walked back into my private office and slammed the door shut and said "Jim, did you read the Forum this morning?"

Q. Meaning the Fargo Forum? A. Yes, sir. And I said "Yes," and he said "I suppose you read Jack Hastings' statement that he gave Happy Paulson," and I said "yes" and he said "there it goes again, that damn fool is always spilling the beans."

Q. Did he refer to "Happy" or Jack Hastings? A. He referred to Jack Hastings.

Q. He says "that damn fool is always spilling the beans?"
A. Yes, sir.

Q. Do you remember the contents of the article that appeared in the Fargo Forum which would indicate that the beans had met with some disaster? A. Yes, sir.

Q. Just shortly and concisely will you indicate to us just what the article stated? A. It seems that Mr. Hastings, the night before, had had an interview with Mr. Paulson, and he had outlined to Mr. Paulson the proposed banking scheme of
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the organization of the Bank of North Dakota, and had also indicated, apparently, to Mr. Paulson, from this story, that he was to be the manager of the new bank, and Mr. Paulson had written up quite an article on it, and I believe, if I remember correctly, that this was about the first advance notice that anyone had of the possibility that there would be a bank law passed similar to the one that was passed.

Q. This was about the first information that had gotten out on it? A. Yes, sir.

Q. And it appeared that "Happy" Paulson had put over a scoop? A. Yes, sir.

Q. You say that Mr. Townley was in a rather ferocious frame of mind that morning? A. Yes sir, he was pretty hostile.

Q. And his hostility was indicated, possibly, by his choice of language in talking to you that morning? A. Yes, sir.

Q. He knew you well enough, I suppose, Jim, that he felt well satisfied that the use of profanity in your presence was not at all going to interfere with your peace of mind? A. As a matter of fact, we were in the habit of expressing ourselves pretty freely to one another.
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Q. Now then when he indicated that the beans had been spilled, what further did he say with reference to that situation? A. Well of course, he used considerable profanity and said how many kinds of a fool Jack Hastings was making of himself and criticised the manner in which Jack was dressing.

Q. Well, how was Jack dressing? A. Well, he was wearing a frock coat and striped pants.

Q. Which way did the stripes run, up and down or sideways? A. Well, I made the remark to Mr. Townley that that would be all right only the stripes ran the wrong way, and Mr. Townley said "I told him if I dressed like that these farmers would hang me," and he said "Jim, I am going to tell you something this morning. You are going to be the manager of the new bank."

Q. And that was the first knowledge you had of it? A. Yes, sir.

Q. You had, however, talked that over with Brinton previously to that, hadn't you, the possibility of your being manager? A. I think Mr. Brinton had mentioned to me that he thought I could have the job if I wanted it.

Q. Well, when was the next time you had any talk with any person that would indicate that you were to have the job?
A. Well that was later on, of course, after the close of the
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session, when I had a talk with Mr. Townley in the McKenzie Hotel in his room.

Q. A talk with Mr. Townley in the McKenzie hotel? A. Yes, sir, and Mr. Brinton was there.

Q. You say the bank bill had been passed at that time? A. Yes, sir.

Q. And I suppose the Industrial Commission had been having meetings previous to that? A. Well, I believe the Industrial Commission had been organized; I am not positive of that at that time, but I believe they had.

Q. Did you put in an application to the Industrial Commission? A. No, sir.

Q. Didn't you apply to the Industrial Commission for the job? A. No, sir.

Q. You just talked to Townley about it? A. Yes, sir.

Q. Well, in this talk that you had at the McKenzie Hotel with Mr. Townley and Mr. Brinton, will you disclose to us what the conversation was? A. Yes, I will have to go back, if you will pardon me, I will have to go back and go into a short explanation of this matter.

Q. Go ahead. A. I was in Florida and I got a message from Mr. Townley to come back at once, and Mr. and Mrs. Brinton were down there and they decided they would come back with Mrs. Waters and myself, so the four of us came back together to St. Paul, Mr. Brinton and I went up to the Endicott Building where the League Headquarters were and

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found that Mr. Townley was in Bismarck.

So we came out that night to Bismarck and we then saw Mr. Townley at the McKenzie hotel, and he told us the reason he wired me to come back was because the Industrial Commission was going to appoint a manager of the Bank and he wanted me here so there would be no hitch in the arrangement.

Q. Now, after the bill had been passed, you had gone to Florida? A. Yes, sir.

Q. And this message you got from Townley was after the bill had been passed, of course? A. Yes, after the session was over.

Q. Now, what else was said at that talk with you and Brinton and Townley? A. Well, Mr. Townley, if I remember correctly—he called Mr. Brinton Jim, and he said “Jim here and I have talked this over pretty freely and it is agreed that you are going to be appointed manager of the bank” and I said “Well, Art, there will have to be some serious talk on this matter before I decide whether I want the job or not,” and he said “Well, that is just why we are here,” and among other things I said it would have to be stipulated that the Bank of North Dakota would not be a political dumping ground, that I was to be allowed to use my own judgment about hiring the best help I could get.

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Q. You say at this conference, Mr. Waters, that you stated this bank was not to be made a political dumping ground? A. Yes, sir.

Q. There must have been something in your mind with reference to the matter that would cause you to make that statement at that conference? A. Certainly. We have all seen and know what the average political job—that a man is

supposed to take care of his political friends whether they are competent or whether they are not.

Q. And had you seen evidence up to that time of incompetents, as you refer to them, being taken care of because they were politically right. And it was such a situation that you wanted to prevent then? A. Yes, sir.

Q. Those situations that you refer to were in the state of North Dakota? A. Yes, sir.

Q. And in the capital, probably? A. Yes, sir.

Q. Any particular instance that you had in mind, Mr. Waters? A. Oh, I would rather not cast any reflections.

Q. Very well, I don't want to press you, but you had some well defined idea in your own mind, as I take it? A. Yes.

Q. Was there anything at that conference with reference to the salary? A. Yes, sir.

Q. You made the arrangements for salary with Mr. Townley, did you? A. I did.

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Q. Well, previous to that had you ever talked the matter of salary over with the Industrial Commission? A. I had not talked with the Industrial Commission at all.

Q. You made your arrangements on the question of salary with Mr. Townley himself? A. Yes, sir.

Q. What was the talk about, salary? A. Well, of course, Mr. Townley talked along this line that he knew they couldn't afford to pay the salary that that position should pay because he said that several thousands of dollars a year looked like a mighty big salary to these farmers and they couldn't afford to have any kick from them, and he said you understand how that is. Jim, but we can educate them up to it. Now, the proposition and the agreement between him and I was that I was to work for the first year for \$5,000.00; the second year for \$7,500.00; and the third year for \$10,000.00.

Q. Was that the deal with Townley? A. Yes, sir.

Q. After this talk with Mr. Townley wherein he indicated that your salary would have to be low to start with and that the farmers could be educated up to a big salary, how long after that was it that your appointment was announced?

A. Well, it was about that time. Mr. Townley was still here. I think we had that conversation one evening in the hotel, and the next evening it was announced.

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Q. Announced that you were appointed Manager of the Bank of North Dakota? A. Yes, sir.

Q. Now, up to the time of your appointment had you talked with the Industrial Commission about your appointment? A. No, sir.

Q. The announcement you say you believe came out the next evening? A. Yes, sir.

Q. That is an estimated length of time? A. I think so, I am judging that from the length of time—I know it was the time Mr. Townley was here, there was no intervening period.

Q. How did you get notice of the announcement? A. When I picked up the Tribune at home that evening.

Q. That is the Bismarck Tribune? A. Yes, sir.

Q. Did the Tribune say anything about your salary? A. Yes, sir, it said J. R. Waters had been appointed manager of the Bank of North Dakota by the Industrial Commission at a salary of \$4,000.00.

Q. I thought you said you had made arrangements with Townley for \$5,000? A. I did.

Q. You did make arrangements with Townley for \$5,000.00?

A. Yes, sir.

Q. And the Tribune said you were to get \$4,000.00? A. Yes, sir.

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Q. What did you then do? A. I believe my wife will testify I did some swearing.

Q. Well, did you go to the Industrial Commission and talk to them about the salary? A. No, sir.

Q. Who did you go to? A. Mr. Lemke called me up on the telephone and congratulated me on my appointment, and I said you had better be looking for another man and congratulate him because I am not going to take the job.

Q. You started resigning quick in your career with the Bank, didn't you? A. Yes, sir.

Q. And who did you go to see? A. Well, he told me to come over to A. C.'s room that evening as soon as I had my dinner, which I did.

Q. A. C. meaning A. C. Townley? A. Yes, sir.

Q. Did you go over there? A. Yes, sir.

Q. Did you have a talk with him about it? A. Yes, sir.

Q. About this salary business? A. Yes, sir.

Q. Well, what was the talk about the salary—by the way was Lemke there? A. No, sir.

Q. Who was there? A. J. W. Brinton.

Q. Well, what was the talk? A. Well, Townley tried to get me to take the position at the salary of four thousand and I said, no, sir, I won't work for that money, and he rather insinuated or in a way it made me feel that he thought I was

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trying to hold him up. And I said if you figure I am trying to hold you up, call in your attorney, Mr. Lemke, and draw up your contract and I will work for one dollar a year, but I won't work for four thousand.

Q. What did he say finally? A. The final announcement was that he said he would fix it with the commission that I would get the \$5,000.00 that we agreed on.

Q. Did he fix it? A. Yes, sir.

Q. So you finally started in the bank at \$5,000.00 a year? A. Yes, sir.

Q. Do you remember about when it was that you were appointed—about—I don't care for the exact time?

A. It was the early part of April, I think around the 4th of April.

Q. When did you first hear of Mr. Cathro? A. Well it was soon after that.

Q. Who was the first person that mentioned Cathro's name in connectin with the Bank, if you remember? A. William Lemke.

Q. The present Attorney General? A. Yes, sir.

Q. By the way, William Lemke wasn't on the Industrial Commission at the time you referred to that he asked you to go to A. C.'s room? A. No sir.

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Q. What did Mr. Lemke say to you when he mentioned Mr. Cathro's name? A. I was still acting as state examiner and until Mr. Lofthus—in fact I don't think Mr. Lofthus had been appointed, but it was understood he would be. The Governor

had told me who he was going to appoint and had said it would be possibly a month before Mr. Lofthus could get all arrangements made to come to Bismarck and I told him I would stay and take care of the office until he came, and it was during this time that Mr. Lemke came in and said we would have to get busy and start the organization of the bank. And he says you better have Mr. Cathro from Bottineau come over and help you and he is a splendid detail man. I said I don't know Mr. Cathro, but it is all right you can send for him. Well, he says you are appointed Manager of the Bank and it would be only courtesy for you to wire him to come over, which I did.

Q. And he came over? A. Yes, sir.

Q. And I suppose you and Mr. Cathro started in on the matter of the details of the organization of the bank? A. Yes, sir.

Q. How long after your appointment, about, was it that you sent this wire to Mr. Cathro? A. Well, It would be within a few days. I just don't remember, but within a few days.

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Q. Did anybody else assist in the organization of the detail of the bank? A. Yes, Oliver Morris, secretary of the Industrial Commission looked after some of the detail work.

Q. After Mr. Cathro came, I assume he also assisted? A. Yes, sir. Mr. Cathro started drawing up the rules of the bank, and on other detail work.

Q. Well, now, after the bank was started as a going concern—by the way when was Mr. Cathro appointed to an official position by the Industrial Commission, do you know? A. Well, it must have been about sixty days later than that, I am not positive as to that time, but I think it was about that time.

Q. Was his salary fixed at the time he was appointed? A. Yes, at the later date.

Q. Well, now, after the Bank started going and Mr. Cathro and yourself were there, who was it that conferred with the Industrial Commission in regard to the affairs of the bank? A. Mr. Cathro.

Q. Were you called in by the Industrial Commission for conferences? A. I don't remember that I was ever called in. There was only one time I remember sitting with them, and that was the day Mr. Cathro purchased the bonds.

Q. The day Mr. Cathro purchased the bonds from the State of North Dakota? A. Yes, sir.

(935)

Q. Well, who went to the Bankers' conventions, representing the Bank of North Dakota, you or Mr. Cathro. A. Mr. Cathro. Mr. Cathro was considered a first class detail man, and quite a public speaker, and he was sent out to the meeting of the Bankers Convention to explain the system and workings of the Bank of North Dakota.

Q. Well, if you wanted to get any information to the Industrial Commission, how did you go at it, tell it to Mr. Cathro? A. Yes, sir.

Q. Mr. Cathro, then appeared to be the representative of the Industrial Commission in the bank? A. It would appear so.

Q. Did the members of the Industrial Commission themselves come to visit the bank? A. No, sir.

Q. Who were on the Industrial Commission at that time?

A. Governor Frazier, John N. Hagen, Commissioner of Agriculture and Labor, and William Langer, Attorney General.

Q. Well, did any of them come to the bank to observe the conduct of it? A. Governor Frazier came down one afternoon with that radical editor from Chicago, that is the editor of the New Majority. I don't remember his name now, he brought him down there and showed him through the bank.

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Q. Was that the only time you know of when the Governor was down there? A. No, I think the Governor was down there one other time, but that was, I believe, during the noon hour.

Q. He came down to see you? A. No, not particularly, I don't know just what his mission was. It wasn't anything that had any bearing on the bank at any rate.

Q. Was Mr. Hagan down there? A. All I know is hearsay; the night watchman told me Mr. Hagan was in conference with Mr. McIntosh and Mr. Cathro one night down there.

Q. Mr. Langer—do you know of his being down there? A. No, sir, he never was.

Q. Do you mean to say that Langer never was in that bank as a member of the Industrial Commission that you know of? A. No, sir, although I sent several invitations to him to come down.

Q. Do you remember when you opened the Bank for business, Mr. Waters? A. Sometime in July, I am not positive as to the date.

Q. Do you remember whether or not at the start—the very beginning of the bank, there was any sending of any money to the Scandinavian-American Bank? A. Yes, sir.

Q. I don't suppose you remember the detail of it?

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A. Well, I remember this, I believe it was Mr. Hagen or the Bank that was Treasurer for the Agricultural College, and I would say off hand that their deposit amounted to around \$100,000, I am not positive of the exact amount and that money was simply a book transfer. The Scandinavian-American Bank had that money on deposit and it was transferred to the Bank of North Dakota, and the Bank of North Dakota immediately transferred this right back to the Scandinavian-American Bank as a redeposit.

Q. Well, in addition to that deposit was there any additional funds sent to them? A. Yes, from time to time.

Q. Were there any requests from any persons to send money to the Scandinavian-American Bank promptly after its opening? A. Yes; sir.

Q. From whom did you get the request? A. A. C. Townley.

Q. Personally by mail? A. By telephone first.

Q. Do you know how long it was after the Bank was opened up until you got this telephone message from Mr. Townley? A. I am not positive as to that, but it was in a very short time.

Q. Do you know where he was when he telephoned to you? A. Yes, sir, in Fargo.

Q. Called you up from Fargo and what did he say to you?

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A. He said "We need some money down here."

Q. You know what he meant when he said "We need some

money down here?" A. Certainly. He meant the Scandinavian-American Bank.

Q. What did you say? A. I said "how much money" and he said "about a hundred" and I said "a hundred what" and he said "about one hundred thousand dollars."

Q. What did you say to that? A. I said "My God, this bank hasn't got a hundred thousand dollars of anybody's money, except what is redeposited where it belongs."

Q. What did he say then? A. He said, "well I will be up in a day or so, and I will see you."

Q. Did he come up? A. Yes, sir.

Q. Did you see him? A. Yes, sir.

Q. Where? In the McKenzie Hotel.

Q. Who was there? A. There was no one there when I first went up to see him.

Q. Later on, Mr. Cathro came in? A. Yes, sir.

Q. Was there any talk about sending money to the Scandinavian-American Bank? A. Yes, sir.

Q. In the presence of you, Townley and Cathro? A. Yes, sir.

Q. What was said? A. Mr. Cathro took up the daily balance sheet and showed him where this money was redeposited and explained to him it was pretty hard to get ahold of one (939)

hundred thousand dollars. The Bank of North Dakota didn't have that much available. Then while they were engaged in this conversation, I got up and went out.

Q. Did you talk to Mr. Cathro about it after that. A. I did the next day.

Q. Where? A. Down in the Bank.

Q. What did he say? A. I said "well, Fred, how did you come out with the Big Chief last night?" and he said "Well, I am going to send them down some money, but I am not going to send them a hundred thousand dollars."

Q. Well, did you have any—we will call them invitations—from anybody else to send miney down to that Bank? A. Oh, yes, we always had a standing invitation from Mr. Hagan.

Q. Well, did Mr. Hagan just leave that a standing invitation, or did he sort of renew the invitation from time to time so it wouldn't get stale? A. He kept it green in our memory all the time.

Q. This Hagen that you refer to, who is he? A. He was president of the Scandinavian-American Bank.

Q. You, yourself, never saw the letter from P. R. Sherman, the cashier, to Mr. A. C. Townley dated May 26, 1919? A. No, sir. (940)

Q. You have heard of that letter being discussed in the newspapers? A. Yes, sir.

Q. And you have heard of the fact that Mr. Langer obtained that letter and had a photograph taken of it? A. Yes, sir.

Q. It has become public property in the state, so to refresh your memory on it, I will read it to you, and I want to ask you a question or so about it.

(Exhibit No. 124)

"May 26th, 1919.

Mr. A. C. Townley,
City.

Dear Mr. Townley: Agreeable with your request, to inform

you when we were in need of funds, I desire to state, we shall be called upon to pay out in the next thirty days about \$100,000. The money which we obtained from Duluth and Minneapolis has been used up, and there has been a rapid decrease in the country bank balances. We are running from day to day with very close reserves and anticipate further withdrawals, which will necessitate funds to the extent of probably \$200,000 to \$250,000 between now and harvest.

Mr. Hagen tells me you were to get us \$500,000 in addition
(911)

to the state deposits which we received, and urge you that you give this your immediate attention and assist us promptly.

We are getting in funds from different sources daily, but some are delayed so there are no large amounts coming to us at this season. Our only source of credit is the Bank of Commerce & Savings, Duluth, and Mercantile State Bank, Minneapolis, both being small and limited in capacity to accommodate. We cannot expect a dollar of help from larger banks, and we cannot tell from day to day when our reserve will be wiped out.

The fact that we have assisted the League and the Consumers United Stores Company to an amount of \$200,000 naturally depletes our available that much. While we are glad to be of assistance, the time has arrived when we must have assistance if we shall get through the summer without difficulty.

Awaiting your early consideration in this matter, and trusting that you will give this your earnest attention, we beg to remain,

Very truly yours,
(Signed) P. R. SHERMAN,
Cashier."

(912)

Q. What was P. R. Sherman cashier of? A. The Scandinavian-American Bank at Fargo.

Q. Well, now, Mr. Waters from your connection with Mr. Townley and the conversation you had with him during this period, would you say, as a conclusion, that Mr. Townley was giving all the assistance that he could under the circumstances to get money down to the Scandinavian-American Bank? A. I think he was.

Q. He was apparently, you would say, rather attempting to carry out with you the terms of this letter I have just read to you? A. I would think so.

Q. Now, at these various times that Hagen called up, after the time of the conference between you and Cathro and Townley, who did Hagen generally talk to, you or Cathro, if you know? A. I am not positive as to that. He used to call us both. I remember one occasion that he called me.

Q. Well, when was it he called you? A. It was just before the New Year of 1920—the latter part of 1919, I think it was the last day of 1919.

Q. That was after the "raid" on the Scandinavian-American Bank, so-called? A. Oh, yes.

Q. Now, after the time of Mr. Langer's so called "raid" on the Scandinavian-American Bank and up to the first of January, did you have any personal knowledge of the condition of the Scandinavian-American Bank? A. No, sir.

(913)

Q. Was there any talk in the bank among the officers and people engaged in the Bank of North Dakota as to the amount of money that the Bank of North Dakota was sending to the Scandinavian-American Bank? A. Mr. Snyder, the transit manager, came to me several times, and he said "that Scandinavian-American Bank is getting entirely too much money, Mr. Waters. It looks dangerous to me."

Q. And what did you do about it? A. Well, I said "Eddie, I wish you would make me up a statement so I will know just what they have got." And I said "Make it up tomorrow or next day." And he said "I will come back after supper tonight and make that statement for you." And he did and gave it to me the next morning.

Q. And that showed you what the condition was? A. Yes, sir.

Q. What did you do about it? A. I did a lot of worrying.

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Q. Did you talk to anyone about it? A. Yes, sir.

Q. Who did you talk to about it? A. I talked to Mr. Cathro and Mr. McAneney.

Q. Well, we had some testimony in this record about a bunch of notes that were sent up from Fargo? A. Yes, sir.

Q. When did that occur? A. That occurred around the early part of September, in 1919.

Q. That was before the so-called "raid"? A. Yes, sir.

Q. Do you remember the occasion of those being brought up to the Bank? A. I do.

Q. Do you know how they got there? A. Not positively, but I assume they were sent thru the mail, because Mr. Cathro told me he had received them and I assumed they were mailed up to him.

Q. Where was the first place you saw them? A. Mr. Cathro brought them into my office and laid them on my desk.

Q. What did he say, if you remember? A. He said "here is a bunch of notes that the Scandinavian-American Bank sent up for rediscount." And he said "I am inclined to take the most of these on." He said "you undoubtedly are better acquainted with the makers of some of this paper than I am, and I wish you would go over it and tell me what you think about it."

Q. Did you go over it and tell him what you thought about it? A. I did.

Q. How did you go over it? A. I will have to demonstrate. I took the pile of notes like this—(indicating) and I put one pile here and one pile there and so on until I had sorted them out. And I said "Now, that pile (indicating) I wouldn't have in the Bank under any consideration. This

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smaller pile I am assuming is good, because I do not know a single name on that paper."

Q. Well, which one of the piles was larger, the one you didn't know or the one which you did know? A. The one I did know.

Q. The one you did know was the big pile? A. Yes, sir.

Q. Can you give us some idea what the names were in that pile? A. Yes, sir, there was Tom Powers, George McGregor, Fred Miller, William Lemke.

Q. And accommodation notes, Consumers United Stores

Company, or matters of that sort? A. Yes, sir, Consumers United Stores Company, and League Exchange.

Q. And he so indicated by his talk? A. Yes, sir.

Q. Well, what did Mr. Cathro say about it when you told him that? A. Well, he said he thought the League Exchange and Consumers Stores paper and Mr. Lemke's paper was good. We didn't have any heated argument, just a friendly argument about the class of paper.

Q. He thought that paper was good, you say? A. Yes, sir.

Q. And he so indicated by this talk? A. Yes, sir.

Q. Well, what did you do then? A. Well, I took the stand that aside from the fact, even if we granted that this paper was good, that it was political paper and it had no business in the Bank of North Dakota.

Q. Mr. Cathro took it out then, did he? A. No, the paper
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was left on my desk at that time.

Q. Did you talk to anybody else that day about it? A. Yes, sir, I talked to J. W. Brinton about it at noon.

Q. And what conversation did you have with Brinton about it? A. Well, I saw Mr. Brinton at the McKenzie Hotel and I was pretty sore to think that they were trying to run this League paper into the Bank of North Dakota, and, of course, I complained very bitterly to Mr. Brinton about it and he walked down to the Bank with me and I showed him the paper and made a list of some of it for him so he could go to Mr. A. C. Townley and take the matter up with him.

Q. You gave him a list? A. Not all of the paper, just a partial list.

Q. Just a few to indicate the calibre of it? A. Yes, sir, to indicate the class of paper.

Q. Well, did you talk to anyone else that day about it?

A. Yes, sir I talked to Mr. Sherman, Cashier of the Scandinavian-American Bank.

Q. Mr. Sherman, the cashier of the bank, was in Bismarck? A. Yes, sir. It seems that this paper had been in the bank four or five days. I had been away. I had been down to Iowa, and Mr. Sherman had come up on this train that gets here about noon, and came up, evidently, to see why they

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hadn't got the money on this paper.

Q. And you explained to him why he hadn't? A. Yes, sir.

Q. Well, did you talk to Lemke about it? A. Yes, sir, a little later on—next day I think it was.

Q. Where did you talk with Lemke about it? A. Down in the Bank.

Q. What did Lemke say about it? A. Well, of course, he tried to argue with me that this paper was good.

Q. And you argued that it was bad, I assume? A. I told him I didn't want it in the Bank.

Q. Well, what was the result now of this talk and this controversy in connection with this paper—what happened to the paper?

A. Mr. Sherman had a portfolio with him and he bundled this paper all up and put it in the portfolio and took it back to Fargo with him.

Recess taken for ten minutes, after which the meeting was called to order, and hearing resumed.

H. L. AULTMAN, recalled as a witness, and testified as follows:

EXAMINATION BY MR. MURPHY:

Q. You have a correction you wish to make in your testimony of yesterday? A. With the courtesy of the Chairman of this Committee, I want to correct an error I made here Thursday in my testimony. I said that Mr. Paddock and Mr. Thatcher denied me the right to examine the records of the Drake Mill. The statement is correct as to Mr. Paddock, but it is incorrect as to Mr. Thatcher. I asked Mr. Thatcher's leave to go into the records in the evening, and Mr. Paddock told me I could in case Thatcher's men would work in the evening. I asked Thatcher's men or the man in charge, and he told me he wouldn't work in the evening. I owe Mr. Thatcher an apology and I present it here. And another matter,—

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Q. Is there another matter with reference to the Bank comparison between the First National Bank of Fargo—and the Bank of North Dakota—an attempt was made to lead you before the Senate Committee to state that the First National Bank was in the same non-liquid condition as the Bank of North Dakota? A. No, not exactly that.

Q. Well, you state it. A. The Senate Investigating Committee, while I was testifying there tried to force a comparison upon me between the percentages—between the so-called demand assets and demand liabilities of the First National

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Bank of Fargo, and the so-called demand assets and so-called demand liabilities of the Bank of North Dakota, and I stated there or certainly intended to state that a comparison of such percentages is entirely meaningless, because the banks are not in an analogous situation and because all the other items in the balance sheet must be taken into consideration, and because the face of the balance sheet cannot be considered without all of the factors concerning those assets and those liabilities. The term liquidity is a relative term, for instance, in the case of the First National Bank of Fargo, there are no so-called long time loans, none over a year, and none of its rediscounts with the Federal Reserve Bank are over three months, with the exception of certain collateral secured loans, which may be up to six months. And certainly they are very liquid in comparison to the thirty year loans of the Bank of North Dakota on the very face of it.

B. F. BAKER, having been called as a witness, was duly sworn and testified as follows:

EXAMINATION BY MR. MURPHY:

Q. What is your full name? A. B. F. Baker.

Q. You are a member of the Senate? A. Yes, sir.

Q. From Renville County? A. Yes, sir.

Q. And a member of the Senate Audit Committee? A. Yes, sir.

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Q. You have been up at the meetings of the House Audit Committee here practically every day? A. Except this last week.

Q. And at any time that you have been here, have the doors been closed to the public? A. No, sir.

Q. Has the Committee ever gone into executive session

and ever put anyone out of the room? A. No, sir, not that I have known of.

Q. And you have been here at all of the sessions? A. Except this week.

S. W. JOHNSON, having been called as a witness, was duly sworn, and testified as follows:

EXAMINATION BY MR. MURPHY:

Q. What is your full name? A. S. W. Johnson.

Q. And you are a member of the House of Representatives from Steele County? A. Yes sir.

Q. And you were also appointed by the Speaker a member of this House Audit Committee? A. Yes, sir.

Q. And for some time you sat as a member? A. Yes, sir.

Q. But since that time practically every day you have been in attendance on the sessions of the Committee? A. Part of the time.

Q. Well most of the time? A. Yes, sir, there has not been a day that I have not been here some of the time.

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Q. At any of the times that you have been here have the doors been closed to the public? A. No, sir, they have been pretty full of men sometimes, but never closed.

Q. You mean the room has been pretty full of people? A. Yes, sir.

Q. Then the public has been in? A. Yes, sir.

Q. And they never held an executive session during any of the time you have been up here? A. No, sir.

J. R. WATERS, recalled as witness, and testified as follows:

EXAMINATION BY MR. SULLIVAN:

Q. Mr. Waters, did you have any conversation with Mr. Townley as to his general bank scheme? A. Yes, sir.

Q. Do you remember when you had the conversation? A. Well, it would be along the early part of September or the latter part of October.

Q. Prior to the so-called Langer bank raid? A. Yes, sir.

Q. Did he explain to you what that bank scheme of his was? A. He did.

Q. What was it, as he explained it? A. He was going to borrow the money from the Scandinavian-American Bank and buy a bank—he called it a country bank—and the Bank of North Dakota would deposit the amount of money it would

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take to purchase this bank with the Scandinavian-American Bank so they would not be injured particularly in the loaning of the money. Then after he had completed the deal, on bank No. 1, he would go and buy bank No. 2, and the Bank of North Dakota would deposit enough public funds in bank No. 1 to take care of that deal. So that it was to make a sort of endless chain. That the law permitted the Bank of North Dakota to deposit public funds in any state bank, and they would deposit enough there in bank No. 1 so they could purchase the second bank, and in the second bank so they could purchase the third, and so on, making each bank finance the next one.

Q. That is Bank No. 2 would finance Bank No. 3, and so on? A. Yes, sir.

Q. And the money to bank No. 1, in order to make the loan to bank No. 2, where would that money come from? A. From the Bank of North Dakota.

Q. Well, what security was to be put up with Bank No. 1, for the loan to buy bank No. 2? A. The Depositors Guaranty Law which guaranteed deposits.

Q. Well, was there to be any of the bank stock of bank No. 2 to be put up with bank No. 1? A. Yes, he would hypothecate the stock, certainly.

Q. Was there to be any of the stock in the banks sold to the farmers? A. Forty-nine per cent.

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Q. Forty-nine per cent of it sold to farmers and fifty-one per cent held by whom? A. Either Mr. Townley or the League Exchange.

Q. And the bank stock would be put up with bank No. 1 as security for the borrowing of the fifty-one per cent? A. Yes, sir.

Q. Well, on that deal, the only fellows who would have any real money in it would be the forty-nine per cent. real farmers? A. Absolutely.

Q. Did you go into detail on this with Mr. Townley? A. Yes, sir.

Q. He submitted the proposition to you? A. Yes sir.

Q. How wide a scope was this plan to have? A. At least one bank in each county of the State.

Q. All put through on the endless chain proposition that you have referred to? A. Yes, sir.

Q. How did it occur he talked to you about it? A. Well, the proposition was this; I was in the Bank of North Dakota, and I assume he was going to make it plain that he would expect the Bank of North Dakota to make these deposits as he had outlined.

Q. So you were the fellow to explain it to? A. Yes.

Q. Did he indicate in any way that you personally were going to be taken care of in this matter? A. Yes. I raised very serious objections to this proposition. I told him the

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foundation of it wasn't sound and that I had already shut Grant Youmans off on organizing banks and having holding companies to hold them; that I didn't believe in that; that I didn't believe in any holding company for a chain of banks, because that got away from the personal liabilities, and this proposition wasn't sound, and I didn't believe in it at all, and—well, he rather insinuated that I hadn't ought to kick, that I would be well taken care of if the deal went over all right.

Q. Did he say how you were to be taken care of—did he indicate you were to have any job with this line of banks? A. He indicated in a way that I probably would be the manager of the entire line.

Q. Which would be a better job than being manager of the Bank of North Dakota at \$5000.00 a year? A. Well not under present conditions, I don't believe.

Q. Well did he make any exceptions—did he make any exceptions in the various counties where these banks were going to be? A. Yes, I said, for instance, out in my home town there is Bob Fuller a very personal friend of mine, and he has got a bank and I won't stand for seeing any bank go-

ing in there. Competition is pretty strong and I won't stand for seeing another bank go in there. And he says that is all
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right. We will not bother any of your friends. We can put in a bank at Sentinel Butte.

Q. Did you have any talk with any other of the leaders of the —well we will say the Non-Partisan program—other than Mr. Townley about this bank scheme? A. Yes sir.

Q. Who did you talk with? A. I talked with Mr. Lemke about it.

Q. Mr. William Lemke? A. Yes, sir.

Q. The present attorney General? A. Yes sir.

Q. When did you talk with him about it? A. It was after the talk with Mr. Townley, I couldn't state the exact time.

Q. What was that conversation? A. Mr. Lemke was in the Bank of North Dakota and came in my office and among other things he said, "Did A. C. go over this bank proposition with you?" and I said "Yes." And Mr. Lemke said, "What do you think about it?" and I said, "I don't think anything of it at all. The proposition is not sound and the principle is wrong."

Q. What did he say to that? A. He thought it could be worked out all right and would be quite a relief to the farmers.

Q. You mean that 49% relief? A. I suppose. As a mat-
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ter of fact, Mr. Townley told me that one of his ideas in this bank scheme was to relieve the Scandinavian-American Bank. He said frankly that he knew they had rode that bank to death, and that the loans could be divided up among these different banks over the state and it would relieve the situation with the Scandinavian-American Bank.

Q. Well, do you know whether or not Mr. Townley ever did anything toward the consummation of that program? A. I think he went out and arranged for one or two banks himself, the First National Bank of Sheyenne, and I believe a bank at Wimbledon or up in that part of the country somewhere.

Q. In any event, the program apparently got into such a well defined position that, at least, there was something done in connection with it? A. Yes, sir.

Q. Did you say the First National Bank of Sheyenne? A. Yes, sir.

Mr. Sullivan: Well that is the one we have got on our list here that was in the Scandinavian American Bank.

Mr. Sinkler No, it wasn't in there.

Mr. Sullivan: Yes it was.

Q. Now, after the so-called Langer "raid" you said you didn't have any particular knowledge of the Scandinavian-American Bank? A. No, sir, only just the reports in the newspapers.

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Q. Well, did you do anything, Mr. Waters, to find out what the condition of it was? A. I did.

Q. And when was that? A. That was the first day of January, 1920.

Q. And what was the occasion of your examining it on the first day of January, 1920? A. Mr. Hagen called me up on the last day of December, 1919, in the afternoon, and said we have got to have some money, and I said "where are you

going to get it" and he said "you are going to send it down to us." And I replied "Why, I don't know about that, Mr. Hagen, I think I will have to come down there and take a look at that bank and see what shape you are in," and he said "I wish you would."

Q. So you went down? A. I went in and talked with Mr. Cathro about this and told him what the conversation was and it was very agreeable to him. In fact, he thought it was a good suggestion and thought I better go down and examine the condition of the bank.

Q. Did you go down? A. I did that evening.

Q. Who went with you? A. Mr. McAneney.

Q. And did you examine the bank the next day? A. Not a critical examination, but we went through it pretty thoroughly. The note pouch was the principal thing we wanted to see and we went through that.

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Q. How long were you examining the note pouch or in the bank? A. Oh, we were there practically all day.

Q. Do you remember about what time of the day or night it was that you finished your examination? A. We got done with the note pouch, I would say somewhere about five or six o'clock in the evening. And I said, Mr. Hagen haven't you got any past due paper, and he turned around to Mr. Sherman and said Mr. Sherman bring out the past due pouch. And Mr. Sherman brought the past due pouch and I made the remark "that looks like quite a big job." And we hadn't had anything to eat since breakfast, so Mr. Sherman went out and got some sandwiches and a fruit jar of coffee and some cups and some cigars and we ate our lunch there and then went to work on the past due paper.

Q. When you finished your examination, as you stated, did you and Mr. McAneney have any talk or conversation as to what you men had decided as to the condition of that bank? A. Yes, sir.

Q. Just tell us what that was? A. We decided that the bank was in a very serious condition, much more so than we had reason to suspect from what we had read in the newspapers.

Q. Worse than what you read in the newspapers? A. Yes, sir.

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Q. What newspapers had you read about it in? A. The Courier News.

Q. Any others? A. The Fargo Forum.

Q. Was it worse than what the Forum said it was? A. I believe it was.

Q. That talk was between you and McAneney? A. Yes, sir.

Q. Did you have any talk with any other person about the condition of it that day? Yes, sir, I talked with Mr. Hagen.

Q. What did he say about it? A. This conversation came up after we went through the past due paper, and I said "Mr. Hagen, what do you consider is the slowest paper in that bunch?" And he said "The Davenport Land Company."

Q. And what did you say? A. I said "My, God, is it worse than the Knaak and Haggerty paper?"

Q. If it is worse than the Knaak and Haggerty paper, how much was it worth, in your judgment? A. It wasn't worth anything.

Q. Did you talk with anybody else that evening? A. Yes, sir.

Q. How did you happen to talk with him? A. He called me on the 'phone and told me to come over to the League offices when we went to the hotel.

Q. Did you go to the League offices? A. Yes, sir.

Q. Did you see him that night? A. Yes, sir.

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Q. McAneney went with you? A. Yes, sir.

Q. Did you tell Lemke what the condition of the bank was and explain the situation? A. Yes, sir.

Q. And the next day you came back to Bismarck, did you? A. Yes, sir.

Q. And after you got back to Bismarck, what did you do about it when you came back here? A. Well, I thought the matter over pretty seriously, and I was very much exercised over the condition of this bank, and the amount of money the Bank of North Dakota had with them, and I decided I would go up and talk with the Governor about it. I thought as chief executive he ought to be advised of condition of affairs, so I asked Mr. McAneney to go with me and told him why I was taking him along, as I wanted a witness. And we went up and saw the Governor, and when we went in Mr. Lemke was in the office with the Governor seated at the table.

Q. That is Mr. William Lemke, the present Attorney General? A. Yes, sir. And he got up and said, if you gentlemen have anything of a private nature to talk about, I will get out. And I said, Bill, it is nothing only what you have heard before so you might just as well stay, and he did.

Q. What did you say to the Governor? A. Well, I went into details with the Governor in regard to the condition of this bank.

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Q. What was the reasonable conclusion to be drawn from what you told the Governor as to the condition of this Scandinavian-American Bank as you found it? A. In a very serious condition.

Q. Mr. McAneney was there at the time you told him that? A. Yes, sir.

Q. After you told the Governor that, what did he say? A. Well, the Governor gave me a very nice audience. He listened very attentively to all the statements I had to make to him, and when I was done, he turned around to Mr. Lemke and said "Well, Bill, what do you think about it?" And Mr. Lemke said, "I think Jim is unduly excited."

Q. And then what did you say? A. Well I was considerably peeved and I got up and put on my overcoat and I said: "Governor, this is the last time I am ever going to talk to you about this matter, but I want you to remember one thing that if anything happens to the Scandinavian-American Bank you can't ever say Jim Waters knew the condition it was in and didn't come and tell you."

Q. And you went back to the bank? A. Yes, sir.

Q. And Mr. McAneney went with you? A. Yes, sir.

Q. And he was present during this entire conversation? A. Yes, sir.

Q. And Mr. Lemke was present? A. He was.

Q. And the Governor was present? A. Yes, sir.

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Q. Did you have any further additional talk with Mr. Lemke about this situation? A. Yes, he was down to the Bank and I had a talk with him about it.

Q. How long after this talk with the Governor? A. This talk with the Governor was in the afternoon, and it was either the early part of that evening or the next morning that I had the talk with Mr. Lemke.

Q. And you say that talk with Mr. Lemke was at the Bank of North Dakota? A. Yes sir.

Q. Well, let's have the contents of that conversation? A. Mr. McAneney and myself had some talk ourselves that we might make a deal for the Scandinavian-American Bank provided the right kind of a deal could be made. And during this talk, on the criticism of the Bank, Mr. Lemke said: "Well, you made some advances at one time that you might consider the purchase of this bank," and he said "How do you feel about it now?" And I said: "Mr. McAneney and I have decided that we would not only have to have the stock for nothing, but we would have to have about \$150.00 assessment on each share besides."

Q. That if they would give you \$150.00 on each share and give you the stock for nothing, you might take it? A. Yes, sir, and he said they couldn't make a deal like that and I

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said we might consider a deal taking this at par if this paper we have criticised is good.

Q. Well, did he say the paper was good? A. Yes, sir.

Q. He said all this paper you criticised would work out? A. Yes. And I said we might consider taking the stock at par if they would take their pay with this paper which we said was bad and which he said was good, which would, of course, let the money for the stock go into the bank, and that they would take the paper, that would relieve the bank of the bad paper or paper we claimed was bad.

Q. And under those conditions, you agreed to take it? A. Yes, sir.

Q. Now, when Mr. Lemke came down to the bank that day and after you had this talk with the Governor, what did he say with reference to the Governor? A. Well, I even went further with Mr. Lemke. I said: "Now, this is the last time I am ever going to talk with the Governor or any of the administration about this bank, because I have done everything that is fair and honorable. I have gone and informed the Governor, and I want you to remember one thing, Mr. Lemke, that if anything happens and the Scandinavian-American Bank blows up before the 30th day of June, that Bill Langer will be the next Governor."

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Q. That was what you told Mr. Lemke? A. Yes.

Q. What did Mr. Lemke say when you told him that? A. He hit the table and he said "By God, we will keep that bank open if it takes every dollar of public funds in the State of North Dakota."

Q. And when he indicated he would keep the bank open if it took every dollar of public funds in the State of North Dakota, what did you say, Jim? A. I told him to hurry up and get a new manager for the bank.

Q. Now, that conversation was, as I take it, sometime after the first of January, 1920? A. Yes, sir.

Q. When did you go to Florida again? A. I am not pos-

itive as to the date. It was along during, if I remember correctly, the early part of March, possibly not the early part, but the latter part; it was somewhere around the 10th or 12th, I think. I am not positive as to the date.

Q. Before you went, did you leave any resignation or any paper for delivery to the Governor in connection with the Bank? A. I did. The day I left—I left in the evening—I wrote my resignation to the Governor, addressed it to him, and marked it personal, and took it up to William Anderson, who was secretary of the Industrial Commission, and asked him if he would deliver that to Governor Frazier for me, and incidentally I said: “Bill, that contains my resignation” and

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he said “I am sorry about that Jim, we have always got along nicely” or words to that effect.

Q. Now, do you know whether or not up to the time you left you had made any loans to the Scandinavian American Bank? A. I am not positive—there was a loan made—well, on that day we were at Fargo, I got some certificates of deposits on banks over the state that were correspondent banks of the Scandinavian-American, and had Mr. Sherman endorse them to the Bank of North Dakota, and applied them on—I believe, if I remember correctly, that that was applied as a loan, so as to cut down the amount of public deposits. But it was a very small amount compared with what the deposits were. I think it was around twenty-five or thirty thousand dollars, but that is not real clear in my mind just how that was handled.

Q. As you remember, it was simply a question of getting C. D.'s for cutting down the deposits? A. Yes, sir, and if a loan were made, that would be the loan. That was the only loan that was made.

Q. The money that was in the Scandinavian-American Bank had been substantially all put in there as redeposits? A. Yes, sir.

Q. And not as loans? A. Yes, sir.

Q. Well, now, do you know a fellow by the name of J. J. Hastings? A. Yes, sir.

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Hastings? A. Yes, sir.

Q. We have had some testimony up here, Mr. Waters, on the stand, concerning Mr. J. J. Hastings' trip down to New York in connection with the sale of some bonds? A. Yes, sir.

Q. Did you ever talk with Hastings about his trip? A. I did.

Q. Well, tell us what that conversation was? A. Well, Mr. Hastings and Mr. Townley were both here and talked to me about—I will call him Jack—about Jack going to New York to sell bonds.

Q. Mr. Townley and Mr. Hastings? A. Yes, sir.

Q. Now continue the conversation? A. And I said to Mr. Hastings, I have nothing to do with the sale of the bonds. Mr. Cathro handles the bonds and any arrangements you make with him, of course, will be satisfactory with me. But I said “Jack, you are not going to be able to sell these bonds at this time thru any of the regular channels, or any of the regular bond houses, because it is quite evident that they are not going to buy these bonds.” And he said to me, “I don't expect to sell these bonds through the regular channels.” He said “I am going down there and place these bonds with this

bunch of radicals that Governor has been down there talking
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to, and I have a very good friend down there, a Mr. Pagenstecher——”

Mr. Sullivan: Wait a minute, how do you spell that? A. I don't know, I think P-o-d-g-e-n-s-t-e-c-k-e-r “from whom we got \$50,000.00 of German money.”

Q. He said what? A. “From whom we got \$50,000.00 of German money.”

Q. When? A. About the time we were going into war.

Q. Let's get that straight, Jim? He said that he was going down to see this man Pagenstecher, from whom we had gotten \$50,000.00? A. That is what he told me.

Q. Did he ever tell you that he had ever seen Pagenstecher? A. Yes, sir.

Q. What did he say about it? A. Well, he said that he was a wealthy paper manufacturer and that he went down there at the time the League was practically broke and met with a bunch of these people at a dinner, and gave them a talk on the aims and purposes of the Non-Partisan League, and that they needed financing, and he said at this dinner there were several that signified their willingness to give financial assistance, but that Mr. Pagenstecher told them to never mind, that he would attend to that, and the next day he came to Mr. Hastings' hotel and they completed the arrangements, and that the money was sent to a bank in St.
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Paul. I believe it was the American Exchange Bank. Mr. Hastings told me so much about it that I can't remember it all at this time.

Q. Hastings said some money had been sent out? A. Yes, sir.

Q. The next day? A. Yes, sir.

Q. And that was the fellow that Hastings was going to see, as he said, about the sale of the bonds? A. Yes, sir.

Q. Do you know whether he ever saw him, did he ever say whether or not he saw him? A. Yes, I talked to Mr. Hastings after he came back, one time in Fargo, and he said conditions had changed so that these fellows were pretty hard pressed financially, and he couldn't do anything with them.

Q. Well, coming back to your trip down to Florida, Mr. Waters, while you were down there, did you see Mr. McAnaney? A. Yes, sir.

Q. You remember about when that was when you saw him? A. It was the latter part of March, I think.

Q. And what did Mr. McAnaney say to you when he got down there? A. I had a message from Mr. McAnaney from Chicago, saying he was going to be there and about what morning he would arrive, and naturally I was very much
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exercised over the matter. I couldn't think what—I was sure there must be something wrong and couldn't think what it could be, and I had thought something had gone seriously wrong in the Bank and that he was coming down to see me about it, and I went over to the train that morning and met him.

Q. You were sick down there, too, weren't you? A. Yes, sir. I went over to the train and met him, and as we walked down the depot platform, I said “Mac, what in the world is the matter?” And he said “Why, I guess you and Brinton

are indicted by the Federal grand jury," and I said "What for?" And he said "I don't know for sure, but it must be something in connection with the Sisal matters."

Q. And then did he say anything to you about resigning?

A. Well, we went over to the hotel, and he had breakfast with us, and after breakfast we sat down in the lobby of the hotel, and he went over this proposition with me. He said Ray Craig called him up from Fargo on the telephone and asked him to come down, and that he went down and Craig said to him, now you are a very close friend of Mr. Waters.

Q. Now, Craig was Manager of the Non-Partisan League in North Dakota at that time? A. Yes, sir. I don't remember at that time whether I was acquainted with Craig or not. He had just recently come on, but the story that McAneney brought to me was to this effect, that Hildreth had told Craig

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that this indictment had been rendered and that they had better go to me and have me resign from the bank, and that the indictment would be quashed.

Q. That was what McAneney told you? A. That was the story McAneney told me.

Q. You don't know whether or not Hildreth ever actually told Craig that? A. No, sir, I don't believe actually that he did.

Q. Well, what did you say to McAneney with reference to your resignation? A. Well, it rather amused me, and I said "Mac, I don't know how many times I have to resign, but I left my resignation with the Governor the day I left there and I will get a carbon copy of it and you can take it back and show Mr. Craig." And I went and got the copy of my letter to the Governor, and he said "I believe I will wire Craig that you have already resigned." So I walked up town and showed him where the Western Union office was, and he wrote a message, he told me, to Mr. Craig.

Q. Did he have any form of resignation with him? A. Not that I saw.

Q. I show you a clipping from the Courier News that is **Marked Committee's Exhibit No. 125**, and is dated Miami, Fla. March 30, 1920, and I will ask you if you ever signed that

(971)

resignation? A. No, sir, I never signed that.

Q. You have read this haven't you? A. Yes, sir.

Q. Listen to this language (reading): "Beginning with the mere law which barely outlined the fundamentals there has been builded in less than a year a financial institution that now handles millions of dollars and is proving and will prove to be a tower of strength for the people of this state in their efforts to gain economic liberty," did you ever write anything like that in your life? A. Pretty flowery language for a livery barn keeper.

Q. When you got back to North Dakota, did you make any further investigation as to what it was claimed that so-called fictitious indictment was based on? A. Yes, sir, I naturally did. I was very much concerned about it.

Q. Who did you see about it? A. Well, in the first place, when I got back to Bismarck, I talked with Roy Halliday.

Q. What did he say about it? A. Well, he said that while

Mr. McAneney was down in Florida, that Craig came up and saw him and told him that if he would resign it would save Jim a lot of serious trouble; that I indicated on that letter that Halliday had written Hastings.

Q. The so-called "shoot-it-to-the-other-banks" letter? A. Yes, sir. Aside from that Mr. Sullivan, I had some pretty
(972)

good friends that I went to in regard to this matter and had them investigate, and I couldn't find that there was anything to this matter at all.

Q. By the way, do you know a fellow by the name of Pollard, who was formerly purchasing agent of the Home Building Association? A. I do. He worked for me a while in the bank in the Farm Loan Dept.

Q. Did you ever have any talk with him, Mr. Waters, about his operations in the purchasing department for the Home Builders? A. Yes, sir.

Q. Where did you talk to him? A. In the West Hotel in Minneapolis.

Q. Who was there? A. Mr. William Stutsman and I were sitting in conversation in the lobby when Pollard came in, and he came over and shook hands with me and asked me to go up to his room.

Q. Did you go? A. I did.

Q. By the way, did he indicate what was to be the object of your trip to his room? A. Yes, sir, we were going to take a little drink of Scotch.

Q. And you went up to his room, did you? A. Yes, sir, I did.

Q. And did you have any talk with him up there about his conduct of the affairs as purchasing agent for the Home Building Association. A. Yes, sir.

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Q. What did he say? A. Well, he flashed quite a roll of bills and said he had collected \$1,600.00 rake that day.

Q. Well, just give us the detail now if he gave you any detail? A. Well, I said, "Fred you want to get while the getting is good," and he said, "well, I am," and he held up his fingers this way (indicating with four fingers) and he says "I am getting four thousand rake off on all the lumber I am buying."

Q. Four dollars a thousand, you mean, don't you, on all the lumber I am buying for them? A. Yes, sir.

Q. Is that what he said. A. Yes, sir.

Witness collapses.

On motion of Mr. Freeman, seconded by Mr. Ulland, adjournment taken until 9:30 a. m., February 28, 1921.

End of February 26, 1921.

(974)

FEBRUARY 28, 1921.

Meeting called to order by the Chairman at 9:30 a. m., all members present except Messrs. Johnson of Steele, Hanson and Weld. The attorneys and reporter were also present.

Minutes of previous meeting read by the secretary and approved as read.

Mr. Shipley introduced the following resolution, Mr. Freeman moved its adoption, which motion was seconded by Mr. Nagel:

"RESOLUTION.

WHEREAS, The investigation conducted by the House Audit Committee has been hindered and delayed by the refusal to produce public records and documents essential to such inquiry, and by the dilatory tactics and evasive attitude of certain witnesses in the public employment; and

WHEREAS, It appears that, in furtherance of such policy, a committee appointed by the Senate to investigate into the character of the Bishop, Brissman & Co., report, has summoned to appear before it as witnesses the counsel of this committee, though it is well known that said counsel have no personal knowledge of the matters and things within the scope of the inquiry being made by said Senate Committee; and,

WHEREAS, There remain but four days in which this com-
(975)

mittee must complete its investigation and compile and submit its report to the House of Representatives, to which end it is necessary that the entire time of the counsel employed by this committee be devoted to such matters and things.

NOW THEREFORE, BE IT RESOLVED: That the said counsel so employed by this committee be, and each of them are hereby directed and instructed to devote their entire working time to the completion of this investigation, and giving counsel and advice in the preparation and compilation of the report of this committee, and to that end they, and each of them are hereby directed and instructed to disregard the summons of subpoena served upon them, and each of them, afore mentioned, until the further order of this committee.

AND BE IT FURTHER RESOLVED, That the foregoing order shall remain in full force and effect until such time as said Senate Committee, through the proper channels, shall state to this committee the testimony sought to be collected from said counsel, and shall satisfy this committee that such testimony as sought to be elected is within the scope of the inquiry conducted by said Senate Committee, and as prescribed by the resolution of the Senate creating said committee.

(975-A)

Dated this 28th day of February, 1921.

D. E. SHIPLEY,
Secretary, House Audit Committee."

On roll call, all members present voted in favor of the adoption of such resolution and the same was declared passed and duly adopted.

F. W. CATHRO, recalled as a witness and testified as follows:

EXAMINATION BY MR. MURPHY:

Q. Mr. Cathro, you produced for the use of the Senate Committee a statement of the deposits of the Bank of North Dakota by counties. Do you recall that? A. I do.

Q. Have you that statement here with you? A. I have.

Q. Will you let me see it please?

(Witness produces statement.)

Q. Mr. Cathro you have handed me fifty-four sheets of

paper entitled Analysis of Bank of North Dakota Redeposits, Loans and Discounts, Farm Loans, Special Deposits, Completed Farm Loans, Due to Treasurers, as of January 19, 1921.
 A. I did.

Q. And this exhibit, identified here as Committee's Exhibit 126, purports to show all of the moneys deposited or re-
 (975-B)

deposited by the Bank of North Dakota, all the loans made, all the discounts made, all the farm loans and special deposits and completed farm loans made by counties? A. It does.

Q. And also the amount due treasurers is likewise classified by counties? A. Yes.

Q. As of that date? A. Yes.

Mr. Murphy: We offer Exhibit 126 in evidence, with the understanding that a copy is to be made of it and this is to be returned to Mr. Cathro.

(975-C)

(Exhibit No. 126)

ANALYSIS OF THE BANK OF NORTH DAKOTA
 REDEPOSITS, LOANS AND DISCOUNTS, FARM LOANS
 SPECIAL DEPOSITS, COMPLETED FARM LOANS,
 DUE TO TREASURERS.
 JANUARY 19, 1921.
 ((976)

ADAMS COUNTY

	Loans & Dis.	Redep.	F. L Spl.
Bucyrus State, Bucyrus.....	10,200.00	7,200.51	1,200.00
First State, Haynes.....	8,087.20	4,999.52	
Adams Co. State, Hettinger....	8,103.32	5,676.29	
First National, Hettinger		1,413.47	
Livestock National, Hettinger..	7,500.00	3,935.23	
Far. & Mer. State, Reeder.....	8,200.00	2,421.71	
First National, Reeder		3,025.60	5,500.00
First State, Reeder	10,200.00	7,660.69	
	52,290.52	36,333.02	6,700.00
Due Treas.	70,831.67		
Completed Farm Loans	34,100.00		
Balance due county treas, am't included in Due Treas.....	23,849.88		
Sinking Funds	16,000.00		
Redeposits	36,333.02		
Loans and Discounts.....	52,290.52		
Due Treas.	70,831.67		
		Excess \$17,791.87	
Farm Loan Spl	6,700.00		
Farm Loan	34,100.00		
		Excess 58,591.87	

(977)

BARNES COUNTY

(977)

	Loans & Dis.	Redep.	F. L. Spl.
Dazey State, Dazey		3,079.79	
Security Bk of Dazey.....		2,692.01	
Eckelson State, Eckelson		5,593.39	
First National, Fingal		4,112.61	
Merchants State, Fingal		5,044.53	
First State, Hastings		2,792.85	
Farmers State, Kathryn		2,466.71	
Sheyenne Valley, Kathryn		1,803.83	
Bank of Leal, Leal		12,512.84	
First National, Litchville.....		3,559.85	
First State, Litchville.....		7,130.68	
First State, Lucca		2,227.44	
Farmers State, Nome.....	5,000.00	4,809.33	
First State, Nome.....		3,734.96	
Farmers State, Oriska		4,101.52	
State Bk of Oriska.....		2,892.15	
Pillsbury State, Pillsbury.....		2,294.87	
First State, Rogers.....		4,022.59	
Bank of Sanborn, Sanborn.....	5,000.00	4,336.79	
First National, Sanborn.....		2,522.85	
Am. Exchange, Valley City.....	41,067.90	49,139.29	
Bank of Valley City.....		22,033.44	
First National, Valley City....		4,614.93	
Middlewest T'st Co, Valley City	15,101.92	22,049.69	
Security National, Valley City.		16,077.10	
First National, Wimbledon....		2,217.30	
Merchants Nat. Wimbledon....	8,600.23	5,523.64	
	74,770.05	203,323.98	
Due Treas.	263,192.29		
Completed Farm Loans.....	4,000.00		
Balance Due Co. Treas. amount			
included in Due Treas.....	171,648.04		
Sinking Funds .....	.00		
Redeposits	203,323.98		
Loans & Discounts	74,770.05		
Due Treas.	263,192.29		
		Excess 14,901.74	
Farm Loans	4,000.00		
		Excess 18,901.74	

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BILLINGS COUNTY

	Loans & Dis.	Redep.	F. L. Spl.
First State, Fryburg		21,522.37	
Stockmens State, Medora		8,571.57	
		30,093.94	
Due Treas.	54,682.08		
Completed Farm Loans.....	27,900.00		
Balance Due Co. Treas amount			
included in Due Treas.....	18,546.97		
Sinking Funds	23,536.84		
Redeposits	30,093.94		
Due Treas.	54,682.08		
		Deficit 24,588.14	
Farm Loans	27,900.00		
		Excess 3,311.86	

(979)

BOTTINEAU COUNTY

	Redep.	Loans & Dis.	F.L.	Spl.
Citizens State, Antler.....	3,756.12			
State Bk of Antler	9,800.08			
Bottineau County, Bottineau..	15,534.27	26,466.17	9,000.00	
First National, Bottineau	27,136.11	6,300.00		
Bank of Carbury, Carbury....	4,229.69			
First State, Eckman	3,100.71			
Gardena State, Gardena	1,548.13	2,000.00		
First National, Kramer.....	1,977.06			
State Bk of Kramer	6,525.57			
First Inter, Land a.....	4,229.08			
First National, Lansford.....	4,292.07			
First State, Lansford	7,307.07			
Maxbass Security, Maxbass...	6,041.97			
State Bk of Maxbass	7,950.56	5,000.00		
State Bk of Newburg	6,077.18	5,664.63		
Citizens Bank of Omemee	17,745.39			
First National, Omemee.....	1,117.06			
Far. & Mer. Overly	9,671.88			
Sec. State, Overly	4,637.87			
State Bank of Roth	2,772.52			
First State, Russell	11,844.50			
Mouse River Valley, Souris....	4,953.09	10,412.45		
State Bk of Souris	5,537.85	4,000.00		
Bank of Westhope, Westhope..	15,192.11	5,500.00		
Peoples State, Westhope.....	9,767.35			
First National, Willow City ...	3,339.20			
Mer. National, Willow City....	5,627.46			
	<u>201,711.95</u>	<u>65,343.25</u>	<u>9,000.00</u>	
Due Treas.	287,372.53			
Completed Farm Loans.....	234,600.00			
Balance Due Co. Treas. amount				
included in Due Treas.....	135,997.46			
Sinking Funds	41,384.34			
Redeposits	201,711.95			
Loans & Dis.	65,343.25			
Due Treas.	287,372.53			
				Deficit \$ 20,317.33
Farm Loan Spl	9,000.00			
Farm Loans	234,600.00			
				Excess 223,282.67

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BOWMAN COUNTY

	Loans & Dis.	Redep.	F. L.	Spl.
Far. & Mech. State, Bowman..		14,347.17		
First National, Bowman		5,642.25		
St. Bk. of Bowman, Bowman..		23,245.54		
Far. St. Bank, Buffalo Springs		1,748.20		
First State, Gascoyne	10,000.00	19,997.22		
Farmers State, Rhame	15,000.00	20,073.35	7,000.00	
First State, Rhame	7,500.00	10,995.55		
Bank of Scranton, Scranton...		4,365.61		
First National, Scranton.....		2,118.84		
	<u>32,500.00</u>	<u>102,533.73</u>	<u>7,000.00</u>	

BOWMAN COUNTY—Continued

	Loans & Dis.	Redep.	F. L. Spl.
Due Treas.	120,704.89		
Completed Farm Loans.....	42,800.00		
Balance Due Co. Treas. amount			
included in Due Treas.....	32,676.10		
Sinking Funds	36,783.54		
Redeposits	102,533.73		
Loans & Discounts	32,500.00		
Due Treas.	120,704.89		
		Excess	14,328.84
Farm Loan Spl.....	7,000.00		
Farm Loans	42,800.00		
		Excess	64,128.84

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BURLEIGH COUNTY

	Loans & Dis.	Redep.	F. L. Spl.
Arena State, Arena		1,531.76	
Baldwin State, Baldwin.....		3,798.72	
Farmers State, Baldwin.....		3,891.38	
Bismarck Bank, Bismarck....		124,558.49	
Capital Security, Bismarck....		63,725.73	
City National, Bismarck.....		20,991.62	
First Guaranty, Bismarck....		38,137.03	
First National, Bismarck.....		11,158.48	
Driscoll State, Driscoll.....	5,000.00	1,945.97	2,300.00
Far. & Mer. State, Driscoll....		2,469.24	
McKenzie State, McKenzie....		1,755.36	
Menoken Far. State, Menoken..		2,315.51	
Moffit State, Moffit.....		1,954.09	
Farmers State, Regan	15,000.00	17,873.07	
First State, Regan.....		4,398.11	
Regan State, Regan		2,462.96	
Sterling State, Sterling.....		11,684.56	
Burleigh Co. St., Wing.....		7,823.98	
Farmers State, Wing.....		3,361.79	
	20,000.00	325,837.85	2,300.00
Due Treas.	199,349.00		
Completed Farm Loans.....	318,900.00		
Balance Due Co. Treas. Amount			
included in Due Treas.....	32,627.90		
Sinking Funds	85,478.06		
Redeposits	325,837.85		
Loans & Discounts.....	20,000.00		
Due Treas.	199,349.90		
		Excess	146,487.95
Farm Loan Spl.	2,300.00		
Farm Loans.....	318,900.00		
		Excess	146,487.95

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BURKE COUNTY

	Loans & Dis.	Redep.	F. L. Spl.
Farmers State, Battleview....		5,534.98	
Burke Co., State, Bowbells....	2,500.00	10,387.70	1,600.00
First State, Bowbells.....	15,620.00	38,102.31	
Farmers State, Columbus	7,500.00	15,616.51	

BURKE COUNTY—Continued

	Loans & Dis.	Redep.	F.L. Spl.
Security State, Columbus	19,013.52	20,204.68	8,500.00
First State, Coteau	7,191.12	5,106.51	
Citizens State, Flaxton	5,000.00	7,483.01	
First Bk of Flaxton, Flaxton..		5,466.24	
First State, Larson	14,600.00	1,917.79	
First State, Lignite		9,324.47	
First State, Northgate		577.43	
First International, Portal....		4,383.67	
Portal State, Portal.....		4,165.62	
First State, Powers Lake....		15,715.48	
State Bank of Powers Lake... 15,000.00		13,415.77	
State Bank of Powers Lake... 15,000.00		13,415.77	
	86,434.64	157,591.17	10,100.00
Due Treas.	212,944.60		
Completed Farm Loans.....	56,200.00		
Balance Due Co. Treas. amt. included in Due Treas.....	91,366.03		
Sinking Funds	67,725.29		
Redeposits	157,591.17		
Loans & Discounts.....	86,434.64		
Due Treas.	212,944.60		
		Excess	31,081.21
Farm Loan Spl.	10,100.00		
Fram Loans	56,200.00		
		Excess	97,381.21

(983)

BENSON COUNTY.

	Loans & Dis.	Redep.	F.L. Spl.
Farmers State, Baker	3,667.00	2,800.00	
Citizens State, Brinsmade....		3,840.56	
First National, Brinsmade....		939.15	
Esmond State, Esmond.....		1,974.29	
First International Esmond..		2,435.23	
First State, Fillmore.....		3,974.80	
Flora State, Flora		1,494.06	
Harlow State, Harlow.....		1,570.67	
Farmers State, Hesper.....		1,099.30	
Farmers State, Knox		4,760.46	
Peoples State, Knox.....		3,043.89	
Valley State, Knox.....			
Far. & Mer., Leeds.....		2,016.04	
First National, Leeds,		1,693.57	
Security Bk of Leeds.....		2,399.39	
Citizens State, Maddock.....		1,374.15	
Farmers State, Maddock.....		4,058.15	
First National, Minnewaukan..		1,654.33	
Minnewaukan St, Minnewaukan		4,128.87	
Bank of Oberon, Oberon....		2,200.48	
Sec. Bk of Oberon.....		2,234.64	
Bank of Pleasant Lake		3,621.45	
Tokio State, Tokio.....		4,937.17	
Far. & Mer. Warwick.....		3,587.78	
Security State, Warwick.....		1,522.54	

BENSON COUNTY—Continued.

	Loans & Dis.	Redep.	F.L.Spl.
Bank of York, York.....		4,473.42	
York State, York		2,971.47	
	<u>3,667.00</u>	<u>70,815.86</u>	
Due Treas.	96,637.27		
Completed Farm Loans	10,500.00		
Balance Due Co. Treas. amt. included in Due Treas.....	229.85		
Sinking Funds	50,877.77		
Redeposits	70,815.86		
Loans & Discounts.....	3,667.00		
Due Treas.	96,637.27		
		Deficit	22,154.41
Farm Loans	10,500.00		
		Deficit	11,654.41

(9S4)

CASS COUNTY

	Loans & Dis.	Redep.	F.L. Spl.
State Bank, Alice		4,996.25	
Argusville State, Argusville..		525.13	
Farmers State, Arthur		1,089.66	
First State, Arthur		587.17	
Ayr State, Ayr		522.64	
First National, Buffalo		1,519.55	
Cass County Nat'l, Casselton..		2,216.22	
People's state, Casselton		68,098.90	
Farmers Sec., Chaffee		979.08	
State Bk of Davenport.....		2,644.41	
Farmers State, Erie		920.22	
Dakota Savings, Fargo		3,352.87	
Fargo National, Fargo		3,958.00	
First National, Fargo		8,565.66	
Merchants National, Fargo....		6,971.57	
Northern Savings, Fargo		25,378.70	
Northern Trust Co., Fargo....		4,571.17	
NW Mut. Sav. & Loan, Fargo.		3,517.21	
Scan-Amer., Fargo.....	175,189.81	229,883.05	
Security Nat'l, Fargo.....		27,107.65	
State Bk. of Gardner. Gardner.		3,359.25	
Guaranty State, Grandin.....		2,199.43	
Harwood State, Harwood.....		1,148.97	
Horace State, Horace		7,000.00	
Far. & Mer. Bk. Hunter		2,153.46	
Far. & Mer. Kindred		4,200.00	
Kindred State, Kindred		1,463.45	
Farmers Bank, Leonard		673.69	
Mapleton State, Mapleton.....		1,777.39	
Farmers State, Page		1,422.70	
Prosper State, Prosper.....	6,000.00	1,067.62	
First National, Tower City....		3,466.19	
First State, Tower City.....		2,637.82	
Tower City State, Tower City.		1,806.87	
State Bank of Wheatland.....		2,424.36	

181,189.81 434,206.31

CASS COUNTY—Continued

	Loans & Dis.	Redep.	F.L.Spl.
Due Treas.	330,988.16		
Balance Due Co. Treas. am't included in Due Treas.....	183,065.13		
Redeposits	434,206.31		
Loans & Discounts	181,189.81		
Due Treas.	33,988.16		
		Excess	284,407.96

(985)

CAVALIER COUNTY

	Loans & Dis.	Redep.	F.L. Spl.
Farmers State, Alsen.....		1,304.50	
Peoples Bank of Calvin.....	13,000.00	4,920.56	
State Bank of Dresden.....		558.85	
First State, Easby		604.87	
Cavalier Co. Nat'l, Langdon....		5,270.83	
Citizens State, Langdon.....		5,510.51	
Bank of Maida, Maida.....	3,000.00	2,556.88	
State Bank of Milton, Milton..		4,874.60	
Far. Bk. of Munich, Munich..		1,231.60	
First National, Munich.....		1,410.68	
State Bk. of Nekoma.....		827.69	
First State, Olga		1,080.56	
Great Western, Osnabrock....	10,000.00	7,333.57	2,000.00
Far. & Mer. State, Sarles.....	10,000.00	1,605.90	
Citizens State, Wales.....			
	36,000.00	43,155.01	2,000.00
Due Treas.	63,930.24		
Completed Farm Loans.....	9,000.00		
Balance due Co. Treas., amount included in Due Treas.....	1,148.93		
Redeposits	43,155.01		
Loans & Discounts	36,000.00		
Due Treas.	63,930.24		
		Excess	15,224.77
Farm Loan Spl.	2,000.00		
Farm Loans	9,000.00		
		Excess	26,224.77

(986)

DICKEY COUNTY

	Loans & Dis.	Redep.	F.L. Spl.
Farmers National, Ellendale..		1,000.00	
Farmers State, Forbes.....	2,500.00	4,891.05	
Forbes State, Forbes.....		1,081.05	
Farmers State, Fullerton.....	10,000.00	888.70	
First National, Fullerton....		525.02	
Glover State, Glover		2,642.60	
Guelph State, Guelph		698.54	
First State, Ludden		1,291.08	
First State, Merricourt.....		4,031.09	
Bank of Monango, Monango..		851.43	
Far. & Mer. State, Monango....		2,624.45	
Oakes National, Oakes.....		246.33	
	12,500.00	20,771.34	

DICKY COUNTY—Continued.

	Loans & Dis.	Redep.	F.L.Spl.
Due Treas.	47,796.41		
Completed Farm Loans	4,000.00		
Balance Due Co. Treas. am't included in Due Treas.....	3,553.23		
Redeposits	20,771.34		
Loans & Discounts	12,500.00		
Due Treas.	47,796.41		
		Deficit	14,525.07
Farm Loans	4,000.00		
		Deficit	10,525.07

(987)

DIVIDE COUNTY

	Loans & Dis.	Redep.	F.L. Spl.
First State, Alkabo		506.54	
Citizens State, Ambrose.....		6,266.13	
Farmers State, Ambrose	19,000.00	14,754.40	
First National, Ambrose.....		3,251.41	
Farmers State, Colgan.....	7,500.00	4,207.05	
First National, Crosby		4,944.31	8,500.00
First State, Crosby		11,148.25	
Security State, Crosby		12,215.49	
First Inter. Fortuna		5,600.15	1,800.00
Fortuna State, Fortuna	7,500.00	28,303.05	13,000.00
Farmers State, Noonon	5,000.00	4,755.18	2,500.00
First Inter., Noonan.....		5,181.51	
Security State, Noonan		6,722.62	
First State, Stady.....	7,500.00	6,681.30	
	46,500.00	114,537.39	25,800.00
Due Treas.	166,575.96		
Completed Farm Loans.....	41,000.00		
Balance Due Co. Treas., am't included in Due Treas.....	80,821.83		
Sinking Funds	40,912.33		
Redeposits	114,537.39		
Loans & Discounts	46,500.00		
Due Treas.	166,575.96		
		Deficit	5,538.57
Farm Loan Spl.	25,800.00		
Farm oLans	41,000.00		
		Excess	61,261.43

(988)

DUNN COUNTY

	Loans & Dis.	Redep.	F.L. Spl.
Dodge State, Dodge,	5,000.00	4,730.84	
Farmers State, Dodge	10,000.00	2,423.66	
Far. Bk. or Dunn Co., Dunn Center	9,871.02	5,187.32	
First State, Dunn Center.....	27,968.05	12,515.10	8,000.00
Farmers State, Halliday		5,299.28	
Security State, Halliday	5,000.00	4,925.13	
First National, Killdeer		8,903.25	
First State, Killde r		11,013.63	2,500.00
First State, Manning		7,751.96	

DUNN COUNTY—Continued.

	Loans & Dis.	Redep.	F.L. Spl.
First State, Werner	4,000.00	11,874.06	
Merchants State, Werner		12,276.33	
	<u>61,839.07</u>	<u>86,900.56</u>	<u>10,500.00</u>
Due Treas.	154,840.73		
Completed Farm Loans	115,000.00		
Balance Due Co. Treas., am't. included in Due Treas.....	98,191.25		
Sinking Funds	35,755.64		
Redeposits	86,900.56		
Loans & Discounts	61,839.07		
Due Treas.	154,840.73		
		Deficit	6,101.10
Farm Loans Spl.	10,500.00		
Farm Loans	115,000.00		
		Excess	119,398.90

(989)

EDDY COUNTY

	Loans & Dis.	Redep.	F.L. Spl.
Farmers State, Brantford		951.14	
Security State, Brantford.....	11,000.00	676.80	
First State, Hamar		4,566.04	
Bank of New Rockford, New Rockford		19,195.74	
Far. & Mer., New Rockford....		2,262.27	
First National, New Rockford.		52.24	
Far. & Mer., Sheyenne		1,527.25	
First National, Sheyenne		9,849.25	
Security Bank, Sheyenne.....		3,948.91	
	<u>11,000.00</u>	<u>43,029.64</u>	
Due Treas.	53,218.45		
Completed Farm Loans.....	9,595.00		
Balance Due Co. Treas., amount included in Due Treas.....	2,190.03		
Redeposits	43,029.64		
Loans & Discounts.....	11,000.00		
Due Treas.	53,218.45		
		Excess	811.19
Farm Loans	9,595.00		
		Excess	10,406.19

(990)

EMMONS COUNTY

	Loans & Dis.	Redep.	F.L. Spl.
Emmons Co. State, Braddock..		1,276.97	
Farmers State, Braddock.....	5,000.00	5,452.49	
First State, Hague.....		833.99	
Hague State, Hague	5,000.00	3,591.82	
Bank of Hazelton, Hazelton...		10,355.68	
Farmers State, Hazelton.....		4,487.36	
Kintyre State, Kintyre.....	10,000.00	3,246.16	
Security State, Kintyre.....	10,000.00	6,478.66	2,800.00
City National, Linton.....		7,561.80	
First National, Linton.....		5,290.48	

EMMONS COUNTY—Continued

	Loans & Dis.	Redep.	F.L.Spl.
First State, Strasburg.....		4,242.49	
German State, Strasburg		4,883.46	
Security State, Strasburg....		8,547.90	
Templeton State, Temvik		4,800.12	
Peoples State, Linton		1,508.89	
	30,000.00	72,558.27	2,800.00
Due Treas.	105,515.41		
Completed Farm Loans	49,100.00		
Balance Due Co. Treas., amount included in Due Treas.....	50,889.25		
Sinking Funds	13,728.32		
Redeposits	72,558.27		
Loans & Discounts.....	30,000.00		
Due Treas.	105,515.41		
		Deficit	2,957.14
Farm Loan Spl.	2,800.00		
Farm Loans	49,100.00		
		Excess	48,942.86

(991)

FOSTER COUNTY

	Loans & Dis.	Redep.	F.L. Spl.
Farmers State, Barlow		667.68	
Bordulac State, Bordulac.....		3,005.64	
Commercial State, Carrington		6,763.77	
First National, Carrington....		7,561.11	
Foster Co., State, Carrington..		13,418.78	
First State, Glenfield		2,837.69	
Far. & Mer., Grace City.....		2,450.75	
First State, Grace City.....	6,000.00	3,785.62	
First State, Juanita		3,489.06	
Far. & Mer. McHenry		3,860.48	
First National, McHenry		4,849.27	
Bank of Melville, Melville....		3,402.38	
	6,000.00	56,092.23	
Due Treas.	128,296.00		
Completed Farm Loans	3,500.00		
Balance due Co. Treas. amount included in Due Treas.....	82,672.98		
Sinking Funds	5,377.96		
Redeposits	56,092.23		
Loans & Discounts	6,000.00		
Due Treas.	128,296.00		
		Deficit	66,203.77
Farm Loans	3,500.00		
		Deficit	62,703.77

(992)

GOLDEN VALLEY COUNTY

	Loans & Dis.	Redep.	F.L. Spl
Beach State, Beach	20,000.00	47,735.45	
Far. & Mer., Beach		1,915.73	
First National, Beach		4,763.08	
Golden Valley St., Beach.....	25,000.00	22,816.81	
First National, Golva.....		2,914.20	

GOLDEN VALLEY COUNTY—Continued.

	Loans & Dis.	Redep.	F.L.Spl.
First State, Golva		4,368.17	
First Nat., Sentinel Butte.....		2,646.63	
Interstate Bk of Billings Co., Sentinel Butte		9,499.39	
	45,000.00	96,658.46	
Due Treas.	97,177.14		
Completed Farm Loans	80,600.00		
Balance Due Co. Treas. amount included in Due Treas.	39,954.34		
Sinking Funds	20,000.00		
Redeposits	96,658.46		
Loans & Discounts	45,000.00		
Due Treas.	97,177.14		
		Excess 44,481.32	
Farm Loans	80,000.00		
		Excess 125,081.32	

(993)

GRAND FORKS COUNTY

	Loans & Dis.	Redep.	F.L. Spl.
Arville State, Arvilla		800.32	
Embden, Embden		698.54	
Farmers Bk of Emerado		186.43	
Guaranty State, Emerado		1,645.68	
Bank of Gilby, Gilby.....		948.93	
Northern State, Grand Forks..		3,220.67	
Northwestern Nat, Grand Forks		843.87	
Peoples State, Grand Forks....	40,000.00	11,285.09	
Honeyford State, Honeyford ..		2,252.64	
Bank of Inkster, Inkster		11.26	
Far. & Mer. State, Inkster.....		1,037.14	
First State, Kempton.....		529.83	
Blk Valley Bank, Larimore....		925.86	
Bank of McCanna, McCanna..		471.10	
Mekinock State, Mekinock....		348.07	
Bank of Niagara, Niagara....	10,000.00	743.20	
Security State, Niagara		576.68	
Citizens Nat., Northwood.....		2,155.75	
Bank of Orr, Orr	6,857.50	3,243.18	
State Bank of Reynolds.....		1,163.71	
First National, Thompson.....		108.10	
First Savings, Grand Forks..	25,000.00		
	81,857.50	33,196.10	
Due Treas.	60,543.40		
Completed Farm Loans	32,000.00		
Balance Due Co. Treas. amount included in Due Treas.	16,159.77		
Redeposits	33,196.10		
Loans & Discounts	81,857.50		
Due Treas.	60,543.40		
		Excess 54,510.20	
Farm Loans	32,000.00		
		Excess 86,510.20	

(994)

GRANT COUNTY

	Loans & Dis.	Redep.	F.L. Spl.
First State Bk of Brisbane...		6,554.30	
Carson State, Carson	9,000.00	7,789.12	
First State, Carson	5,000.00	938.15	
Elgin State, Elgin		3,532.49	
First State, Elgin	5,000.00	5,591.67	
Farmers State, Heil	5,500.00	3,995.46	
Farmers State, Leith	5,000.00	5,506.81	
Peoples State, Leith.....	9,000.00	15,593.22	8,200.00
Farmers State, New Leipzig..	15,000.00	5,123.46	
First State, New Leipzig	4,285.49	4,307.72	
New Leipzig St., New Leipzig		4,414.56	
First Secur.ty, Raleigh		4,911.29	
Shields State, Shields		5,966.99	1,200.00
	<u>57,785.49</u>	<u>74,225.24</u>	<u>9,400.00</u>
Due Treas.	107,369.32		
Completed Farm Loans	69,600.00		
Balancd Due Co. Treas. amount			
included in Due Treas.....	78,654.77		
Sinking Funds .....	.00		
Redeposits	74,225.24		
Loans & Discounts	54,785.49		
Due Treas.	107,369.32		
		Excess 24,641.41	
Farm Loan Spl	9,400.00		
Farm Loans	69,600.00		
		Excess 103,641.41	

(995)

GRIGGS COUNTY

	Loans & Dis.	Redep.	F.L. Spl.
First State, Binford		4,979.65	
Far. & Mer., Cooperstown....		4,323.42	
State Bank, Cooperstown....		6,615.00	
State Bank, Cooperstown....		6,615.30	
Farmers State, Hannaford... 10,000.00		4,446.68	
First National, Hannaford....		2,716.87	
State Bank, Jessie	4,250.00	2,769.93	
Karnak State, Karnak.....		3,573.08	
State Bank, Revere		4,643.80	
Citizens State, Sutton		5,439.37	
Farmers Bank, Sulton		5,159.79	
Farmers State, Walum	15,442.53	5,399.77	
	<u>29,692.53</u>	<u>53,913.49</u>	
Due Treas.	98,329.09		
Balance due Co. Treas., amount			
included in Due Treas.....	54,514.69		
Redeposits	53,913.49		
Loans & Discounts.....	29,692.53		
Due Treas.	98,329.09		
		Deficit 14, 723.07	

(996)

HETTINGER COUNTY

Farmers State, Bentley	3,182.82		
Burt State, Burt	3,965.80		
Havelock Farmers St, Havelock	10,000.00	8,563.45	
First National, Mott		17,763.69	1,800.00
State Guaranty, Mott		17,709.15	
Far. & Mer. New England....	16,000.00	7,509.12	
First National, New England ..		8,698.89	
Security State, New England..	20,000.00	23,662.70	9,700.00
First State, Regent		7,595.45	
Regent State, Regent.....	14,500.00	27,618.20	
	<u>60,500.00</u>	<u>126,269.27</u>	<u>11,500.00</u>
Due Treas.	124,885.03		
Completed Farm Loans	95,400.00		
Balance Due Co. Treas., am't included in Due Treas.....	51,036.06		
Redeposits	126,269.27		
Loans & Discounts	60,500.00		
Due Treas.	124,885.03		
		Excess	61,884.24
Farm Loan Spl.	11,500.00		
Farm Loans	95,400.00		
		Excess	168,784.24

(997)

KIDDER COUNTY

	Loans & Dis.	Redep.	F.L. Spl.
First State, Crystal Springs..	14,000.00	12,507.85	
Farmers State, Dawson.....	8,200.00	5,527.95	8,000.00
First State, Dawson		15,623.78	
Farmers State, Lake Williams.		3,720.56	
Pettibone State, Pettibone....		12,451.57	
Far. & Mer., Robinson		2,965.48	
Far. & Mer., Steele		10,992.79	
Tappen State, Tappen		5,969.16	
First National, Tuttle		2,722.56	
Tuttle State, Tuttle		2,268.97	
	<u>22,200.00</u>	<u>74,740.67</u>	<u>8,000.00</u>
Due Treas	95,703.30		
Completed Farm Loans.....	104,100.00		
Balance Due County Treas	58,699.22		
Redeposits	74,740.67		
Loans & Discounts	22,200.00		
Due Treas	95,703.30		
		Excess	1,237.37
Far. Loan Spl.	8,000.00		
Farm Loans	104,100.00		
		Excess	113,337.37

(998)

LA MOURE COUNTY

	Loans & Dis.	Redep.	F.L. Spl.
First State, Adrian	7,347.34	4,978.74	
First State, Alfred		7,757.43	
Far. & Mer. State, Berlin.....		6,854.18	

LA MOURE COUNTY—Continued.

	Loans & Dis.	Redep.	F.L.Spl.
Far. & Mer. State, Dickey		9,238.89	
Citizens State, Edgeley.....	18,456.21	12,963.35	
First National, Edgeley		3,104.91	
State Bank, Grand Rapids....		2,889.64	
Far. & Mer. Equity, Jud.....	15,000.00	4,943.83	
LaMoure Co. First Nat., Kulm.		3,131.18	
First State, Kulm	1,575.00	1,602.33	
Farmers National, Lamoure ...		3,138.60	
LaMoure State, LaMoure.....	5,000.00	3,182.80	
First National, Marion.....		2,028.38	
Marion State, Marion.....		3,113.16	
Nortonville State, Nortonville	6,500.00	5,376.89	
Far. & Mer. State, Verona.....		2,514.43	
State Bank, Verona.....		1,778.46	
	53,878.55	78,597.20	
Due Treas.	126,850.16		
Completed Farm Loans	59,000.00		
Balance Due County Treas. ..	41,656.63		
Redeposits	78,597.20		
Loans & Discounts.....	53,878.55		
Due Treas.	126,850.16		
		Excess 5,625.59	
Farm Loans	59,000.000		
		Excess 64,625.59	

(999)

LOGAN COUNTY

	Loans & Dis.	Redep.	F.L. Spl.
First State, Burnstad	5,000.00	12,786.40	
First State Bank, Fredonia ...		3,233.57	
German State Bank.....		5,315.10	
Logan County Bank, Gackle..		17,673.70	
State Bank, Gackle		6,055.45	
Merchants Bank, Napoleon..		9,648.31	
	5,000.00	54,717.53	
Due Treas.	125,957.03		
Completed Farm Loans	62,500.00		
Balance Due Co. Treas., amount included in Due Treas.....	97,742.47		
Sinking Funds	5,099.91		
Redeposits	54,717.53		
Loans & Discounts	5,000.00		
Due Treas.	125,957.03		
		Deficit 66,239.50	
Farm Loans	62,500.00		
		Deficit 3,739.50	

(1000)

McHENRY COUNTY

	Loans & Dis.	Redep.	F.L. Spl.
Anamoose National, Anamoose		2,727.13	
Farmers State, Anamoose.....		3,937.55	
American State, Balfour.....		7,214.04	
First State, Balfour		5,051.95	

McHENRY COUNTY—Continued

	Loans & Dis.	Redep.	F.L. Spl.
State Bank, Bantry		12,752.73	
Union Bank, Bantry	6,278.41	22,673.51	
Farmers Bank, Bergen.....	35,100.00	25,506.45	1,500.00
First State, Bergen		4,170.16	
Berwick State, Berwick.....		2,988.09	
Deering State, Deering		7,736.28	
Security State, Deering	20,000.00	31,496.87	
Denbigh State, Denbigh	743.36	4,298.09	
Farmers State, Drake.....		13,306.81	
Merchants State, Drake.....		7,337.48	
Farmers State, Falsen.....		3,732.99	
Far. & Mer. State, Granville...		6,659.27	7,200.00
Granville State, Granville....	10,000.00	4,245.87	
State Bank, Guthrie		936.21	
Security State, Karlsruhe.....		8,783.83	
First State, Kief.....		3,683.67	
Kongsberg State, Kongsberg..		5,036.11	
First State, Norwich.....		5,823.97	
First State, Simcoe.....	7,000.00	7,202.75	
First National, Towner.....		10,138.80	
Pioneer State, Towner.....		12,402.28	
Far. Equity State, Upham.....	3,000.00	9,439.88	
Security State, Upham.....		10,105.86	
First State, Velva		9,022.88	
Merchants State, Velva.....		19,307.32	
Farmers State, Voltaire.....	5,000.00	9,243.82	
	87,121.77	276,962.65	8,700.00
Due Treas.	356,879.64		
Completed Farm Loans.....	157,500.00		
Balance due Co. Treas., amount			
Included in Due Treas.....	142,272.04		
Sinking Funds	146,759.23		
Redeposits	276,962.65		
Loans & Discounts	87,121.77		
Due Treas.	356,879.64		
			Excess 7,204.78
Farm Loan Spl.	8,700.00		
Farm Loans	157,500.00		
			Excess 173,404.78

(1001)

McINTOSH COUNTY

	Loans & Dis.	Redep.	F.L. Spl.
Ashley State, Ashley	10,000.00	646.57	
First National, Ashley.....	7,500.00	55.99	
First State, Ashley.....		951.62	
Farmers State, Danzig.....		527.90	
Far. & Mer., Lehr.....		3,429.93	
State Bank, Lehr	2,500.00	208.92	
First State, Venturia		1,313.71	
First State, Wishek		1,004.53	
Security State, Wishek.....		4,211.31	
German State, Zeeland.....	2,500.00	4,037.20	
Zeeland State, Zeeland.....		6,026.61	
	22,500.00	22,414.29	

McINTOSH COUNTY—Continued.

	Loans & Dis.	Redep.	F.L.Spl.
Due Treas.	34,948.72		
Balance Due Co. Treas. amount included in Due Treas.	16,021.16		
Redeposit	22,414.29		
Loans & Dis.	22,500.00		
Due Treas.	34,984.72		
		Excess	9,965.57

(1002)

McKENZIE COUNTY

	Loans & Dis.	Redep.	F.L. Spl.
First National, Alexander.....		12,631.00	
First State, Alexander.....		12,576.39	
Citizens State, Arnegard.....		12,582.56	
Farmers State, Arnegard.....		10,164.00	
Security State, Banks.....	3,500.00	12,340.71	
First State, Cartwright		8,569.91	
Farmers State, Charbonneau..	2,500.00	7,791.91	
Far. Bk of McKenzie County, Charlson		5,997.10	
First State, Charlson.....		8,425.68	
Farmers State, East Fairview..		5,907.87	
First State, Grassy Butte.....		19,324.27	
Farmers State, Rawson.....		7,681.98	
American Ex. Watford City..		23,119.49	
Farmers State, Watford City..		13,206.86	
First State, Watford City.....		11,349.52	1,800.00
McKenzie Co., Watford City..	5,000.00	12,471.80	
	11,000.00	184,141.05	1,800.00
Due Treas.	202,112.08		
Completed Farm Loans.....	36,500.00		
Balance due Co. Treas. amount included in Due Treas.....	54,778.87		
Sinking Funds	110,662.57		
Redeposits	184,141.05		
Loans & Discounts	11,000.00		
Due Treas.	202,112.08		
		Deficit	6,971.03
Farm Loan Spl.	1,800.00		
Farm Loans	36,500.00		
		Excess	31,328.97

(1003)

McLEAN COUNTY

	Loans & Dis.	Redep.	F.L. Spl.
First State, Benedict	7,000.00	9,534.06	
Security State, Benedict	6,000.00	9,822.18	
Farmers State, Coleharbor...!	14,910.00	23,747.15	
Northwestern St., Coleharbor..		5,298.27	
Dogden State, Dogden		3,543.26	
First State, Dogden		5,280.69	
Falkirk State, Falkirk		10,176.65	
Far. Bank, Garrison		8,825.90	
First National, Garrison		3,724.24	
First State, Garrison		11,586.30	

McLEAN COUNTY—Continued.

	Loans & Dis.	Reped.	F.L. Spl.
First National, Max		5,261.06	
First State, Max		7,805.49	
First State, Mercer.....	5,000.00	8,889.59	
Mercer State, Mercer.....		8,209.35	
Pioneer State, Raub		1,215.00	
Roseglen State, Roseglen....		7,405.21	
First State, Ruso	4,000.00	5,696.12	
First National, Turtle Lake ...		4,058.32	
First State, Turtle Lake.....		4,787.45	
First National, Underwood....		5,383.47	
Security State, Underwood....		16,003.64	
Underwood St., Underwood... 17,000.00.		12,956.50	
Farmers Security, Washburn..		8,318.54	
First National, Washburn....		5,199.98	
Washburn State, Washburn...		8,565.03	
McLean County St., Wilton...		7,350.02	
Wilton Bank, Wilton.....		5,031.31	
First Natl. Bank.....		1,524.85	
		<hr/>	
	53,910.00	215,199.63	
Due Treas.	253,858.44		
Completed Farm Loans.....	91,200.00		
Balance Due Co. Treas. amount			
included in Due Treas.....	148,970.51		
Sinking Fund	26,350.00		
Redeposits	215,199.63		
Loans & Discounts.....	53,910.00		
Due Treas.	253,970.44		
		Excess 15,251.29	
Farm Loan Spl.....			
Farm Loans	91,200.00		
		Excess 106,451.29	

(1004)

MERCER COUNTY

	Loans & Dis.	Redep.	F.L. Spl.
First State, Beulah,	9,280.00	7,843.99	
German State, Beulah.....	7,561.64	1,295.84	
Equity State, Golden Valley..	20,000.00	10,219.47	
Far. Bank, Golden Valley....	7,500.00	4,496.29	
First State, Golden Valley....		10,273.87	
Citizens State, Hazen.....	17,561.64	33,890.95	13,000.00
Farmers Bank of Mercer Co.,			
Hazen	3,300.00	5,060.27	
First State, Hazen	3,500.00	14,470.89	
Security State, Krem.....		10,579.49	
Mercer Co. St., Manhaven....		10,362.23	
First State, Stanton	3,800.00	4,720.57	
Union State, Stanton		4,480.30	
First State, Zap	12,561.64	9,414.02	4,000.00
		<hr/>	
	93,064.92	127,072.18	17,000.00
Due Treas.	72,837.14		
Completed Farm Loans	72,300.00		
Balance Due Co. Treas. amount			
included in Due Treas	34,404.59		
Sinking Funds	14,767.74		
Redeposits	127,072.18		

MERCER COUNTY—Continued.

	Loans & Dis.	Redep.	F.L.Spl.
Loans & Discounts	93,064.92		
Due Treas.	72,857.14		
		Excess	147,299.96
Farm Loan Spl.	72,300.00		
Farm Loans	17,000.00		
		Excess	236,599.96

(1005)

MORTON COUNTY

	Loans & Dis.	Redep.	F.L. Spl.
Farmers State, Almont	5,000.00	1,108.27	
Flasher State, Flasher		2,965.72	
Security State, Flasher	2,000.00	3,180.62	
Citizens State, Fort Rice.....		1,179.28	
Farmers State, Glen Ullin.....		3,353.74	
Merchants State, Glen Ullin...		3,932.70	14,000.00
Farmers State, Hebron	18,560.40	2,505.00	
First National Bk., Hebron....		682.25	
First National Bk., Hebron....		682.25	
First State, Judson		1,904.90	
Far. Equity St., Mandan	20,000.00	22,581.59	
First Nat'l., Mandan.....	3,123.29	21,320.36	
Merchants Nat'l., Mandan.....		4,286.10	
State Bank, New Salem.....	507.95	4,856.43	
State Bank of New Salem.....		821.94	
Union Far. St., New Salem....	6,010.19	4,036.69	
Timmer State, Timmer.....	15,000.00	6,564.28	
	70,201.83	91,290.77	14,000.00
Due Treasurers.....	94,918.30		
Completed Farm Loans.....	102,900.00		
Bal. Due Co., Treas. amount included in Due Treas.....	16,912.47		
Sinking Funds	20,426.63		
Redeposits	91,290.77		
Loans & Discounts	70,201.83		
Due Treas.	94,918.30		
		Excess	66,574.30
Farm Loans	102,900.00		
Farm Loan Spec.	14,000.00		
		Excess	183,474.30

(1006)

MOUNTRAIL COUNTY

	Loans & Dis.	Redep.	F.L. Spl.
Blaisdell State, Blaisdell.....		18,387.35	
Coulee State, Coulee		9,243.32	
Mountrail Co. St., Lostwood..	3,600.00	7,679.15	
Farmers State, Lunds Valley..	-5,000.00	7,307.97	
Farmers & Mer., Manitou.....	1,100.00	5,799.06	
Scandi-Amer., Palermo	1,100.00	9,329.60	
Far. Exchange, Parshall.....	3,600.00	10,212.84	
First Nat'l, Parshall.....	5,100.00	4,700.02	
Peoples State, Parshall	3,000.00	7,448.90	
First Nat'l, Plaza		6,621.20	
Pioneer State, Plaza		6,926.80	
St. Bank of Ross, Ross.....		5,819.15	

MOUNTRAIL COUNTY—Continued.

	Loans & Dis.	Redep.	F.L.Spl.
Farmers State, Sanish	16,100.00	45,963.33	
Peoples State, Sanish.....	9,100.00	7,578.00	
Citizens State, Stanley.....		20,420.56	
First National, Stanley.....	1,100.00	6,463.32	
Citizens State, Tagus.....		22,950.22	
Farmers State, Van Hook.....	4,100.00	5,007.82	
First Nat'l., Van Hook.....	6,100.00	6,442.50	
Scan.-Amer. St., Van Hook....	30,372.00	36,880.99	
Far. St. Bank, Wabek	1,100.00	6,255.03	
First State, White Earth		12,145.17	
	<u>94,372.00</u>	<u>269,582.30</u>	
Due Treas.	277,428.47		
Completed Farm Loans.....	20,800.00		
Bal Due Co. Treas., amount included in Due Treas.....	30,136.47		
Sinking Fund	159,519.70		
Redeposits	269,582.30		
Loans & Discounts	94,372.00		
Due Treas.	277,428.47		
		Excess	86,525.83
Farm Loans	20,800.00		
		Excess	107,325.83

(1007)

NELSON COUNTY

	Loans & Dis.	Redep.	F.L. Spl.
Far. & Mer. Bank, Aneta.....		4,386.26	
First National, Aneta.....		971.09	
Peoples State, Aneta	15,000.00	15,491.84	
First State, Dahlen.....		1,196.05	
First State, Klotten	31,491.24	33,099.99	
Far. & Mer. State, Lakota....	8,000.00	8,051.67	
First National, McVillage		1,327.78	
State Bank, McVillage		762.28	
Farmers State, Mapes	4,500.00	2,611.04	
Michigan City, Michigan.....	29,664.28	1,106.44	
Nelson Co. State, Michigan....		2,566.28	
Bank of Pekin, Pekin		699.91	
Farmers State, Petersburg ...		1,147.59	
Lamb's Bank, Whitman		2,561.12	
	<u>88,655.52</u>	<u>75,979.34</u>	
Due Treas.	129,494.98		
Completed Farm Loans.....	26,400.00		
Balance Due Co. Treas. amount included in Due Treas.	32,183.77		
Sinking Funds	70,000.00		
Redeposits	75,979.34		
Loans & Dis.	88,655.52		
Due Treas.	129,494.98		
		Excess	35,139.88
Farm Loans	26,400.00		
		Excess	61,539.88

(1008)

OLIVER COUNTY

	Loans & Dis.	Redep.	F.L. Spl.
Bk. of Oliver County, Center..	4,392.60	23,758.69	
First State, Ft. Clark.....		7,599.50	
Far. Exch. State, Sanger.....	1,122.54	18,783.35	
	<u>5,515.14</u>	<u>50,141.54</u>	
Due Treas.	51,225.93		
Completed Farm Loans.....	22,000.00		
Balance Due Co. Treas., amount			
included in Due Treas.....	11,249.49		
Sinking Funds	28,945.52		
Redeposits	50,141.54		
Loans & Discounts	5,515.14		
Due Treas.	51,225.93		
		Excess 4,430.75	
Farm Loan	22,000.00		
		Excess 26,430.75	

(1009)

PEMBINA COUNTY

	Loans & Dis.	Redep.	F.L. Spl.
First State, Joliette	992.37	3,094.17	
First State, Backoo		1,894.89	
Bathgate Natl., Bathgate		953.59	
Citizens State, Bathgate.....		14,196.35	
First State, Bowesmont		2,265.66	
First National, Cavalier.....		515.92	
Mer. & Far. Bk., Cavalier....		6,677.95	
First State, Concrete		2,954.06	
Crystal State, Crystal.....		763.22	
First National, Crystal		1,455.08	
First National, Drayton		118.42	
Security State, Glasston.....	11,793.60	11,110.03	
Bk. of Hamilton, Hamilton....		1,528.63	
State Bk of Hensel, Hensel....		2,823.03	
Mountain State, Mountain		41,644.90	
Farmers State, Neche	5,000.00	3,197.01	
First National, Neche		1,954.60	
Merchants State, Pembina		5,987.98	
Citizens Bk., Walhalla		3,278.97	
	<u>17,785.97</u>	<u>67,414.46</u>	
Due Treas.	103,954.98		
Completed Farm Loans	36,500.00		
Bal. Due Co. Treas., amount			
included in Due Treas.	3,277.89		
Sinking Funds	40,000.00		
Redeposits	67,414.46		
Loans & Discounts.....	17,785.97		
Due Treas.	103,954.98		
		Deficit 18,754.55	
Farm Loan	36,500.00		
		Excess 17,745.45	

(1010)

PIERCE COUNTY.

	Loans & Dis.	Redep.	F.L. Spl.
Pierce Co., State, Balta		4,957.12	
Far. & Mer., Barton.....		12,952.88	
First State, Barton.....		5,448.16	
Far. State, Orrin		3,044.04	
Citizens State, Rugby.....		7,148.33	
Merchants Bank, Rugby.....		9,679.63	
Security Bank, Rugby		8,559.65	
Farmers State, Selz		3,385.11	
First State, Silva.....		3,256.56	
State Bk of Wolford.....	5,000.00	5,864.83	
	<u>5,000.00</u>	<u>64,296.31</u>	
Due Treas.	87,826.69		
Completed Farm Loans	3,900.00		
Bal. Due Co. Treas., amount included in Due Treas.....	9,637.13		
Sinking Funds	29,031.69		
Redeposits	64,296.31		
Loans and Discounts	5,000.00		
Due Treas.	87,826.69		
		Deficit	18,530.38
Farm Loan	3,900.00		
		Deficit	14,630.38

(1011)

RAMSEY COUNTY

	Loans & Dis.	Redep.	F.L. Spl.
Bartlett State, Bartlett		4,343.59	
Far. & Mer., Brocket		979.21	
St. Bk. of Brocket, Brocket....		7,729.49	
Far. State, Churches Ferry		117.90	
Far. Bk of Crary, Crary.....		3,341.49	
Devils Lake State, Devils Lake		44,383.38	
Bk. of Doyon, Doyon		1,126.31	
First National, Edmore		12,613.08	2,500.00
Security State, Edmore		5,531.02	
Bk of Garske, Garske		995.19	
Far. Bk of Hampden		5,104.86	
Far. State, Lawton.....		5,217.58	
Penn State, Penn		2,567.98	
Southam State, Southam.....		6,587.94	
Far. State, Starkweather.....		7,735.51	
First National, Starkweather..		2,822.13	
State Bk of Starkweather....		3,640.19	
Bk of Webster, Webster.....		4,847.02	
		<u>119,648.87</u>	<u>2,500.00</u>
Due Treas.	206,280.10		
Completed Farm Loans.....	6,000.00		
Bal. Due Co. Treas., amount included in Due Treas.....	148,628.16		
Sinking Funds			
Redeposits	119,648.87		
Due Treas.	206,280.10		
		Deficit	86,631.23
Farm Loan	6,000.00		
Farm Loans Special.....	2,500.00		
		Deficit	78,131.23

(1012)

RANSOM COUNTY

	Loans & Dis.	Redep.	F.L. Spl.
Farmers State, Anselm.....	2,000	1,197.54	
Farmers State, Buttzville.....		2,301.53	
State Bk of Elliott		5,689.01	
Citizens State, Enderlin.....		13,151.89	
Enderlin State, Enderlin		2,097.68	
First State, Englevale		1,063.89	
Ft. Ransom St., Ft. Ransom..	16,023.26	14,431.81	
Ransom Co., Far., Lisbon	58,855.46	41,019.36	
McLeod State, McLeod		24,054.22	1,500.00
Far. State, Sheldon		1,276.94	
First National, Sheldon		986.90	
	<u>73,878.72</u>	<u>107,270.77</u>	<u>1,500.00</u>
Due Treas	77,610.00		
Completed Farm Loans.....	58,500.00		
Bal. Due Co. Treas. amount			
included in Due Treas.....	31,084.04		
Redeposits	107,270.77		
Loans & Discounts.....	73,878.72		
Due Treas.	77,610.00		
		Excess	103,539.49
Farm Loan	58,500.00		
Farm Loan Special	1,500.00		
		Excess	163,539.49

(1013)

RENVILLE COUNTY

	Loans & Dis.	Redep.	F.L. Spl.
Glenburn State, Glenburn		5,555.26	
Lincoln State, Glenburn		6,184.94	
Citizens State, Grano	3,200.00	5,391.57	
Far. State, Greene	24,335.25	9,171.85	
Lorraine State, Lorraine	5,000.00	6,732.50	
First National, Mohall		448.35	3,000.00
Mohall Security, Mohall	10,000.00	8,042.53	
Mohall State, Mohall.....	5,000.00	20,417.33	
Norma State, Norma		4,579.11	
Far. & Mer. State, Sherwood..	10,000.00	8,730.47	2,000.00
First Inter., Sherwood.....		8,830.49	
Tolley State, Tolley	25,000	37,609.47	
	<u>82,535.25</u>	<u>121,693.87</u>	<u>5,000.00</u>
Due Treas.	87,233.97		
Completed Farm Loans	174,200.00		
Bal. Due County Treas. amount			
included in Due Treas.....	32,672.35		
Sinking Funds			
Redeposits	121,693.87		
Loans & Discounts	82,535.25		
Due Treas.	87,233.97		
		Excess	116,995.15
Farm Loan	174,200.00		
Farm Loan Special	5,000.00		
		Excess	296,195.15

1014)

RICHLAND COUNTY

	Loans & Dis.	Redep.	F.L. Spl.
State Bank, Abercrombie		756.24	
Bk of Barney, Barney		3,233.93	
Christine Far. St., Christine...		8,169.04	
First State, Dwight		1,768.31	
Galchutt State, Galchutt		3,366.01	
Farmers State, Great Bend....		3,793.31	
Citizens Natl, Hankinson.....		1,152.27	
Far. & Mer., Hankinson.....		2,597.90	
Farmers State, Mantador		6,534.09	
Farmers State, Mooreton.....		6,544.25	
Far. & Mer. State, Wahpeton..		5,500.00	
Nat'l Bank of Wahpeton		11,120.50	
Wahpeton State, Wahpeton...		1,047.22	
First State, Walcott		5,561.59	
Bk. of Wyndmere, Wyndmere..		1,783.57	
		<hr/>	
		62,928.23	
Due Treas.	143,438.84		
Bal. Due Co. Treas., amount			
included in Due Treas.....	69,115.16		
Sinking Funds	9,676.28		
Redeposits	62,928.23		
Due Treas.	143,438.84		
			Deficit 80,510.61

(1015)

ROLETE COUNTY

	Loans & Dis.	Redep.	F.L. Spl.
Dunseith State, Dunseith.....	3,262.50	14,344.33	
Security, Dunseith		6,788.35	
First State, Mylo	4,000.00	2,425.51	
State Bk of Nandson.....		1,328.02	
First National, Rolette.....		2,861.96	
Rolette State, Rolette		8,542.73	
Far. & Mer. Rolla	2,000.00	5,082.72	
First National, Rolla	2,000.00	594.13	
State Bk of Rolla	2,000.00	1,269.98	
St. Johns State, St. Johns.....	2,500.00	9,389.48	
Far. & Mer. State, Thorne....		9,316.92	
		<hr/>	
	15,762.50	62,944.13	
Due Treas.	113,444.53		
Completed Farm Loans	13,000.00		
Bal. Due Co. Treas., amount			
included in Due Treas.....	59,807.73		
Sinking Funds	20,852.74		
Redeposits	62,944.13		
Loans & Discounts	15,762.50		
Due Treas.	113,444.53		
			Deficit 34,737.90
Farm Loan	13,000.00		
			Deficit 21,737.90

(1016)

SARGENT COUNTY

	Loans & Dis.	Redep.	F.L.	Spl.
Farmers State, Brampton		430.90		
Cayuga State, Cayuga		927.46		
Cogswell State, Cogswell.....	15,000.00	4,228.81		
Far. & Mer. Cogswell		4,159.17		
Crete State, Crete		3,633.00	10,000.00	
DeLamere State, DeLamere.		1,849.96		
Farmers State, Forman		7,774.89		
First National, Forman.....		2,050.22		
Genesee State, Genesee.....		4,367.31		
Farmers State, Gwinner.....	22,000.00	3,316.80		
Gwinner State, Gwinner.....		296.92		
Havana, Havana		5,393.32		
Far. State, Havana		4,618.32		
First National, Milnor		271.12		
Milnor National, Milnor.....		3,259.85		
Farmers State, Rutland.....	5,000.00	3,081.36		
First State, Rutland		3,282.10		
Stirum State, Stirum.....		9,525.13		
	<u>42,000.00</u>	<u>62,466.64</u>	<u>10,000.00</u>	
Due Treas.	153,252.49			
Completed Farm Loans.....	6,700.00			
Bal Due County Treas., amount				
included in due Treas.....	75,853.75			
Sinking Funds	48,786.39			
Redeposits	62,466.64			
Loans & Discounts	42,000.00			
Due Treas.	153,252.49			
		Deficit	48,785.85	
Farm Loan	6,700.00			
Farm Loan Special	10,000.00			
		Deficit	32,085.85	

(1917)

SHERIDAN COUNTY

	Loans & Dis.	Redep.	F.L.	Spl.
First State, Denhoff,		3,396.24		
Citizens State, Goodrich		4,510.68		
First National, Goodrich		2,277.93	4,000.00	
Lincoln Valley State, Lincoln				
Valley		3,931.39		
First National, McClusky.....		4,251.09		
Sheridan Co., St., McClusky...		7,760.31		
Martin State, Martin		5,230.77		
		<u>31,358.41</u>	<u>4,000.00</u>	
Due Treas.	60,641.01			
Completed Farm Loans	33,600.00			
Bal. Due County Treas. amount				
included in Due Treas.....	24,251.34			
Sinking Funds	4,639.26			
Due Treas.	60,641.01			
Redeposits	31,358.41			
		Deficit	29,282.60	
Farm Loan	33,600.00			
Farm Loan Special	4,000.00			
		Excess	8,317.40	

(1918)

SLOPE COUNTY

	Loans & Dis.	Redep.	F.L Spl.
First State, Amidon.....	20,224.46	24,782.20	
Slope Co. State, Amidon		55,693.61	4,000.00
First State, DeSart.....	5,000.00	11,950.05	
First National, Marmarth..		1,000.00	
Stockgrowers Bk., Marmarth..		4,740.92	
	<u>25,224.46</u>	<u>98,166.78</u>	<u>4,000.00</u>
Due Treas.	64,078.24		
Completed Farm Loans	34,600.00		
Bal. due Co. Treas., amount included in Due Treas.....	8,888.91		
Sinking Funds	18,173.43		
Redeposits	98,166.78		
Loans & Discounts	25,224.46		
Due Treas	64,078.24		
		Excess 59,313.00	
Farm Loan	34,600		
Farm Loan Special	4,000		
		Excess 97,913.00	

(1019)

SIOUX COUNTY

	Loans & Dis.	Redep.	F.L Spl.
First State, Fort Yates		2,670.62	
Citizens State, Selfridge		6,230.86	
Selfridge State, Selfridge.....	15,000.00	4,953.30	
Solen State, Solen		4,602.66	
	<u>15,000.00</u>	<u>18,457.44</u>	
Due Treas.	10,594.22		
Completed Farm Loans.....	2,200.00		
Balance Due Co. Treas., am't included in Due Treas.	5,739.27		
Redeposits	18,457.44		
Loans & Discounts	15,000.00		
Due Treas.	10,594.22		
		Excess 22, 863.22	
Farm Loan	2,200.00		
		Excess 25, 063.22	

(1020)

STARK COUNTY

	Loans & Dis.	Redep.	F.L Spl.
Citizens State, Belfield		6,922.39	
Farmers State, Belfield		6,687.12	
First National, Belfield.....		212.80	
Dakota National, Dickinson..		5,399.08	14,000.00
Farmers State, Dickinson		2,310.25	
First National, Dickinson		948.97	
Liberty Bank of Dickinson....		10,091.16	
Merchants National, Dickinson		1,516.51	
Farmers State, Gladstone.....		2,309.56	
Gladstone State, Gladstone....		6,589.90	
Lefor State, Lefor		7,683.70	2,000.00
Farmers State, Richardton... 17,000.00		7,297.81	

STARK COUNTY—Continued.

	Loans & Dis.	Redep.	F.L. Spl.
Mer. State, Richardson.....	10,000.00	10,127.88	
First State, South Heart.....		2,204.15	
First National, Taylor.....		1,067.37	1,400.00
Taylor State, Taylor		2,092.92	
	<u>27,000.00</u>	<u>73,461.57</u>	<u>17,400.00</u>
Due Treasurers.	68,648.26		
Completed Farm Loans	141,100.00		
Balance due Co. Treas., am't included in Due Treas.....	46,551.09		
Sinking Fund			
Redeposits	73,461.57		
Loans & Discounts	27,000.00		
Due Treas.	68,648.26		
		Excess	31,813.31
Farm Loans	141,100.00		
F. L. Spec.	17,400.00		
		Excess	190,313.31

(1021)

STEEBLE COUNTY

	Loans & Dis.	Redep.	F.L. Spl.
Pioneer State, Luverne.....		5,049.97	
First National, Sharon.....		4,420.42	
		<u>9,470.39</u>	
Due Treas.	109,756.42		
Completed Farm Loans	12,000.00		
Balance Due Co. Treas., am't included in Due Treas.....	55,694.63		
Sinking Funds	25,863.60		
Redeposits	9,470.39		
Loans & Discounts			
Due Treasurers	109,756.42		
		Deficit	100,286.03
Farm Loan	12,000.00		
		Deficit	88,286.03

(1022)

STUTSMAN COUNTY

	Loans & Dis.	Redep.	F.L. Spl.
Buchanan State, Buchanan...		711.39	
Far. & Mer., Clementsville ...		555.27	
Cleveland State, Cleveland ...		2,007.44	
First State, Cleveland		1,603.61	
First National, Courtenay.....	4,000.00	20.85	
Security State, Courtenay.....	32,910.00	16,934.47	
Stutsman County, Courtenay..		7,213.32	
First State, Edmunds		1,044.73	
Eldridge State Eldridge		955.37	
Citizens National, Jamestown..		2,850.42	
James River Nat. Jamestown..		6,556.30	
Security Savings, Jamestown..		3,051.42	
Far. & Mer. Kensal		1,680.74	
Security State, Kensal		662.91	
First National, Medina	3,056.00	13,123.67	
Security State, Medina		5,401.60	

STUTSMAN COUNTY—Continued.

	Loans & Dis.	Reped.	F.L. Spl.
Montpelier State, Montpelier..		4,158.51	
Montpelier State, Montpelier..		3,789.36	
Citizens State, Pingree	31,384.73	16,592.39	
Pingree State, Pingree		2,943.47	
Spiritwood State, Spiritwood..		2,000.10	
Citizens National, Streeter		2,260.03	
First National, Streeter.....	10,000.00	4,329.35	
Farmers State, Windsor		1,282.36	
Farmers State, Woodworth....		2,942.63	
First National, Woodworth....		7,651.49	
	81,350.83	112,325.20	
Due Treasurer	80,561.75		
Completed Farm Loans	79,000.00		
Balance Due Co. Treas., am't included in Due Treas.....	11,502.29		
Redeposits ...?.....	112,325.20		
Loans & Dis.	81,350.83		
Due Treas.	80,561.75		
		Excess 113,114.28	
Farm Loans	79,000.00		
		Excess 192,114.28	

(1023)

TOWNER COUNTY

	Loans & Dis.	Redep.	F.L. Spl.
Citizens State, Bisbee.....		580.84	
First National, Bisbee		1,330.02	
Cando National, Cando		705.05	
First National, Cando		560.57	
Crocus State, Crocus	5,920.96	3,721.09	
Bank of Egeland, Egeland....	10,000.00	937.91	
Bank of Hansboro, Hansboro..	16,390.83	1,899.14	
Hansboro State, Hansboro....		585.91	
Maza State, Maza		2,071.10	
Newville State, Newville.....	2,627.33	853.32	
State Bank of Olmstead		360.59	
Bank of Perth, Perth.....		833.16	
Towner County, Perth.....		1,500.00	
First National, Rock Lake.....	4,000.00	547.52	
Rock Lake State, Rock Lake..	4,000.00	787.73	
	42,919.12	17,264.45	
Due Treasurers	63,386.58		
Completed Farm Loans.....	5,000.00		
Balance Due Co. Treas. am't included in Due Treas.....	149.92		
Redeposits	17,264.45		
Loans & Discounts.....	42,919.12		
Due Treasurers	63,386.58		
		Deficit \$3,203.01	
Farm Loans	5,000.00		
		Excess 1,796.99	

(1024)

TRAIL COUNTY

	Loans & Dis.	Redep.	F.L Spl.
First State, Blanchard.....		1,223.19	
Farmers State, Buxton		3,532.79	
First National Bank.....		605.05	
Clifford State, Clifford		223.68	
Galesburg State, Galesburg...		2,936.95	
Cummings State, Cummings ..		604.69	
Far. & Mer. Nat'l, Hatton.....		1,182.57	
Peoples State, Hatton	26,396.15	23,596.41	
Peoples State, Hillsboro.....	15,000.00	24,820.81	
Goose River Bank, Mayville ..		4,902.29	
	<hr/>	<hr/>	
	41,396.15	63,628.43	
Due Treasurers	86,343.76		
Completed Farm Loans	5,000.00		
Balance Due Co. Treas. amount			
included in Due Treas.	44,292.11		
Sinking Funds	2,027.92		
Redeposits	63,628.43		
Loans & Dis	41,396.15		
Due Treas.	86,343.76		
			Excess 18,680.82
Farm Loans Completed	5,000.00		
			Excess 23,680.82

(1025)

WALSH COUNTY

	Loans & Dis.	Redep.	F.L Spl.
Scandia American, Adams ...		2,280.52	
Security State, Adams		2,023.13	
State Bank of Ardoch, Ardoch.		1,943.20	
Bank of Conway, Conway.....		2,900.04	
Far. Security Bank, Conway..		7,674.88	
Security State, Fairdale.....		3,801.73	
St. Bk. of Edinburg, Edinburg		3,506.69	
Far. & Mer. Bank, Fordville..		1,141.28	
First State, Fordville.....		2,577.15	
First National, Grafton.....		24,869.68	
Farmers State, Hoople.....		6,072.08	
State Bank of Hoople.....		2,500.00	
Citizens State, Lankin.....		479.74	
First State, Lankin.....		1,220.82	
Bank of Minto, Minto.....	3,000.00	5,146.97	
First State, Minto.....		4,370.70	
Pisek Bank, Pisek.....		3,031.05	
	<hr/>	<hr/>	
	3,000.00	75,539.66	
Due Treasurers	99,940.88		
Completed Farm Loans			
Balance Due Co. Treas. am't			
included in Due Treas.	8,700.73		
Sinking Funds	36,079.40		
Redeposits	75,539.66		
Loans & Discounts	3,000.00		
Due Treas.	99,940.88		
			Deficit 21,401.22

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WARD COUNTY

	Loans & Dis.	Redep.	F.L Spl.
State Bank, Aurelia		4,428.18	
Bank of Berthold		1,794.67	
State Bank of Berthold.....		4,933.04	
American State, Burlington..		70,243.66	
First State, Burlington.....	5,000.00	3,067.37	
First National, Carpio.....		1,637.98	
First Security, Carpio.....		2,516.60	
Farmers State, Des Lacs.....		2,272.83	
State Bank of Des Lacs.....		2,115.11	
Donnybrook St., Donnybrook..	21,000.00	72,534.31	
Citizens State, Douglas.....		4,310.83	
Douglas State, Douglas.....		19,252.38	
Foxholm State, Foxholm.....		5,959.62	
Hartland State, Hartland.....		2,768.43	
First State, Lone Tree.....	2,000.00	5,341.69	
First National, Makoti		1,246.93	
Reservation Bank, Makoti....		1,928.18	
Citizens Bank, Minot.....		52,532.69	
First Farmers, Minot.....	24,415.00	47,620.06	
First International, Minot....	3,075.00	60,592.37	
Scan. American, Minot		49,183.81	
Second National, Minot.....		68,255.48	
Union National, Minot		30,834.92	
Far. & Mer. State, Niobe.....		7,883.73	
First National, Ryder		8,210.87	
First State, Ryder.....		22,812.15	2,500.00
First State, Sawyer.....		8,430.45	
Sawyer State, Sawyer		10,763.58	
First State, Surrey		8,219.67	
	<u>65,490.00</u>	<u>581,901.43</u>	<u>2,500.00</u>
Due Treasurers	605,484.64		
Completed Farm Loans.....	45,200.00		
Balance Due Co. Treas. am't			
included in Due Treas.	244,708.63		
Sinking Fund	164,983.97		
Redeposits	581,901.43		
Loans & Discounts	65,490.00		
Due Treas.	605,484.64		
			Excess 41,906.79
Farm Loan Spec.	2,500.00		
Farm Loans	45,200.00		
			Excess 89,606.79

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WELLS COUNTY

	Loans & Dis.	Redep.	F.L Spl.
Bowdon State, Bowdon	5,000.00	7,425.19	
Far. & Mer. State, Bowdon ...		7,053.72	
State Bank of Bremen.....		2,359.46	
Farmers State, Cathay.....		4,842.14	
Chaseley State, Chaseley.....		4,059.94	
Farmers State, Fessenden.....		7,823.55	
First National, Fessenden....		8,766.62	
Wells Co. State, Fessenden....		10,676.26	
Farmers State, Hamberg.....		3,407.49	

WELLS COUNTY—Continued

	Loans & Dis.	Reped.	F.L. Spl.
Farmers State, Harvey.....		4,059.87	
Farmers State, Harvey		4,059.87	
State Guaranty, Harvey		5,569.63	
Farmers State, Heaton.....		3,460.51	
State Bank of Heimdall		2,189.71	
Far. & Mer., Hurdsfield.....		4,082.02	
Hurdsfield State, Hurdsfield..		1,524.48	
First State, Manfred		2,694.87	
Citizens State, Sykeston	9,756.54	5,361.27	
Farmers State, Wellsburg.....		4,429.60	
	14,756.54	99,817.82	
Due Treasurers	147,550.13		
Completed Farm Loans.....			
Balance Due Co. Treas., am't			
Included in Due Treas.....	114,293.48		
Sinking funds.....			
Redeposits		99,817.82	
Loans and Discounts	14,756.54		
Due Treas.	147,550.13		

Deficit 32,975.77

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WILLIAMS COUNTY

	Loans & Dis.	Redep.	F.L. Spl.
Farmers State, Alamo	20,000.00	11,491.10	
State Bank, Alamo	15,000.00	791.59	
Appam State, Appam		3,966.65	
Security State, Bonetraill.....	6,450.00	2,168.36	
First State Bank, Corinth.....	6,450.00	2,168.26	
Citizens State, Epping.....		2,851.91	
First State, Epping	10,000.00	1,461.03	
Citizens State, Grenora.....	5,035.10	7,038.93	
Farmers State, Grenora	1,300.00	3,707.63	4,000.00
State Bank, Grenora	7,000.00	6,540.76	
First State, Hamlet	7,500.00	3,345.11	
Farmers State, Hanks.....	7,500.00	8,654.01	
State Bank of Hanks.....	6,000.00	7,268.95	
McGregor State, McGregor....	5,496.77	5,310.23	
Farmers Bank of Ray, Ray....	56,139.45	8,930.16	
First State, Ray	10,000.00	2,017.68	
Linwell's State, Ray		1,219.65	
Springbrook St., Springbrook.	8,339.00	5,000.00	
Security Bank, Temple.....		8,684.75	
Far. & Mer. Tioga		2,389.21	
Tioga State, Tioga	12,016.68	3,575.31	
Trenton State, Trenton.....		4,040.31	
Citizens State, Wheelock	5,000.00	2,400.97	
First State, Wheelock		1,651.65	
Farmers State, Wildrose	10,000.00	2,582.43	
First State, Wildrose	17,750.00	9,980.65	
Security State, Wildrose	6,500.00	4,767.85	1,600.00
First National, Williston	71,100.00	43,330.58	
Williams Co. State, Williston..	144,663.72	124,145.07	
Williston State, Williston		83,420.56	
First State Bank, Zahl		9,364.29	

WILLIAMS COUNTY—Continued.

	Loans & Dis.	Reped.	F.L. Spl.
State Bank of Zahl	5,300.00	1,688.27	
	445,590.72	349,372.24	5,600.00
Due Treas.	426,783.29		
Completed Farm Loans	45,100.00		
Balance Due Co. Treas., am't			
included in Due Treas.	145,063.81		
Sinking Fund	113,954.84		
Redeposits	349,372.24		
Loans & Discounts	445,590.72		
Due Treas.	426,590.29		
		Excess 368,179.67	
Farm Loans	45,100.00		
Farm Loan Special	5,600.00		
		Excess 418,879.67	

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Q. Now if you will just take Exhibit 126, and turn to Cass County, please. You have that part of it relating to Cass county before you, have you, Mr. Cathro? A. Yes, sir.

Q. What is the total shown to be redeposited in the banks in Cass County? A. \$434,206.31.

Q. Now what are the amount of Loans and Discounts in the banks of Cass County? A. \$181,189.81.

Q. I take it there are no farm loans down there? A. There are not.

Q. What is the total amount shown as due to all treasurers within the county? A. \$330,988.16.

Q. What is the total amount that the Bank of North Dakota has maintained in the county? A. \$616,396.12.

Q. What is the excess of public funds? A. \$204,407.96.

Q. That is the excess of public funds in Cass County over and above the moneys due county and other treasurers? A. It is.

Q. Now of that sum of \$434,206.31 what amount is redeposited in the Scandinavian-American Bank? A. \$229,883.05.

Q. And what amount is redeposited in the Peoples State Bank of Casselton? A. \$68,098.90.

Q. And in addition to the amount redeposited in the Scandinavian-American Bank what amount was loaned to that bank? A. \$175,189.81.

Q. That is out of \$181,189.81 of the loans in that county the Scandinavian-American Bank of January 19, 1921, had \$175,189.81? A. They did.

Q. That is, there was only \$6,000 that went somewhere else? A. Yes, sir, that is right.

Q. And where did that go? A. To the Prosper State Bank of Prosper.

Q. Now I will call your attention to the sheet marked Williams County? What is the total amount of redeposits in Williams County? A. 349,372.24.

Q. And of that amount how much was redeposited in the Williams County State Bank? A. \$124,145.07.

Q. What was the amount of loans and discounts? A. \$445,590.72

Q. And of that amount what were the loans and discounts of the Williams County State Bank? A. \$144,663.72.

Q. How many banks are there in that county? A. There

are thirty-two. Rediscounts, however, are not granted to
(1031)

banks that don't ask for them.

Q. Well, I have no doubt of that. Did you send anything out to banks without their asking for them? A. We did redeposits.

Q. Well, you wouldn't make a loan to a bank unless they requested it? A. Certainly not. I thought the character of your question would indicate that rediscounts should be apportioned the same as redeposits.

Q. Well, your answer would indicate that if a bank, no matter what its condition was, should ask you for it, you would rediscount their paper merely because they asked it. Is that the idea? A. Oh, no, not at all.

Q. Well, you knew the Williams County State Bank was and had been insolvent for some time prior to the time these rediscounts and redeposits were made, didn't you? Hadn't you heard about the condition of that bank up there sometime prior to the time you made these big loans and rediscounts with them and redeposits with them? A. If the bank had sufficient eligible collateral in order to entitle them to a loan in order to build up their reserve it would be a proper loan to make.

Q. Now as an abstract proposition, I agree with you, but
(1032)

I am asking you not for an abstract— A. That was the course adopted in making of loans to banks.

Q. I want you to answer my question. I am speaking about this specific bank, the Williams County State Bank, and I am asking you if you didn't know that at the time the Bank of North Dakota made these redeposits and loans and rediscounts with this bank, that it was in bad condition? A. Well not necessarily. Any bank that wants to borrow money is not necessarily in bad condition.

Q. Certainly it is not necessary that because a bank wants to borrow money it is necessarily in bad condition. I agree with you. But I am asking you if— A. That is your question.

Q. It is certainly not my question. I am asking you Mr. Cathro, as director general of the Bank of North Dakota, if you didn't know that at the time this bank of which you are director general, were making these huge redeposits and huge loans and rediscounts that you did make to them, that that bank was in poor condition? A. Not necessarily.

Q. What do you mean when you say "not necessarily?" A.
(1033)

They had eligible paper for rediscount.

Q. Well, set the rediscounts aside and we will talk only of the redeposits. Would you redeposit in a bank that you knew was in bad condition? A. No, I think not.

Q. You wouldn't do that as a matter of policy? A. No.

Q. Well, what do you know about the condition of this bank? A. I cannot give the details of it at this moment, but the major portion of this fund was found there. I couldn't tell you off hand how much was found there, deposited by former treasurers.

Q. You think that is true? A. Well, it is true in the main. I am not prepared to say whether all of this was there.

Q. Do you want to state as a fact that even one-third of that reposit was found there? A. Now in the case of the Scandinavian-American Bank, in which the situation is somewhat analogous, all the reposit in the Scandinavian-American Bank except \$37,000 and some cents were found there.

Q. Certainly, because you know and I know that the Scandinavian American Bank had the Agricultural College money in it? A. Yes.

Q. You know how they got the Agricultural College money, do you? A. No, I don't.

(1034)

Q. Well, I can tell you if you want to know. But there was no agricultural college at Williston? A. I mean to say that as far as reposit are concerned that in the main—I wouldn't say that it would hold true in every case—those reposit were found in those banks at the time the Bank of North Dakota was organized.

Q. We have been all over that before. All I want to find out about is the reposit in the Williams County State Bank at the time the Bank of North Dakota was organized? A. I never had any suspicion that they weren't in good condition.

Q. You know that they have been closed? A. Not when the reposit were made.

Q. You know the bank has been closed since? A. Well, I believe so.

Q. Don't you know that the bank is now being operated under a trustee agreement, and kept open only because of that trustee agreement? A. No, I don't think that would follow.

Q. Well, don't you know it is a fact? A. No, I think not.

Q. You never heard of that? Did you never hear of that fact, that that bank was closed and then reopened under a trustee agreement whereby the stockholders and directors stepped aside— A. To my knowledge there was a certain

(1035)

agreement entered into whereby the banks would loan them a certain amount of money to carry the bank over.

Q. Don't you know that that was based on the agreement of the stockholders and directors to step aside and turn the management and trusteeship over to the banks making the loan? A. No, I think not.

Q. Well, I can inform you that it is a fact because I read the trustee agreement last December. Did you ever investigate the examiner's report on the subject? A. No.

Q. Now I want to read you the Burleigh County statement and will ask you the amount of reposit in Burleigh County? A. \$325,837.85.

Q. And of that \$325,837.85 how much of it is reposit in the Bismarck Bank of Bismarck? A. \$124,558.49.

Q. How many banks are there in Burleigh County, according to your list there? A. Nineteen.

Q. Now you know, do you not, that a short time ago the state examiner sent out a list to banks in the state in which he demanded that they pay the drafts which the Bank of North Dakota had drawn for reposit? A. What is the

(1036)

question?

Q. A list of banks was made out and demand was made by the Bank of North Dakota that they pay drafts drawn by the Bank of North Dakota for certain sums. You remember

that list? A week or two ago. Well, he didn't send out a list but he made out a list of drafts and told those banks to pay these drafts drawn on them by the Bank of North Dakota or close their doors? A. I haven't seen any list and don't know of any. I have learned from some source that the Bank Examiner notified banks to pay their drafts.

Q. While that was going on did you ever draw on the Bismarck Bank for this huge sum of money that had been re-deposited with you? A. I have no knowledge of it.

Q. As a matter of fact, it wasn't done, was it, Mr. Cathro?
A. I don't know.

Q. You are still director general of the Bank, aren't you?
A. Well, I very rarely see those drafts that are made.

Q. Now let me ask you another question. Have you a general idea of the amount on deposit with that bank by the state treasurer—what his balance is—I mean with the—?

A. With our Bank?

(1037)

Q. Yes, approximately, about how big a balance the state treasurer has got over there? A. Close to three million.

Q. Well, is it not a fact that within the last week the Bank of North Dakota has refused to pay checks drawn by the State Treasurer upon his deposit over there, and has marked these checks on the back: "Registered. Not paid for want of funds. This check will draw 6% interest from date of registration until paid." A. It is.

Q. Small checks down as low as Ten Dollars have been so registered, drawn by the State Treasurer on his \$3,000,000 fund over there? A. The amount of course is not considered at any time.

Q. It doesn't make any difference whether it is \$10.00 or— A. It all depends on the classification.

Q. It all depends on what it is being used for? A. Yes.

Q. And who it is made payable to—that is the way you classify it, isn't it? A. No, but it depends on the class of warrants it is intended to take up.

Q. Now what are those warrants—how do you classify them? A. Hail warrants.

Q. You don't pay those? A. Not until some more funds come in.

(1038)

Q. What else? A. Checks on penal, charitable and educational institutions are intended to be paid.

Q. Those are all paid? A. Yes, sir.

Q. Give me the ones that you won't pay? A. Well, I don't recall whether there is any classification except hail warrants that have been postponed in payment.

Q. Let me call your attention to a few. How about salaries of District Judges in this state—what classification do you put them in? Have you any recollection now? A. I don't recall now, in fact I don't know that any of these have been refused.

Q. Well, don't you know it to be a fact that several hundred checks—a great many checks having nothing to do with hail warrants whatsoever, drawn by the state treasurer upon this great \$3,000,000 fund that he has on deposit with your bank, have been refused payment for want of funds in the manner I have indicated? A. During the operation of the law prior to—

Q. Now I am not asking you to make a long-winded speech. If you will just answer that plain, simple question— A. Well, you assured me at one time I could make the answer—

Q. Yes, and you violated that courtesy several times, and
(1039)

I don't propose to have you do it again. Our time is short here and we have no more time for speeches. A. I have not violated any courtesy you have extended me.

Q. I think you have, so we will let our differences stand and proceed with the question. It is a very simple one. If you don't know say so and if you do we would like to know?

A. I rather think I should be permitted to answer so it would be understood.

Q. You can do that up in the Senate Committee. That is where they like that kind of answers. We want direct answers.

Mr. Chairman: Repeat the question Mr. Reporter.

Question read to witness. A. We have refused to pay checks drawn against funds that are tied up in either loans or investments.

Mr. Murphy: Now just read the question again to the witness and see if we can get him to answer it.

Question read to witness.

A. Will you permit me to explain why refusal is made.

Q. I don't care why. I am asking you whether it is a fact or not?

(1040)

A. Well, I know it to be a fact.

Q. Now we will get back to Burleigh county. I will ask you what the loans in Burleigh County show? A. \$20,000.

Q. How much of that went to the Farmers State Bank of Regan? A. \$15,000.

Q. How much of a redeposit was made in the Farmers State Bank of Regan? A. 17,873.07.

Q. That makes \$32,703.07 that the Farmers State Bank of Regan has as a liability to the Bank of North Dakota? A. It does.

Q. Have you ever investigated that bank to find out what its condition was? A. No, I have not personally.

Q. Well, have you ever received any information on the subject from someone who has investigated it? A. I assume the proper investigation was made in the department to which that belongs.

Q. So you make these loans and redeposits upon assumptions, do you; that is as far as you go, isn't it? A. It's a physical impossibility for one man to handle all the business of the Bank of North Dakota. It must be a share of it assigned to departments.

Q. Several days ago, Mr. Cathro, you and I were talking about seed and feed bonds of certain counties—you recall—Dunn County and Stark— A. Yes.

(1041)

Q. And in the course of that little conversation between us I asked you to give me the name of the attorney who was paid the attorney fee, and you said you would do so, that you didn't have it at hand at that time. Have you got the name of the lawyer that got that fee? A. I haven't got his name, in fact I don't recall there was any fee paid.

Q. Well, don't you remember the statement you had over here which showed that an attorney's fee was paid? A. I

think I stated in one case there was an attorney's fee paid and in the other case not.

Q. Well, in the one case there was \$500 paid. Now who was the attorney who got that \$500? A. I have forgotten about the matter since.

Q. Well you have had two weeks to get that? A. Well, it never occurred to me.

Q. Well, you know who that attorney is? A. I do not.

Q. Well, you find out and let us know tomorrow morning, and don't forget it again. We want to know what his name is because we are jealous of him. We will have a recess here in a short time and I wish you would find that out. We want to know it this morning.

Q. Did you ever hear of the Security State Bank of Glasston? A. I have. (1042)

Q. Who is the cashier of that bank? A. Linderman.

Q. Did you ever have any transaction with that bank, yourself, personally? A. I have.

Q. What were those transactions? A. They discounted some notes for me.

Q. Your own personal notes? A. No, not my personal notes.

Q. Well, I don't mean notes that you signed, but notes that you owned, notes of other persons that belonged to you—that is correct, isn't it? A. They were not owing to me personally.

Q. Well, what connection did you have with them? A. They belonged to a bank with which I was connected.

Q. And what was that bank? A. The First National Bank of Bottineau.

Q. Now the First National Bank of Bottineau owned some paper and you took it down and had it rediscounted in this bank at Glasston. That is correct, isn't it? A. Yes, sir.

Q. And how much did that paper amount to? A. Probably about \$10,000.

Q. Ten or eleven thousand, something like that? A. Well, (1043)

probably ten thousand.

Q. Well, where is that bank located? A. Glasston.

Q. Where is Glasston? A. Walsh county.

Mr. Sinkler: No, in Pembina county.

Q. This gentleman used to live down that way. He used to play ball down there, and he says it is in Pembina County. A. Yes, it is up there.

Mr. Sinkler: Up in Jud LaMoure's old stamping grounds.

Q. How big a bank is that? A. About \$10,000 bank, or probably a little more.

Q. A little country bank? A. Yes, a small bank.

Q. And Glasston is a little country town? A. Yes.

Q. About as big as Conway, you would say, about 140 inhabitants? A. Well, it is a long time since I have been in Conway.

Q. You didn't get an automobile then, I take it. A. No.

Q. Well, how big a bank is the First National Bank of Bottineau? A. \$50,000 bank.

Q. \$50,000 capital? A. Yes.

Q. And what is the surplus? A. \$10,000.

Q. That makes \$60,000 altogether? A. Yes.

Q. And it is a National Bank? A. Yes sir.

(1044)

Q. How does it come that the First National Bank of Bottineau is taking ten or eleven thousand dollars worth of paper way down to Pembina county and discounting it in a little state bank in Glasston? A. Because the president of the Glasston bank had done business for a number of years in Bottineau and knew personally all of the makers of these respective notes, who were good farmers residing in the vicinity.

Q. What vicinity? A. Of Bottineau, many of whom he had done business with and was familiar with the loans.

Q. Then, as I understand it, these notes that were rediscounted by the First National Bank of Bottineau with the Bank of Glasston were notes of farmers and business men way up in Bottineau County? A. They lived in the vicinity.

Q. Way out in Bottineau County. A. Where this man had been working.

Q. Right around the city of Bottineau? A. Yes.

Q. And that is some considerable distance west of Pembina county? A. Yes.

Q. There are several counties intervening? A. Yes, sir.

Q. Now wasn't the amount about \$11,793.60? A. The

(1045)

amount was \$10,000, as I recall it now. There was six notes.

Q. Well, it is a fact, is it not, and the Bishop, Brissman report shows that on December 3rd this Security State Bank of Glasston had a loan from the Bank of North Dakota of \$11,793.60 without any security? A. If the Security State Bank of Glasston wanted to—

Q. Well, now, answer the question. Isn't that a fact regardless of what they wanted to do? A. You say they had a loan from the Bank of North Dakota?

Q. Yes, without any security, in the amount of \$11,793.60. There it is. I will show it to you.

(Shows witness report.)

A. I don't think that is correct.

Q. What is it, a rediscount? A. It says, "no security." I think the notes are secured.

Q. What security was there, do you know? A. No.

Q. Well, lets find out. You go and telephone to the bank to bring over the security to that Security State Bank of Glasston note.

Recess taken for ten minutes, after which hearing resumed.

Mr. Murphy: I am reliably informed that when the witness, Mr. Cathro, stepped off the stand he was advised to go over there to the bank and take all the time he wanted to get this

(1046)

information, and I suggest to the gentleman (indicating Mr. Sinkler) that the next time he gives that kind of information to his witness that he do it secretly so it won't come back to us.

Mr. Chairman: I would like to inform you that I am not at all surprised at those kind of instructions being given.

J. O. LYGSTAD, having been called as a witness, was duly sworn and testified as follows:

EXAMINATION BY MR. MURPHY:

Q. What is your name? A. J. O. Lyngstad.

Q. What is your business? A. Deputy State Treasurer.

Q. You are at present deputy state treasurer? A. Yes, sir.

Q. I will ask you whether or not if you know generally, what amount the state treasurer has on deposit with the Bank of North Dakota? A. It is around \$3,000,000.

Q. And has been that for some time? A. Yes.

Q. Have you, within the last few days, drawn certain checks on the Bank of North Dakota and on that fund which have been refused payment? A. Yes, sir.

Q. Have you those with you? A. I have some with me.

(1047)

Q. I will show you Exhibits 127 and 128 and ask you if those are two of the checks drawn by the state treasurer upon the Bank of North Dakota which have been refused payment? A. Yes, sir, they are.

EXHIBIT 127.

STATE OF NORTH DAKOTA, TREASURER'S OFFICE.

No. 47222 Treasurer, North Dakota \$500.00
Bismarck, N. D., Feb. 14, 1921.

Pay five hundred dollars to the order of

Van G. Schwam

Bismarck, North Dakota (Signed)

J. O. Lyngstad,
Deputy.

No. 108—\$500.00

John Steen, State Treasurer.

Bank of North Dakota.

Bismarck, N. D.

On the back the following:

Presented for payment Feb. 14, 1921, not paid for lack of funds. Will draw interest at six per cent per annum until called for payment.

No. 2.

A. Johannsen,
Audits Department Director.
By G. A. Erickson, Clerk.

Pay State Treasurer, or order, Van G. Schwam."

Q. Now, upon that check, Mr. Lyngstad, I note the endorsement "Pay State Treasurer or order, Van G. Schram." how did that get there? A. We cashed that check for the man.

(1048)

Q. Out of currency in the office? A. Yes, sir.

Q. That is the State Treasurer had certain currency in the office and in order that this man might get his money the State Treasurer had the man endorse the check over to him and gave him the money? A. Yes, sir.

Q. And that is how it comes that it is stamped "Paid" on the front of the check "Treasurer's office paid Feb. 14, 1921, State of North Dakota?" A. Yes, sir.

Q. Do you know what that check was for? A. Soldier's bonus.

kota, and it was refused payment and it was protested? A. Yes, sir.

Q. And the State Treasurer's check was protested for non-
(1051)

payment for want of funds and the notary fees and protest added on? A. Yes, sir.

Q. And the State Treasurer at the same time had, as you say, \$3,000,000 on deposit there? A. Yes.

Q. And you have letters from all over the country inquiring whether the State Treasurer is broke and why he doesn't pay his checks? A. We get bunches of them every day and telegrams, too.

F. W. CATHRO, recalled as a witness, testified as follows:

EXAMINATION BY MR. MURPHY:

Q. Now, Mr. Cathro, have you got the name of that lawyer? A. No, sir.

Q. Can't you find it or don't you want to? A. There was no attorney fee paid.

Q. In either case? A. In either case.

Q. You swear to that, do you? A. I swear to that from the information I got from the Bank.

Q. Who did you get the information from? A. I called Mr. Johannson, and he said there was absolutely no fee paid. You can find out that from the county auditor from one of those counties.

Q. How does it come that up here the other day you told us there was one paid, will you bring back for us those original
(1052)

papers so I can point out that item to you.

Q. Now, isn't it a fact that the Security State Bank of Glasston had a rediscount of \$11,793.60, on the third day of December? A. I didn't verify the exact amount, the notes call for \$11,000.00 but as to the computation of the interest added and rediscounted to get the exact cents carried on the books I didn't investigate that, but the notes were \$11,000.00

Q. And that is about the same amount of notes that your Bank up in Bottineau discounted to this little bank over in Pembina County? A. There is no connection between those deals, because this deal was made with the Bank of Glasston long before the the Bank of North Dakota was ever started.

Q. How Long before? Long is quite a long word. A. I will correct that.

Q. Yes, I think you had better. A. They were made in the fall of 1919, as I recall it now.

Q. Just about the same time those notes were rediscounted? A. No, not the same time, they were made long before these notes were rediscounted.

Q. How long before? A. Well, six months before.

(1053)

Q. And there is no connection at all? A. None whatever.

Q. Well, was there any connection with the redeposit that is in that Bank up there of the \$11,110.03—in the Security State Bank of Glasston? A. No, there is no connection between them..

Q. Well, there was such a redeposit? A. Yes.

Q. The Security State Bank of Glasston, according to the statement you brought in here of redeposits in counties, on

January 19, 1921, had a loan or discount of \$11,793.60 and had deposit of \$11,110.03. A. That is correct.

Q. Now, let's see, that is in Pembina county, isn't it? A. Yes.

Q. And what are the entire amount of loans in Pembina County? A. \$17,785.97.

Q. And that is a little \$10,000.00 bank and it had \$11,793.60 is that correct? A. Yes, sir.

Q. How many banks are there in Pembina county? A. Nineteen.

(1054)

Q. I suppose there wasn't any log rolling or you scratch my back and I'll scratch yours, in that transaction? (No answer.)

Q. Mr. Murphy: Well, if you will get that lawyer's name and bring us over those records we will excuse you for today.

Q. There wasn't any security in connection with those rediscounted notes, was there? A. Security on some of the notes and additional signers on the others.

Q. Did you buy the notes outright? A. With their guarantee on them.

O. E. LOFTHUS, recalled as a witness, testified as follows:

Q. The other day I asked you to bring down the examiner's reports on a list of banks which I sent up to you. Have you got those with you? A. Yes, with one exception, which the records show you have here.

Q. Which one is that? A. Farmers State Bank of Regan.

Q. Mr. Lofthus, Exhibit 157 is what? A. Examination of the Scandinavian American Bank of Fargo, dated April 22, 1920.

Q. That is the examiner's report of his examination of that bank? A. Yes sir.

(1055)

Q. Now, on that report of the 22nd of April, 1920, your examiner shows a list of notes out for collection or bad debts, does he not? A. Yes sir.

Q. And among those were what he called the Knaack deal—Pierce, Tennyson & Cupler, \$23,000.00? A. Yes sir.

Q. That would indicate that the Knaack deal was in the hands of Pierce, Tennyson & Cupler, lawyers, in the amount

Q. That is the same Knaack outfit we have been talking of \$23,000.00? A. Yes sir.

about here several times? A. I presume so.

Q. And it was in that bank on the 22nd of April, 1920? A. Yes sir.

Q. Then there is another one here in the hands of the lawyers, for collection, A. M. Grosvenor,—M. A. Hildreth. Fargo—that is the lawyer in Fargo who had it in Fargo for collection—\$31,937.17. A. Yes, sir.

Q. That is the same A. M. Grosvenor you and I had so much talk about the other day? A. Yes sir.

Q. Now, we go over a little further under the head of loans exceeding the limit prescribed by law, and your examiner lists the following, does he not: Danielson Bros.

(1056)

\$30,146.06? That is the same Danielson Brothers that was in there at the time the Bank was closed? A. Yes, sir.

Q. And Peoples Power and Fuel Co., \$13,975.40 that is the same outfit? A. Yes, sir.

Q. And G. E. Knaack, \$16,000.00? A. Yes, sir.

Q. Now, he also says that "The Knaack excess loan listed above should be retired in full within a reasonable length of time. This also applies to the Haggerty deal, both of which have been referred to in former reports." A. Yes, sir.

Q. Do you know anything about that Haggerty deal? A. Not very much.

Q. Do you know Haggerty? A. I do.

Q. You know he was a former deputy sheriff in Hennepin County, Minnesota? A. No, sir.

Q. Don't you know that Mr. Hastings and Mr. Haggerty and Mr. Box formed a concern that they called Haggerty Company, Incorporated? A. No sir.

Mention was made of that, but I have no positive knowledge of it.

(1057)

Q. You have heard talk of who this Haggerty is, though? A. Yes, sir.

Q. When you went into this bank to examine it and found the notes of Haggerty and Haggerty & Company, Incorporated, there, you naturally inquired as to what and who those concerns were? A. Yes sir.

Q. Now, did you inquire and find out about Haggerty & Company, Incorporated? A. I think it is in the report.

Q. No, there is nothing in the report. A. I think it is in the report made to the Supreme Court.

Q. No, I think not. We have that right here. I think that the fact that Mr. Haggerty was a deputy sheriff and that he incorporated and all of those little intimate inside details don't appear in that report to the Supreme Court. If you think you can find it, you may do so. A. Well, that wasn't the matter I had in mind. The fact as to Haggerty wasn't set out in detail, but as to his character and success as a business man set forth in the report.

Q. All right, what do you know about his character? A. Simply what was reported by Bradstreet or Dunn.

(1058)

Q. You never heard about his former record and never investigated it? A. No.

Q. Do you know where he is now? A. No sir.

Q. You know Jack Hastings, so I take it? A. Yes.

Q. And Mr. Box. I take it you know him? A. Yes, sir.

Q. And Haggerty, Incorporated, as Haggerty & Company, Ltd., down in Minneapolis? A. I didn't know that.

Q. Don't you know that is where the concern's headquarters were? A. Yes.

Q. And that it was incorporated? A. Yes.

Q. They incorporated in North Dakota, did they not. A. I don't know.

Q. Did you ever go to the Secretary of State's office to find out who the incorporators were? A. I didn't in this case.

Q. Didn't you inquire whether or not that was a foreign or domestic corporation? A. No, sir.

Q. Why was it that you slid over that question so lightly in your investigation?

There was some \$17,000.00 worth of their paper in that bank, wasn't there? A. I believe so.

Q. Why was it Mr. Lofthus, that you didn't make an in-
(1059)

quiry as to what this corporation was, what were its assets and who furnished its capital? A. Why, I didn't think it developed upon me to make that examination.

Q. Then I could go out here and take Mr. Sullivan and some other fellow like Sinkler, who is as impecunious as I am and organize Sinkler Co. Inc., and borrow \$17,000.00 and you wouldn't investigate it at all. A. Well, the organization was made before I came to the examiners department.

Q. Certainly, perhaps it had been made ten years before, would that make any difference as to your investigation. A. Well, there was no complaint made.

Q. Well, there wouldn't be liable to be from the people you associated with, that is clear. You couldn't very well expect them to complain. Well, they didn't take all of this paper out of the bank that had been condemned even in your report to the Supreme Court. It was still in there on the 22nd of April, 1920? A. Some of it, yes.

Q. Have you had any report on this Scandinavian American Bank since it closed the last time? A. No, sir.

Q. I don't mean formal report, but have you made any
(1060)

investigation yourself. A. I haven't. I have not been permitted to leave town.

Q. Well, you did leave? A. Yes, and I came back as quickly as I could.

Q. Well, we have forgiven that. Who is in charge of that bank? A. L. C. Reep.

Q. He is one of your deputies? A. Yes, sir.

Q. He is there as temporary receiver? A. Yes, sir, he is deputy examiner, acting for the department in that form.

Q. And he has not as yet made any report to you? A. No, sir.

Q. Do you know whether this paper that I have mentioned, the Haggerty-Porter, Kimball, Peoples Power & Fuel Company, Danielson, Knaack, and Grosvenor paper is still in there? A. No, sir, I don't.

Q. Do you remember the date the Powers State Bank closed, there, that is the first one to close? A. November 15, 1920.

Q. Do you know the Sinclair Land Co., Kenmare? A. I don't.

Q. Ever heard of the Sinclair Land Co., of Kenmare? A. No, sir.

Q. You know one James H. Sinclair? A. No, sir.

Q. You know the congressman from the third district
(1061)

don't you? A. I have met him, yes.

Q. Well, then, you know James Sinclair. A. I don't know his first name, but if they are one and the same person—

Q. Well, Jim and J.H. are the same persons. And don't you know that his business is the Sinclair Land Co., of Kenmare? A. No, sir, I don't know anything about that.

Q. Well, you are not very well acquainted with these chaps, are you? A. No, sir.

Q. Now, on October 8, 1920—that is the date of it? A. Yes, sir.

Q. The report of the Tolley State Bank, being Committees' Exhibit 151, your examiner Mr.—A. *) - - - - Mr. O. E. Bergstrom.

Q. And Gilbert Semingson, who is chief deputy in your office? A. Yes, sir.

Q. They call your attention to the following letters; "Overdrafts in general, officers' overdraft, bad debts, Loans to be reduced reserve below requirement, capital impaired, excess loans." All these things they call your attention to specifically. A. Yes.

Q. And you knew at that time the Bank of North Dakota was carrying a large sum of money with the bank, did you not? A. Why, whatever the report shows.

(1062)

Q. Well, this record shows \$25,000.00 here, bills payable to the Bank of North Dakota, doesn't it? A. Yes, sir.

Q. Now, there is another one up here somewhere. You see Bank of North Dakota, \$37,615.05, do you not? A. Yes, sir.

Q. And the Sinclair Land Co., \$12,000.00, you see that, too? A. Yes, sir.

Q. Now, with all that information which your examiner gave you, don't you think it would have been wise for the Bank of North Dakota to withdraw this money and get out from under before the bank busted? A. Not necessarily.

Q. Well, the Bank of North Dakota didn't anyhow, did it? A. No sir.

Q. Mr. Lofthus, have they got a bank in the town named McLeod? A. Yes, sir.

Q. Where is that town? A. In Ransom County.

Q. What is the name of that bank? A. McLeod State Bank, I believe.

Q. Who is at the head of that bank, or who is cashier of it? A. F. N. Evenson, was cashier.

Q. He couldn't by any chance be related to you by marriage or otherwise? A. He is.

Q. What is the relationship? A. He is my wife's brother.

(1063)

Q. In other words, he is your brother-in-law? A. Yes, sir.

Q. Now do you know how much State Money has been sent to that bank? A. I do not.

Q. Never heard of it? A. Not the amount.

Q. Well, give us approximate idea of what you heard the amount was? A. I don't recall the amount sent to any bank or in the possession of any bank.

Q. Well, let me put the question to you this way, so that my purpose will not be concealed at all and so I will be out in the open. Isn't it a fact, Mr. Lofthus that you are a large stockholder in that bank? A. I am not.

Q. Well, you have been? A. Yes.

Q. When did you retire? A. About two years ago, or nearly two years ago.

Q. How large a stockholder were you? A. Ten shares.

Q. And Mr. Evenson, how much did he hold? A. I believe he has seventeen shares.

Q. Is he still with the bank? A. He is not there now, the bank is in charge of the assistant cashier.

Q. Well, Mr. Evenson, still retains his stock interest, however? A. Yes, sir.

(1064)

Q. And has he acquired yours too? A. No, sir.

Q. Who did you sell out to? A. I sold out to C. E. Lofthus.

Q. And who is he, a brother of yours? A. No, my wife.

Q. Now, I am going to be absolutely fair with you, so there will be no question about it. Isn't it a fact that a large amount of state money has, through devious channels, gone through this McLeod State Bank and this bank turned around and bought up a greater number of hail warrants in that vicinity at a discount so that they got them at eighty or eighty-five per cent of their face and then rediscounted them or used them down here in the Bank of North Dakota. A. I know nothing about that.

Q. You never heard of that? A. No, sir.

Q. Well, do you know whether there are any of the hail warrants of the State Bank of McLeod down in the Bank of North Dakota? A. No, I don't.

Q. You would be surprised to find them there, would you? A. Well, I have no knowledge of it.

Q. Did you ever hear about it? A. No, I never have.

Q. I suppose you have no knowledge of it directly, you are not running that bank personally. I know, did you ever hear of the bank buying large number of hail warrants? A.

(1065)

No, sir.

Q. Do you know whether the bank did deal in hail warrants or not? A. No, sir.

Q. Well, that is a kind-of-family bank, isn't it? A. No, sir.

Q. Your brother-in-law, your wife and yourself? A. Well, we only have a small interest, never had a large interest.

Q. Well, now, you remember when we were looking over the Scandinavian American Bank report of September 18th, that is about a month before the bank closed? A. Yes, sir.

Q. You remember Haldorson went up there and examined the bank in September? A. Yes, sir.

Q. And he made the report? A. Yes, sir.

Q. And under the heading "Large Deposits which if suddenly withdrawn might seriously cripple the bank" there was a deposit from the First State Bank of Walcott, of over \$138,000.00 do you recall that? A. Not the amount but I know there was a large deposit.

Q. What do you know about that deposit, how did that come to get down there? A. The State Bank of Walcott had a lot of idle money there that they did not employ, more than they could employ on their own territory.

Q. Well, how big a town is Walcott? A. Not a very large

(1066)

town, but it is a good community there, and well to do.

Q. About how large a town? A. I don't know.

Q. Well five or six hundred, or something like that? A. Well, I have a directory here.

Q. Look at that and give us an idea, of the size of the town? A. Population given here is 400.

Q. And give us some idea of the size of the capital and surplus? A. Capital \$15,000.00, and surplus was \$3,000.00 when this report was made out.

Q. That would be \$18,000.00—do you know where that

\$138,000 came from that was lying idle in the First State Bank of Walcott? A. The deposits given here are \$432,000 and that is a large deposit in that town.

Q. I am talking about the \$138,000 that found its way into the Scandinavian American Bank of Fargo? A. I don't know anything about that.

Q. Do you know how the First State Bank of Walcott came to pick out the Scandinavian American Bank of Fargo to redeposit that amount of idle money at that particular time. A. I don't know whether they were associated with some of the stockholders in the Scandinavian-American Bank,

(1067)

or they were, at least, acquainted.

Q. Do you know whether Mr. Hagen had an interest in the Walcott bank, don't you? A. I am not positive, but he may have.

Q. Well, that is your understanding, that he had, isn't it? A. I am not sure which bank he is interested in.

Q. Which one? A. There is one at Walcott, and another at another town down there.

Q. Now, you knew that if the Scandinavian American Bank was closed, and the Walcott Bank would lose \$138,000 it would be liable to cripple it pretty bad? A. Yes, sir.

Q. And you never made any inquiry as to why that Walcott Bank should pick the Scandinavian American Bank to put \$138,000 in? It never occurred to you that it was rather a peculiar transaction? A. The only answer to that was that they had more money down there than they could have loaned, and there was an understanding to leave it there on deposit.

Q. Yes, that is true, I understand that they had more money than they could use, but why pick out the Scandinavian American Bank as a depository for it? A. Well, I

(1068)

presume there is some reason for it I really don't know.

Q. Did you ever investigate that? A. No, sir, never did.

MR. CHAIRMAN: Do you know how many correspondent banks that Bank of Walcott had?

A. The number given here is the Security National, Minneapolis, the National Bank of Wahpeton and Scandinavian-American of Fargo. I don't know what has been added since, or whether they had any others.

MR. CHAIRMAN: Was the Minneapolis or Fargo Bank their main correspondents that they drew drafts on? A. I am not positive as to that. The Minneapolis bank is the first name given in the directory, and perhaps the oldest correspondent.

Q. Mr. Cathro brought us here a record he made showing the deposits and loans of the Bank of North Dakota by counties? A. Yes, sir.

Q. And this one, I will show you is for Ransom County, now I call your attention to the McLeod State Bank, what is the amount of redeposits shown there? A. \$24,054.22.

Q. Looking up and down the list of all the banks in Ransom County who has the largest redeposits next to the Ran-

son County Farmers Bank of Lisbon? A. McLeod State
(1069)
Bank

Q. What county is Walcott in? A. Richland, I believe.

Q. And that is the bank we have been talking about, isn't it? A. Yes, sir.

Q. Mr. Lofthus, I show you Committee's Exhibit 71, which is the examiner's report on the Peoples State Bank of Grand Forks as of September 8, 1920, is it not? A. Yes, sir.

Q. Now, that report, under the heading of resource on the first page shows loans and discounts, \$368,295.22 doesn't it? A. Yes, sir.

Q. Then under subheading 3, Resources, in red ink appears what—short on loans \$25,899.35 does it not? A. Yes sir.

Q. In other words that is inserted in red ink to make up the total shown on the trial balance? A. Yes, sir.

Q. And would indicate that \$25,899.35 of loans and discounts papers had disappeared somewhere? A. They were out of the bank evidently on that date.

Q. At that date they reported a liability C. D. held by the Bank of N. D., \$8,000.00 A. Yes, sir.

(1070)

Q. You know as a matter of fact that their redeposits were considerably larger than that, don't you, or don't you know anything about it? A. The records will show what the redeposits were.

Q. Now, this was filed with you as of what time? A. Soon after the examination.

Q. Soon after September 8, 1920? A. Yes, sir.

Q. And at that time, that I called your attention to, under the subheading of No. 8 Bills Payable including certificates issued as such, the C-D Bank of North Dakota \$8,000.00, that is true isn't it? A. Yes, sir.

Q. Now Mr. Cathro, has produced for our information, a list that he prepared showing the liabilities of various banks by counties in the state as of January 19, 1921, and that shows that the Peoples State Bank of Grand Forks on that date had a redeposit of \$40,000.00 doesn't it? A. No. Loans and discounts.

Q. Loans and discounts of \$40,000.00, and redeposits of \$11,285.09? A. Yes, sir.

Q. A considerable increase between the date of this report and the date of January 19, 1921? A. Yes, sir.

Q. Now let us examine the report and see whether that
(1071)

increase is justified or not?

Under the general description of the character of the paper in that subdivision of that report your examiner says this: "General Character of loans fair, many loans made to outside parties, notes, with few exceptions, pretty good, all well secured. Loans of officers and directors are reported as direct loans. Mr. Knutson, vice president, is interested in implement concerns in Grand Forks, and discounts paper at the bank rather heavily. Notes, pretty good, however, and were reported so. The Grand Forks American is financed heavily, nearly \$13,000.00 in notes are signed by Ole Knutson, as vice president and H. H. Aaker as secretary. Bank has note of Consumers United Stores Company

for \$7,000.00 and also an accommodation note by Heck of \$6,000.00. "Who is Heck?" A I don't know

Q. Don't you know Mr. Heck? A. No, sir.

Q. Never heard of Mr. Heck before? A. I don't know who this Heck is.

Q. Don't you know Mr. Heck was one of the organizers of the Consumers United Stores Co? A. Mr. Heck? No, sir.

Q. Who is this Heck? Well, you say you don't know who this Heck is, who is the Heck you know? A. I think it is Charley Heck.

(1072)

Q. Where is he from? A. I don't know where his home is.

Q. Well, who is Charley Heck? A. The one I know.

Q. What is his business? A. I think he is an organizer.

Q. An organizer for what? A. I don't know just what.

Q. Well, he organizes what? The League? A. In relation with the League.

Q. Non-partisan League? A. I think so, I am not positive.

Q. Under this heading over here, your examiner says: "The account of the Grand Forks American is overdrawn \$980.17. This is a continuous overdraft." Is that true. A. That is the statement there, yes.

Q. Well, of course, we have got to assume that when your examiner says that, that it is probably true, isn't it. A. Yes.

Q. Your examiner says "Friction arose between Mr. Knutson, Vice President, and Mr. Hendrickson, former cashier, with the result that Mr. Hendrickson was let out recently." You see the words "let out" are in quotation marks, do you. A. Yes, sir.

(1073)

Q. "A Mr. Gordon from Iowa is now Cashier." They have to send outside the state to get all these good fellows. There is too much overhead expense. They all appear to be working at high speed, but accomplish little. The system is poor, and, in my estimation, will not improve. The present cashier holds no stock." That is what he says? A. Yes.

Q. Now, do you think after that kind of a report filed in your office, it was proper to increase the loans from \$8,000.00 to \$40,000.00 from the Bank of North Dakota to this bank? A. I had nothing to do with that.

Q. Well, just speaking generally, as man to man, would you think if you were Director General of the Bank of North Dakota, and the bank examiner had in his possession a report on a bank like that that you would increase the loans from \$8,000.00 to \$40,000.00 to that bank in a few months? You wouldn't do that as a banker, would you, even if you might as a politician, isn't that true? A. I don't believe I am a politician

Q. I don't believe you are either but you have got tangled up with a bunch of them, I think.

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Q. Now, did you ever look to see how much paper of men like H. H. Aaker and Sam Lageson and O. K. Lageson, J. P. Hemmingson, Carl Clemetson, and other directors and stockholders of that Peoples State Bank of Grand Forks had gotten into the Bank of North Dakota. A. No sir.

Q. Now, attached to this report we have just been talking

about, is a certified list of stockholders, is there not? A. Yes sir.

Q. And Sam Lageson appears there? A. Yes, sir.

Q. And O. K. Lageson? A. Yes, sir.

Q. And G. M. Morkassel? A. Yes sir.

Q. And Carl Clemetson? A. Yes sir.

Q. F. C. Paskie—he is one of the stockholders, is he not?
A. Yes, sir.

Q. H. A. Bronson, of Bismarck, N. Dak.? Is that Judge Bronson, do you think? A. I believe so, if the initials are the same.

Q. Well, that is what it says, H. A. Bronson? A. Yes sir.

Q. And H. H. Aaker of Grand Forks? A. Yes sir.

Q. Ole Knutson of Grand Forks, he is one of them too?

A. Yes sir.

Q. T. G. Thompson? A. Yes sir.

Q. J. P. Hemmingson? A. Yes sir.

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Q. And Ole Knutson Trustee for somebody? A. Yes sir.

Q. Who was he trustee for? A. I don't know.

Q. Never inquired? A. No sir.

Q. Well, here is F. B. Wood, up here, as trustee, too, eighteen shares? A. Yes, sir.

Q. Who is he trustee for? A. I don't know.

Q. Couldn't have been Mr. A. C. Townley? A. I don't know.

Q. Or the League Exchange? A. I don't know anything about that.

Q. Now I will call your attention to Page 83 of Exhibit 44, being the schedule attached to Bishop, Brissman report, and see if you can find there under the head of Peoples State Bank of Grand Forks, collateral to certificates of deposit, loans and discounts, the following paper: Sam Lageson? A. Yes, sir.

Q. \$1,233.50? A. Yes sir.

Q. J. P. Hemmingson \$1,000? A. Yes sir.

Q. F. C. Paskie, \$2,100.00? A. Yes sir.

Q. Then Alma, Sam and O. K. Lageson, a \$2,000.00 note? A. Yes sir.

Q. That is all in the Bank of North Dakota apparently?

A. Yes sir.

Q. Carl Clemetson, a thousand dollars? A. Yes sir.

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Q. Theodore Haroldson, \$1,650.00? A. Yes sir.

Q. This man H. H. Aaker has evidently put a note in the Scandinavian-American Bank, too, that got in the Bank of North Dakota, for \$500.00? A. Yes sir.

Q. And then another one for \$500.00—Olaf Sund, to H. H. Aaker? A. Endorsed by Aaker.

Q. A note signed by Sund to Aaker and endorsed by Aaker to the Scandinavian American Bank and the Scandinavian-American Bank sends it up to the Bank of North Dakota? A. Yes sir.

Q. And then here is H. H. Aaker again for \$2,000.00? A. Yes sir.

Q. And we also find our friend O. K. Lageson is here for \$1,250.00 more? A. Well, what was the other?

Q. That is over in the other bank. This is in an entirely different bank? A. Yes sir.

Q. Over here we have got H. H. Aaker again for \$500.00?
A. Yes, sir.

Q. And again H. H. Aaker appears to be on for \$500.00? A.
Yes sir.

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F. W. CATHRO, recalled as a witness, testified as follows:

EXAMINATION BY MR MURPHY:

Q. In this list, Exhibit 126, analysis of the deposits and loans, etc., by counties, you don't show the drafts, do you or are they included in the redeposits? A. No.

Q. You don't show the unhonored drafts? A. No.

Q. So there may be and probably are liabilities in addition to those shown in Exhibit 126 in the form of unhonored drafts? A. Well, when the drafts is made, the corresponding deduction is made on the account. If the draft is charged up against the bank, the corresponding credit is taken against that account.

On motion of Mr. Shipley, seconded by Mr. Ulland, recess taken until 7 p. m.

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FEBRUARY 28, 1921, Continued.

Meeting called to order by the Chairman at 7:00 P. M. all members of the Committee present, with the exception of Johnson of Steele, Hanson and Weld, reporter and attorneys also present.

HERBERT M. TEMPLE, having been called as a witness is duly sworn and testified as follows:

EXAMINATION BY MR. MURPHY:

Q. What is your name? A. Herbert M. Temple.

Q. Where do you live? A. St. Paul, Minnesota.

Q. What is your business? A. A professional public accountant.

Q. What particular firm are you connected with in that line? A. Temple, Webb & Company.

Q. How long have you been engaged as a professional public accountant? A. Since 1889, about thirty-one years.

Q. Are you what is known as a certified public accountant? A. I am.

Q. Will you briefly state to this committee what you mean by a certified public accountant? A. The degree of certified public accountant is conferred under State laws in some forty-five states of the Union at the present time, and is also con-

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ferred by the American Institute of Accounts who has its official quarters and place of charter in the District of Columbia, Washington, and office in New York. The degree of certified public accountant is based upon an examination. The examination and qualifications are first, education, which requires in most states the equivalent of a high school education; second, general moral character; third, experience. The qualifications requiring a practice of anywhere from three to five years, varying in different states, and upon a satisfactory

passing of such examination, the degree of certified public accountant is conferred.

Q. In other words the matter is handled practically like every other profession? A. Yes sir.

Q. No person can acquire a certificate as a certified public accountant unless he shows sufficient educational qualifications. A. No sir.

Q. The proper moral standard? A. Yes.

Q. And then must pass an examination? A. As to experience and other qualifications.

Q. And in forty-five states, as I understand, this matter is regulated by statute? A. Yes, sir.

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Q. Now, Mr. Temple, did you at the request of this Committee, through its counsel make an analysis of the trial balance or balance sheet of the Bank of North Dakota as of December 3rd, as shown by the Bishop-Brissman report? A. I did.

Q. I will show you Committee's Exhibit 158, and ask you if that is the analysis to which you have just referred prepared by you? A. It is, yes, sir.

Q. Will you kindly explain to the Committee the nature of that so they can get it and all the rest of us? A. The Bishop-Brissman report—well—

Q. Well, just a moment please, in order that I may make the connection a little closer, the Bishop, Brissman report to which you refer is Committee's Exhibit 19, isn't it? A. Yes, sir.

Q. And the trial balance to which you refer appears on pages 23 and 24 of that report. A. Yes, sir.

Q. And the conclusions expressed in the report of the examination, commencing at page 3 and running down to and including page 21? A. Yes sir, and the supporting details that support the statement. This statement (indicating Ex-

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hibit 158) is prepared to express in condensed form the financial position of the Bank of North Dakota, with respect to its current assets and its slow or deferred and capital investments, and also its liabilities, and its so-called capital fund, as disclosed by the Bishop Brissman report. The report indicates that the cash on hand December 3rd was \$46,767.83; that the deposits in so-called reserve banks outside of the State of North Dakota was \$520,396.55; that the loans and discounts, immature, which embraced notes and certificates of deposit, rediscounts, individual loans, and warehouse receipts immature, aggregated \$1,543,613.02. The redeposits of public funds according to the report, in the aggregate, were \$7,040,899.19, and on this report it discloses that the amount in banks that were suspended December 3rd, was \$424,410.44, the net redeposits being expressed as current, \$6,616,488.75. The items out for collection, generally referred to as transit items—the amount of the aggregate, per the report, was \$1,870,708.64 less, and as the report shows, unhonored drafts of \$817,500.00 and old items \$174,274.94, and the total of the two items which are deducted for the purpose of determining those items which may be accepted as current is \$191,777.94

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making the amount carried to the statement, of \$878,928.76. U. S. Liberty bonds at par \$2,000.00 thus expressing as repre-

senting the so-called current assets of the bank to be \$9,603,194.65.

Q. May I ask a question here. Thus far you have described the first four items. A. Yes, sir.

Q. And five—the Liberty Bonds—makes the fifth item if you are looking at the same schedule I am? A. Yes, sir.

Q. Would you use the term liquid assets to describe those items? A. They are liquid so far as the statement show. I have no knowledge beyond what is shown in this statement.

Q. That assumes, of course that the loans and discounts are worth their face, and that the redeposits of public funds are immediately available? A. Yes, sir.

Q. Assuming it to be true, the outside total of liquid assets would be \$9,608,194.65? A. Yes sir. Now, the second group of items would be the items that were past due, and according to the report, evidence being slow of collection. These are more particularly described as follows: Notes and certificates of deposit, past due, \$1,147,807.35; warehouse receipts, past due, \$69,122.00; Redeposits in suspended banks, \$424,410.44; collection items rejected, \$991,777.94; Loans to state Institu-

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tions \$882,716.72; Overdrafts \$42,027.33; Cash Items, so called, \$24,330.06; warrants out for collection \$316,347.43; Total \$3,898,439.27. Farm loans and deposits which make up the farm loans and farm loan special deposits, an aggregate of \$2,906,369.00; accrued interest on notes and bonds \$360,386.38; bonds of North Dakota, bank series free, which means unhypothecated, \$751,450.00; supplies on hand, \$13,885.33; Fixtures and automobiles \$44,303.71; Total, \$7,874,833.69.

Q. May I ask you, how you characterized that group? A. They are slow of realization. The farm loans, I take it from the report, represent very long term loans that are coming in in a very slow way. They are not available for the discharge of the obligations of the bank. The supplies are deferred charges to future operations of the Bank, I understand, and the fixtures and automobiles represent equipment used in the Bank, and not used for the purpose of turning over or immediately available.

Q. So you would say that there are \$7,974,833.69 of slow assets? A. Yes, sir, and possibly some of them more or less doubtful as they are items in suspended banks.

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Q. Very well, go ahead. A. Sinking fund investments, which is a special trust fund, according to the statement \$47,091.19; also bonds of North Dakota Bank series pledged as, collateral to bills payable, \$1,200,000.00; making the total assets of the Bank, as shown by the Bishop Brissman statement, to be \$18,830,119.53.

Q. Now, just a moment, you arrived at that total, of course, by adding the current or quick assets and the slow assets, sinking funds investments, and the hypothecated bonds? A. Yes sir. That is a reconciliation with the totals expressed in the Bishop, Brissman statement. The liabilities representing deposits are amounts due depositary banks, public treasurers open account, public treasurers sinking fund account, individual deposits, certificates of deposits, correspondent banks unposted, an aggregate of \$15,455,186.00. Other liabilities, which consist of cashier's checks appraisal fee deposits, legislative appropriation, and accrued interest payable aggregating \$147,506.77, a total of \$15,602,692.77. Sinking Fund

capital account \$47,091.19; bills payable carrying as collateral, North Dakota State Bonds Bank Series, \$1,000,000.00; Capital Fund, representing originally \$2,000,000. Bonds of North Dakota Bank Series, Surplus and Profits, \$180,335.57. Total of so-called Capital Fund Surplus and Profits, \$2,180,335.57; the total of the four items being a balancing equation of \$18,830,119.53.

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Q. The total resources, of course, as you certified, are \$18,830,119.53? A. Yes, sir.

Q. And the total liabilities are precisely the same? A. Yes, sir.

Q. But the resources assumes the face value of all the assets that you have read here? A. Yes sir.

Q. And as you have already stated, assuming face value of all of them, there is at least \$7,974,833.69 that are slow and not available, according to that report? A. Yes sir.

Q. Now, I note on that statement you have divided the bonds of the Bank of North Dakota Series in the Resources as "Free" and "Pledged." Why did you do that? A. For the purpose of expressing in the statement the truth concerning these bonds. It seems that there was to be originally \$2,000,000 bonds placed in this bank as, apparently, its commencing capital, and of that \$2,000,000 worth of bonds, \$1,200,000 worth of them were pledged as collateral to a loan of \$1,000,000 and somewhere in the neighborhood of—in round figures—\$50,000.00 worth, I should say, were sold, and \$751,450.00 are still unsold, and according to this statement, not

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hypothecated, but are carried in the Bank as an asset.

Q. I take it in your thirty years' experience as an accountant, you have many times been called upon to examine banks in many places and of different kinds? A. Yes, sir.

Q. And you are familiar with what is known as bank statements, trial balances, both of state and national banks? A. yes, sir.

Q. I will ask you whether or not, in order to make it a true statement of the bank, it is essential the bills payable be shown? A. Oh, yes.

Q. And if that is not done, would you say that a statement made disguising the fact that there was a bills payable was a false statement? A. Certainly.

Q. I will show you a series of statements made by the Director-General of the Bank of North Dakota and will ask you whether or not you can find in there any statement showing bills payable? Look through them, Mr. Temple? A. On August 14, 1920, I find here Bills Payable \$1,000,000.00.

Q. That is the first time you find that shown? A. Yes, sir, so far.

Q. Did you find it in any of the prior statements. A. No, sir, I did not.

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Q. So that any statements made prior to that time and after the hypothecation mentioned failing to show the bills payable, would be what you would say is a false statement? A. Yes, sir, if they had bills payable outstanding.

Q. If the hypothecation had been made? A. Yes. And I call your attention also, Mr. Counsellor, to the fact that in these bills payable shown in this statement, August 14, 1920,

it doesn't show that there is any collateral hypothecated protecting the bills payable.

Q. Should it be shown? A. Yes, sir. The statement shows it owns bonds, U. S. State and County, aggregating \$1,991,617.50, and if any of those bonds were at that time hypothecated as collateral to this bills payable and the statement did not so express it, it would be, in fact, a false representation as to the truth of the statement.

Q. And the effect of it would be to deceive any one who examined the statement? A. Yes, sir. Absolutely.

Q. It would lead them to believe that the bonds set out among the resources were not, in fact, hypothecated? A. Yes, sir, that they were free.

Q. And if they were in fact hypothecated, it was the duty of the person preparing the statement to so show? A. In order to tell the truth regarding the location of the securities
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of the Bank it is always commended essential and necessary to show the hypothecation and express the collateral that are hypothecated on both sides of the statement.

Mr. Murphy: We offer Committee's Exhibit 158 in evidence.

Q. Now, Mr. Temple, I will show you Committee's exhibit 42, which is the original report made by O. E. Lofthus and Myron W. Thatcher to the Supreme Court of the State of North Dakota on the relation of the Scandinavian American Bank, O. E. Lofthus and others, vs. William Langer, and others, and direct your attention to a comparative statement appearing on the second page thereof? A. Yes, sir.

Q. I will ask you if you took that comparative statement appearing in that Exhibit and made an analysis of the statement? A. I did yes, sir.

Q. I will show you Committee's Exhibit 159, and ask you if that is the analysis you made of the comparative statements made by Mr. Thatcher to the Supreme Court, which I have just referred to? A. Yes, sir.

Q. Will you kindly explain that to the committee? A. The comparison of financial statements or standing of the Scan-
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dinavian American Bank of Fargo, N. D. *—it seems there was a statement, according to this document, indicating Exhibit 42) prepared September 27th, by Mr. P. E. Haldorson, deputy bank examiner, and that statement showed certain resources and liabilities as of that date. On October 23, 1919, O. E. Lofthus, State Examiner and Mr. M. W. Thatcher, as President of the Equitable Audit Company, Incorporated, prepared a statement and the two statements are set up in this comparatively. I have condensed the figures appearing in the two statements and have analyzed the increases and the decreases as between the condition of the bank at the two dates stated, and the deductions reached therefrom are as follows: That as between September 27, 1919 and October 14, 1919, the loans and discounts in this bank decreased \$168,726.43; the over drafts decreased \$5,007.77; the bonds, warrants, etc. increased \$9,760.00; the banking house furniture and fixtures decreased \$2,644.80; the amount due from banks, approved agents, increased \$86,928.23; other real estate increased \$1,452.25; collections in transit decreased \$3,700.89; cash items decreased \$19,357.43; the cash decreased \$7,938.76.

In the Thatcher statement of October 14, 1919, there was in-
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corporated into the statement as item "Accrued interest not on books" which did not appear in the bank examiner's statement, of \$29,023.02, making the net decrease in the total assets of the bank \$80,212.58.

Coming now to the consideration of the liabilities, and the difference in the two statements on the date stated the amount due banks decreased \$13,884.28; the demand deposits decreased \$81,594.55; time certificates decreased \$6,474.79; savings deposits decreased \$458.68; certified checks decreased \$89.74; cashiers checks decreased \$2,288.88; cash over decreased \$140.13; interest payable not on books, incorporated into the Thatcher statement that did not appear in the statement to the Bank Examiner, increased \$11,220.58; capital stock surplus and profit, increased \$13,497.89.

The increase in the surplus and undivided profits of the bank may be compensated or explained as largely arising out of the establishment in the Thatcher statement of accrued interest amount to \$29,023.02, less interest payable which is not on the books of \$11,220.58, a net increase in the assets or surplus of the bank of \$17,802.44, while by the same statement the increase in the surplus and undivided profits was only \$13,497.89, thus indicating that during the period intervening be-
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tween the statement of the bank examiner and the Thatcher statement, if his interest calculation had not been established, there would have been a loss of \$4,304.55. And in this connection, the statement of the Bank Examiner disclosed that the capital of the bank at September 27, 1919, was \$50,000.00 and that the surplus and undivided profits of the bank were \$6,885.53. Deducting from this surplus the period's loss as explained on the theory of including the interest calculations there would have been a surplus remaining of the Thatcher Statement of October 14, 1919, of \$2,580.98.

Q. What is the percentage of that? A. A little over five per cent.

Q. As I understand, a comparison of those statements in general language shows that \$168,726.43 worth of loans and discounts were taken out—a decrease of that amount? A. Yes sir.

Q. And there was a decrease in cash? A. Yes sir.

Q. A decrease in cash items? A. Yes sir.

Q. So it is fair to assume that no cash was put in to take the place of that? There doesn't appear to be any material increase in cash.

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Q. But there was also a decrease on the other side of the amount due banks, demand deposits, and time certificates? Of how much approximately? A. About \$100,000.00.

Q. So it would look as though they had paid off somebody in preference of creditors between the two dates. A. Well, somebody has been satisfied.

Mr. Murphy: We offer in evidence Committee's Exhibit 159.

Q. Mr. Temple, I show you Committee's Exhibit 116, which is an original report of the Industrial Commission made to the House of Representatives of the state of North Dakota, of the Seventeenth Legislative Assembly, purporting to be a report of the Bank of North Dakota, and other State Industries, up to December 31, 1920. A. Yes, sir.

Q. I will ask you if you made an examination of that report and made an analysis with reference to the Mill and Elevator Association? A. I have.

Q. I will show you Committee's Exhibit 160, and ask if that is the analysis prepared by you? A. It is.

Q. Please explain that to the Committee. A. Exhibit 160 is a composite statement covering a summarization of Ex-

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hibits No. 3 from Committee's Exhibit 116, also Exhibit 4, 5, and 7, and for the purpose of identifying the Exhibits I will describe them as follows: Exhibit 3 in Committee's Exhibit 116, refers to the Mill and Elevator Association of North Dakota, Balance sheet, December 31, 1920; Exhibit 4, the Mill and Elevator Association, Drake, N. D. Balance sheet, December 31, 1920; Exhibit 5, the Mill and Elevator Association, Drake, N. D., income, profit and loss account, year ending December 31, 1920.

Exhibit 7, Mill and Elevator Association Grand Forks, N. D., December 31, 1920, covering the receipts and expenditures in the construction work, summarizing the same, with an assets and liability statement, and giving consideration to the explanations accompanying the report.

The result of the consolidation shows the Mill and Elevator Association's financial position at December 31st based on the report of the Industrial Commission, to be as follows:

RESOURCES: Cash—Fargo office \$444.03, Drake Mill \$194.39, Grand Forks office \$10.00, a total of \$648.42.

Inventories: Drake Mill—grain—wheat \$4,563.39, screenings \$712.49, total grains \$5,275.88.

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Grain Products: Bran \$1,087.50, cereals \$54.50, shorts \$3,562.35, flour \$15,793.35, total grain products \$20,497.70; consigned merchandise \$29,861.72; total grain and grain products \$55,635.30.

Mill Supplies—Sacks \$4,371.19, supplies \$1,000.00, coal \$170.00, total mill supplies \$5,541.19.

Total of the Inventories amount \$61,176.49.

Accounts receivable: At Drake Mill without any detail or other information \$10,082.58.

Deposit with the Equity Cooperative Exchange \$2,452.12, total current assets \$74,359.61. Other assets: Claims vs. Soo Line \$391.93.

Prepaid fire insurance, a deferred income charge, \$1,777.61; plant and equipment as follows; Drake Mill \$28,688.54; Grand Forks Mill \$921,379.34; Total \$950,067.88. Total capital investment \$952,147.42. That is capital investment and deferred charges.

LIABILITIES: The liabilities of the association are as follows:

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Bills payable at the Bank of North Dakota, \$650,000.00; Accounts payable \$2,318.30; Interest Payable \$10,494.16; Bank of North Dakota Overdraft, Fargo Office, \$203,190.91, less the Drake Mill balance of \$16,162.41, makes a net overdraft at the Bank of North Dakota of \$187,028.50, a total of \$849,840.96.

The bonded debt of the association is expressed as follows:

Bonds executed \$120,300.00; bonds in treasury \$95,200.00;

bonds outstanding \$25,100.00; interim receipts issued on account of bonds sold \$60,000.00; State of North Dakota Terminal Elevator Fund—that is capital account—\$124,322.47. Deficit made up as follows, Drake Mill \$17,668.31; Fargo office expense not apportioned \$15,088.09, a total deficit of \$32,756.40.

Q. Now let me ask you Mr. Temple, in arriving at that deficit, I understand, it is distributed between the Drake Mill and the Fargo Office? A. Well I can explain it in this way. The Drake Mill deficit, as shown in the statement, is \$17,668.31. This indicates, according to this statement, a loss at the Drake Mill from its operation. The Fargo Office expense is described as Field Department 1919-1920, organization expense which is carried on as an asset, but which is really a deficit of \$15,088.09, which is carried on the books at
(1096)

the Fargo office.

Q. The point I wish to make is that in arriving at this deficit, you did not take into consideration the Grand Forks Mill because that is not operating. A. No, sir, that is in the course of construction.

Q. And it also assumes the truth of the matters set forth in the Industrial Commission's report? A. Yes, sir.

Q. And the conclusions, which you have now given and the analysis which you have given, are based entirely on that report made by Mr. Paddock, or signed by Mr. Paddock, as Secretary of the Commission? A. Yes, sir, and the explanation accompanying it.

Q. As I understand you, you say that \$15,088.09 deficit is carried on their books as an asset? A. It is carried in the asset column. It is a debit item. They make what is known as the straight old-fashioned balance sheet, and the debit column is headed assets. We carry it in the assets column also in this statement here, but I treat it not as an asset but as something that has been expended for which they have had no return.

Q. So it is fair to say that the Mill and Elevator Association shows a deficit of \$32,756.40? A. That would be so, construing it as a going proposition.

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Mr. Murphy: We offer Exhibit 160 in evidence.

Q. I want to direct your attention to Exhibit 116 being report of the Industrial Commission and ask you whether it shows the salary list or payroll of the Drake Mill? A. Yes, sir.

Q. What part of it? A. It says here "Payroll at State Mill, Drake, N. D., January 1, 1920, to December 31, 1920."

Q. Now that report shows the value of that mill to be what? A. \$28,000.00—I think that was the figure—\$28,688.54.

Q. I don't know of course, whether you care to express your opinions, but you couldn't purchase a very large mill for \$28,000.00 could you? A. Well, not at the prices these days.

Q. Well, the output wouldn't be over a hundred or so barrels a day, would it? A. They made a statement here with regard to that output.

Q. What do they say about that? A. "The Drake Mill during 1920, while running, manufactured approximately five hundred barrels of clear flour per month. Due to little or no demand for clear flour, during the market collapse, the Drake

Mill was forced to carry on hand and on consignment about 2,500 barrels of clear flour."

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Q. Now, if it wouldn't be asking too much of you, would you mind reading that pay roll list to us. A. Harold Heimerdinger, manager, \$640.00, average salary per month, exclusive of overtime, \$160.00; Fred Heimerdinger, miller, \$601.46, average salary per month exclusive of overtime \$175.00; Henry Schwerdtfeger, miller, \$616.00, average salary per month, exclusive of overtime, \$175.00; L. L. DeWester, miller, \$618.66, average salary per month exclusive of overtime, \$175.00; J. H. Miller, miller, \$1969.95, average salary exclusive of overtime, \$234.00; Bert E. Maxfield, miller, 1,647.03, average salary per month, exclusive of overtime, \$226.00; W. B. Hibbard, manager, \$1,357.67, average salary per month, exclusive of overtime, \$175.00; A. W. Schwartz, packer \$250.00, average salary per month, exclusive of overtime, \$104.00; H. R. Hibbard, packer, \$129.00, average salary per month, exclusive of overtime, \$104.00; Joseph Kellar,

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packer, \$1163.46, average salary per month, exclusive of overtime, \$104.00; Orris Ivers, packer, \$888.25, average salary per month exclusive of overtime, \$104.00. Oscar Christianson, packers' helper, \$583.95, average salary per month, exclusive of overtime, \$104 per month as packer, \$156.00 per month as helper; William S. Kellar, packer, manager, grain buyer of office assistant, \$1,479.33; Olaf Trulson, engineer, \$237.95; Albert Trulson, engineer, \$574.85; Ole Christianson engineer, \$84.75; P. C. Canestrop, engineer, \$131.00; W. J. Putzko, engineer, \$1,471.29; M. P. Anderson engineer, \$1,014.70; Edwin Gerber, engineer, \$388.57; Rose H. Kellar, bookkeeper and treasurer, \$1,653.90.

Q. Now that doesn't include J. A. McGovern, manager, does it? A. No, sir, this is the payroll at the Drake Mill.

Q. How many millers had they there? A. Five millers.

Q. How many packers? A. Six packers.

Q. How many engineers? A. Seven engineers.

Q. How many people are employed on the payroll at that mill? A. There are twenty-one people listed here, but they might not have been employed all at the time continuously for the year.

Q. Is there any thing on there to show Mr. McGovern's salary and its distribution, if it is distributed? A. Yes. "Exhibit 2 is self-explanatory, with the exception, perhaps, of the items of traveling expense, \$907.00, bookkeeper's salary \$1,425.00, manager's salary \$5,000.00, and secretary's salary \$721.56. The manager was Mr. J. A. McGovern, of Fargo, N. D. The secretary during the period he was retained was Mr. A. W. Leuhrs and the bookkeeper was Mrs. S. Dodd."

(1100)

Q. Now, Mr. Temple, did you make an analysis of the Home Building Association of North Dakota from Committee's Exhibit 116, being the Industrial Commission's report referred to? A. I did, yes sir.

Q. I will show you Committee's Exhibit 161, and ask you if that is your analysis? A. It is, yes sir. This Exhibit 161 was based upon Exhibit 10, so-called, Home Building Association of North Dakota, balance sheet as at December 31, 1920, and also the explanations made of said Exhibit 10.

Q. I will show you Committee's Exhibit 161, and ask you if that is your analysis? A. It is, yes sir. This Exhibit 161 was based upon Exhibit 10, so-called, Home Building Association of North Dakota, balance sheet as at December 31, 1920, and also the explanations made of said Exhibit 10.

The cash and current assets are represented by Cash, \$5.22; Accounts Receivable, \$4,973.28; Home Buyer's Loans \$18,247.65. Total, \$23,226.15.

Equipment, \$2,320.10; Traveling Expense Advance, \$300.00; Special Pay Roll Deposit, \$3,147.19; Real Estate \$2,000.00; Furniture and Fixtures, \$3,669.79; Materials per inventory, (1101)

\$90,738.59; Houses under construction, \$278,152.23; Total, \$380,327.90.

Deferred Charges embraced in Exhibit 11, administrative salaries, R. B. Blakemore, \$5,000.00; W. J. Prater, \$2,000.00; Printing and Stationery \$2,500.00; Auditing and System Work, \$2,000.00; Blue Prints \$1,000.00; Office Supplies \$400.00; Mileage, \$300.00; Office Salaries \$1,000.00; Rent, \$300.00; Traveling Expense \$500.00; Total \$15,000.00.

Liabilities disclosed as follows:

Accounts Payable, \$22,182.78; Depositor's savings, \$2,092.47; Pay roll payable \$3,792.38; Accrued interest \$1,960.20; Overdrafts Bank of North Dakota, \$63,602.31; Notes Payable, Bank of North Dakota, \$225,000.00; Total Liabilities \$318,630.14.

State of North Dakota Appropriation \$100,000.00, less unexpended, \$76.09. Actual capital \$99,923.91.

Q. How much cash did they actually have on hand? A. \$5.22.

Q. From the report of the Industrial Commission, upon which your analysis, of course, was based, was it possible for anyone, to arrive at a conclusion as to whether that concern made or lost money, or was solvent or otherwise? A.

(1102)

No, it is very difficult to answer that, because houses under construction \$278,152.23—the only explanation they give regarding this item is as follows: "This is the net investment of the Home Building Association in houses built and under construction, arrived at by deducting the payments made on account by home builders from the cost of such houses. This covers houses for which contract arrangements have not been completed."

Q. That is no contract arrangement had been completed? A. I would take it from that to mean that no contract arrangements have been concluded. "It includes all of the administrative expense, after deducting deferred expense, as in Exhibit 11. The administrative expense items in this account amounts to \$15,367.05, which is an overhead of slightly above five per cent."

The usual custom, if I may say something here, is to set up accounts showing the cost of each contract, with the man that enters into each contract for each house, putting in all the cost for excavation, foundation, superstructure, plumbing, heating, electrical equipment, or whatever goes into the house, plastering and everything, and keeping track of the cost of each piece of property. That is the usual contractors

(1103)

custom, and then when the house is summarized and the total cost determined, if there is a contract there would be a showing of the difference between the cost of that house, plus an overhead charge, as it is suggested in this report, and the amount disclosed which the contractor was to pay for it. But there seems to be no information in any of these reports which I have examined with respect to this particular item of individual costs of property.

Q. That report, in other words, is so deficient that no person could take it and from the report itself arrive at any conclusion as to the condition? A. Oh, my, no.

Q. It is practically useless as a report to anyone? A. Yes, sir, it simply states receipts and disbursements and those not completely.

Q. That report to which you now refer is the report made by the Industrial Commission of the State of North Dakota, and signed by H. A. Paddock, as Secretary, and is described as Committee's Exhibit 116? A. Yes, sir.

Q. Now, Mr. Temple, are you familiar with the method that has been described here for raising the so-called capital of the Bank of North Dakota under the statute? A. Yes, sir, I read the testimony on that very carefully.

(1104)

Q. And I assume, the statute also? A. Yes, sir.

Q. What have you to say with reference to that? A. Why, as I construe it, the State of North Dakota, through its legislative enactment, created a capital fund of \$2,000,000 to be represented by the issuance of bonds and these bonds were to be sold as I understand it from the statute and the state was to be the sole stockholder in the Bank of North Dakota. That was the theory that I got from my deduction. And as I take it, the State, through its executive administrative officers, owns the Bank of North Dakota, and that ownership would be represented on the books of the State of North Dakota by capital in the Bank of North Dakota. And opposed on its books by a bond indebtedness of \$2,000,000. Now, by the way the State keeps its books in the State Treasurer's Office—I took the trouble to ask the State Treasurer if he had an account on his books which represented an investment in the Bank of North Dakota, and he advised me that he did not have such an account. If a business house invests in another corporation, they always show the investment as an asset,—capital or investment—and if they have borrowed any money to finance that investment they naturally would show that on

(1105)

the other side of the ledger. This method that has been used here, in my judgment, is wrong. This \$2,000,000 is capital invested in the Bank of North Dakota, and they have simply turned those bonds over and on the books of the State Treasurer, and State auditor, properly kept, they would show as an asset on the books as an investment in this bank, and they would show on their books, properly kept, that it was a bonded indebtedness of the State of North Dakota.

Q. But they don't so show? A. No, sir.

Mr. Murphy: We offer in evidence Committee's Exhibit 161.

We also offer in evidence Committee's Exhibit 162, being a letter, produced by Mr. John N. Hagen, at the Committee's request, showing the expenditures of the Industrial Commission for the conduct of the Senate Committee Investigation, paying some of the expense of it.

We offer in evidence, Committee's Exhibit 163, being the special report by the Bishop, Brissman Company of the Home Building Association.

We also offer in evidence, Committee's Exhibit 164, being report of the Bishop, Brissman Company, of the examination of the Mill and Elevator Association.

(1106)

REVISED STATEMENT BANK OF NORTH DAKOTA
December 3, 1920. Based on report of Bishop-Brissman & Co.

RESOURCES			\$	\$
Cash		\$ 46,767.63		
Deposits Reserve Bank	1	\$ 567,164.18		
Loans and Discounts Immature.....	2	1,543,613.02		
Redeposits Public Funds	3	6,616,488.75		
Items for collection	4	878,928.70		
U. S. Liberty Bonds (par).....		2,000.00	9,608.194.65	
<hr/>				
Items past due and slow of collection.....	5	3,898,439.27		
Farm Loans and deposits	6	2,906,369.00		
Accrued interest on Notes and Bonds.....		360,386.38		
Bonds of N. Dak Bank Series free.....		751,450.00		
Supplies		13,885.33		
Fixtures and Automobiles		44,303.71	7,974,833.69	
<hr/>				
Sinking Fund Investments			47,091.19	
Bonds of N. Dak Bank Series pledged as collateral to Bills Payable			1,200,000.00	
<hr/>				
LIABILITIES				
Deposits	7	15,455,186.00		
Other Liabilities	8	147,506.77		15,602,692.77
<hr/>				
Sinking Fund Capital.....				47,091.19
Bills Payable (Collateral N. Dak Bonds).....				1,000,000.00
Capital Fund (N. Dak. Bonds Bank).....		2,000,000.00		
Surplus and Profits.....		180,335.57	2,180,335.57	
			\$18,830,119.53	\$18,830,119.55

FRIDAY, MARCH 4, 1921
EXHIBIT 168
1455

(1107)
EXHIBIT 158 Continued

DETAIL 1.

DEPOSITS IN RESERVE BANKS

December 3, 1920.

First National Bank, Minneapolis,	\$148,368.09
Midland National Bank, Minneapolis,	40,756.22
First National Bank, St. Paul,	115,617.00
Mercantile State Bank,	49,831.14
National City Bank, New York,	9,305.01
First National Bank, Duluth,	16,117.74
Merchants Loan & Trust Co., Chicago, Remark "A"	140,401.74
	<hr/>
Amount to statement	\$520,396.35

REMARK "A"

Merchants Loan & Trust Co. of Chicago, are holders of Bills Payable.

\$1,000,000.00 secured by hypothecation agreement of \$1,200,000.00 Bonds of North Dakota Bank Series.

DETAIL 2

LOANS AND DISCOUNTS

Notes and certificates of deposit immature	\$1,260,037.89
Re-discounts,	244,820.13
Individuals,	2,155.00
Warehouse receipts immature,	36,600.00
	<hr/>
Amount to statement	\$1,543,613.02

DETAIL 3

RE-DEPOSITS OF PUBLIC FUNDS

Re-deposits of Public Funds per report	\$7,040,899.19
Less: Amount in suspended banks	424,410.44
	<hr/>
Amount of statement	6,616,488.75

DETAIL 4

ITEMS OUT FOR COLLECTION

Amount per report	\$1,870,706.64
Less:	
Unhonored drafts	\$817,500.00
Old Items, Detail 5,	174,277.94
	<hr/>
Amount to statement	878,928.70

FRIDAY, MARCH 4, 1921

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EXHIBIT 158 Continued

DETAIL 5

PAST DUE AND SLOW OF REALIZATION

Notes and Certificates of Deposits Past Due	\$1,147,607.35
Warehouse Receipts Past Due	69,122.00
Re-deposits Suspended Banks	424,410.44
Collection Items, Detail 4,	991,774.94
Loans to State Institutions	882,716.72
Overdrafts	42,027.33
Cash Items	24,530.06
Warrants out for collection	316,247.43
	<hr/>
Amount to statement	3,898,439.27
	<hr/>

DETAIL 6

FARMS LOANS AND DEPOSITS

Farm Loans	\$2,599,069.00
Farm Loans, Special deposits,	307,300.00
	<hr/>
Amount to statement	2,906,369.00
	<hr/>

DETAIL 7

DEPOSITS

Due Depositary Banks	\$ 1,192,989.76
Public Treasurers Open Account	10,714,007.16
Public Treasurers Sinking Fund Account	3,201,222.12
Individual Deposits	20,781.34
Certificates of Deposit	169,923.02
Correspondent Banks Unposted	156,262.60
	<hr/>
Amount to statement	15,455,186.00
	<hr/>

DETAIL 8

OTHER LIABILITIES

Cashiers Checks	\$ 22,382.20
Appraisal Fee Deposits	8,743.64
Legislative Appropriation	24,108.87
Accrued Interest Payable	92,272.06
	<hr/>
Amount to statement	147,506.77
	<hr/>

(1109)

SCANDINAVIAN AMERICAN BANK
FARGO, N. D.

	9-27-19	10-14-19	Increase	Decrease
	Bank Examiner	Thatcher		
Loans and Discounts	\$1,203,486.86	\$1,034,760.43	\$	\$168,726.43
Overdrafts	8,933.12	3,925.35		5,007.77
Bonds, Warrants, etc.	56,863.73	66,623.73	9,760.00	
Banking House F. & F.	20,644.80	18,000.00		2,644.80
Due from Bank App'd Agents	200,300.24	287,228.47	86,928.23	
Other Real Estate		1,452.25	1,452.25	
Coll'nin Transit	6,630.61	2,929.72		3,700.89
Cash Items	20,344.47	987.04		19,357.43
Cash	26,249.32	18,310.56		7,938.76
Accrued Int. not on Books		29,023.02	29,023.02	
	<u>\$1,543,453.15</u>	<u>\$1,463,240.57</u>		<u>80,212.58</u>
	LIABILITIES			
Due Banks	\$ 616,571.89	\$ 602,687.61	\$	\$ 13,884.28
Demand Deposits	380,146.55	298,552.00		81,594.55
Time Ctfs	432,090.35	425,615.56		6,474.79
Savings Depts	29,511.75	29,053.07		458.68
Certified Check	704.39	614.65		89.74
Cashiers Checks	27,402.56	25,113.68		2,288.88
Cash Overage	140.13			140.13
Int. Payable (Not on Books)		11,220.58	11,220.58	
Capital Stock	50,000.00	50,000.00		
Surplus				
Undiv. Profits	6,885.53	20,383.42	13,497.89	
	<u>\$1,543,453.15</u>	<u>\$1,463,240.57</u>		<u>\$80,212.58</u>

FRIDAY, MARCH 4, 1921

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"EXHIBIT 159"

SCANDINAVIAN AMERICAN BANK

Int. Increase	\$29,023.02	
Int. Decrease	11,220.58	
	<hr/>	
Net Int. Increase	17,802.44	
Surplus Increase	13,497.89	4,304.55
	<hr/>	
Net Loss	4,304.55	2,580.98
		<hr/>
		2,580.98
Prev. Surplus		\$6,885.53
Prev. Surplus (exclusive of Int. Computation)		2,580.98
		<hr/>
Loss for Period		4,304.55

(1111)

EXHIBIT "160"

STATEMENT OF MILL & ELEVATOR ASSOCIATION

December 31, 1920.

Based on reports of the Industrial Commission of North Dakota, filed in Office of Sec'y of State.

RESOURCES

Cash, Detail 1.	\$ 648.42	\$	\$
Mdsc. Inventories,			
Detail 2.	61,176.49		
Accounts Receivable			
Detail 3.	10,082.58		
Equity Co-op-			
Exchange	2,452.12	74,359.61	
	<hr/>		
Claims vs. Soo Line	301.93		
Prepaid Fire Ins.	1,777.61		
Plant and Equipment			
Detail 4.	950,067.88	952,147.42	

LIABILITIES

Bills Payable Bank			
of N. D.	650,000.00		
Accounts Payable	2,318.30		
Interest Payable	10,494.16		
Bank of N. D.			
Overdrafts, 5.	187,028.50	849,840.96	
	<hr/>		
Bonds Executed	120,300.00		
Bonds in Treasury	95,200.00		
	<hr/>		
Bonds Out		25,100.00	
Interin Receipts Issued			
to a/c Bonds sold		60,000.00	
State of N. Dak.,			
Term El Fd		124,322.47	
Deficit Detail 6		32,756.40	
		<hr/>	
		\$1,059,263.43	\$1,059,263.43

(1112)

JOURNAL OF THE HOUSE

DETAIL 1.

CASH BALANCE

Fargo Office		\$444.03
Drake Mill		194.39
Grand Forks Office		10.00
	Amount to statement	<u>\$648.42</u>

DETAIL 2.

MERCHANDISE INVENTORIED

DRAKE MILL

Grain			
Wheat	\$ 4,563.39		
Screenings	712.49		\$ 5,275.88
Grain Products			
Bran	1,087.50		
Cereals	54.50		
Shorts	3,562.35		
Flour	15,793.35		20,497.70
Consigned Merchandise			29,861.72
Total Grain and Grain Products			<u>\$55,635.30</u>
Mill Supplies			
Sacks	4,371.19		
Supplies	1,000.00		
Coal	170.00		5,541.49
	Amount to statement		<u>\$61,176.49</u>

DETAIL 3.

ACCOUNTS RECEIVABLE

Drake Mill no Detail		\$10,082.58
	(1114)	

DETAIL 4.

PLANT AND EQUIPMENT

Drake Mill		\$ 28,688.54
Grand Forks Mill		921,379.34
	Amount to statement	<u>\$950,067.88</u>

DETAIL 5.

BANK OF NORTH DAKOTA OVERDRAFT

Fargo Office Overdraft		\$203,190.91
Less Drake Mill Balance		16,162.50
	Net Overdraft to statement	<u>187,028.50</u>

DETAIL 6.

DEFICIT ACCOUNT

Drake Mill		\$17,668.31
Fargo Office Expense		15,088.09
	Amount to statement	<u>\$32,756.40</u>
	(1115)	

"EXHIBIT 161"

STATEMENT

HOME BUILDING ASSOCIATION OF NORTH DAKOTA

Based on Report of the Industrial Commission of North
Dakota. December 31, 1920.

RESOURCES		
Cash	\$ 5.22	\$
Accounts Receivable	4973.23	
Home Buyers Loans	18,247.65	23,226.15
Equipment	2,320.10	
Traveling Expenses		
Advance	300.00	
Special Pay Roll		
Deposit	3,147.19	
Real Estate	2,000.00	
Furniture and		
Fixtures	3,669.79	
Materials (Inventory)	90,738.59	
Houses Under		
Construction	278,152.23	380,327.90
Deferred Charges		
Detail 1.		15,000.00
LIABILITIES		
Accounts Payable	22,182.78	
Depositors Savings	2,092.47	
Pay Roll Payable	3,792.98	
Accrued Interest	1,960.20	
Overdrafts, Bank of		
N. D.	63,602.31	
Notes Payable Bank		
of N. D.	225,000.00	318,630.14
State of North Dakota		
Appropriation	100,000.00	
Less Unexpended		99,923.91
		<u>\$418,554.05</u>
		418,554.05

(1116)

DETAIL 1.

DEFERRED CHARGES FROM EXHIBIT 11

Administrative Salaries		
R. B. Blackmore	\$5,000.00	\$
W. J. Prater	2,000.00	7,000.00
Printing and Stationery		2,500.00
Auditing and System work		2,000.00
Blue Prints		1,000.00
Office Supplies		400.00
Mileage		300.00
Office Salaries		1,000.00
Rent		300.00
Traveling Expense		500.00
Amount to Statement		<u>\$15,000.00</u>

(1117)

"EXHIBIT 162"

Written on the letterhead of the
 "STATE OF NORTH DAKOTA
 Office of the State Auditor

Bismarck, February 25, 1921.

Hon. John N. Hagan, Commissioner,
 Department of Agriculture and Labor,
 Bismarck, North Dakota.

Dear Mr. Hagan:

Pursuant to your request of this date, I hereby certify that upon the approval of the majority members of the State Auditing Board, the following bills were paid by this department and charged to the Industrial Commission:

WARRANTS ISSUED TO ANDREW J. LORAM

Warrant No. 255380 to Andrew J. Loram, Services as reporter Senate Investigating Committee 17th Legislative Assembly as follows: Per Diem. 2-9 to 2-16 inclusive, 7 da. @ \$10, \$70.00. Daily Transcripts entire proceedings 2-9 to 2-16 incl. 746 Folio @ 25c..... \$185.25
 Extra stenographic help 17 hrs @ \$1.00..... 17.00

\$272.25

(1118)

Warrant No. 255404—Reporter Senate Investigation Committee 17th Legislative Assembly expense account:

McKenzie Hotel as per statement attached..... 26.50
 Livery 1.25
 Miscel meals as per statement..... 1.30
 R. R. Fare, Jamestown 3.30

\$32.25

Warrant No. 255405—Services Reporter Senate Investigating Committee, 17th Legislative Assembly:

Per diem from 2-17 to 2-22 inclusive, 6 da..... \$60.00
 Transcript of entire proceedings daily 518 folio @ 25c 128.50
 Extra stenographic help 15 hrs. @ \$1.00..... 15.00

\$203.50

Warrant No. 255406—Expense Account Reporter Senate Investigating Committee, 17th Legislative Assembly:

Hotel McKenzie as per statement\$ 30.50
 Miscel meals as per expense list 6.50
 Miscel. supplies per expense sheet 3.40
 Livery 1.50

Certified Correct.
 (Seal)

\$41.90

D. C. Poindexter,

State Auditor.

(1119)

L. A. WINTER, having been called as a witness, was duly sworn and testified as follows:

EXAMINATION BY MR. SULLIVAN:

Q. Where do you live? A. Werner, N. D.
 Q. How long have you lived at Werner? A. Six years.
 Q. What is your business? A. I am cashier of the bank at Werner.

Q. What bank? A. Merchants State Bank of Werner.

Q. And how long have you been cashier of the Merchants State Bank of Werner? A. Since 1914.

Q. You are familiar with the Creamery Company at Werner? A. Yes, I am.

Q. What is the name of the Creamery Co.? A. Werner Co-operative Creamery Company.

Q. Was that the Creamery that was in some manner, supervised, controlled or operated by the State of North Dakota? A. Yes, sir.

Q. Are you familiar with the original financing of the creamery project at the time it was taken over by the State of North Dakota? A. To some extent, yes.

Q. What bank was that financed it? A. Through the Merchants State Bank.

Q. That is the bank you are cashier of? A. Yes, sir.

(1120)

Q. What was done, Mr. Winter, in order to raise the money with which to finance that project? A. By way of working capital, you mean?

Q. Yes. A. Well, the working capital was supplied by the Bank loaning the Creamery Co. money.

Q. How much money? A. \$6,000.00.

Q. And what evidence did your bank receive for this advancement of \$6,000.00? A. The Creamery Company's note, endorsed by the directors of the company.

Q. That is the original Creamery Company? A. Yes, sir.

Q. Not the State of North Dakota, but the original Creamery Co.? A. Yes sir.

Q. What was the name of that Company? A. The Werner Creamery Co.? A. Yes sir.

Q. Was there only one, or more than one note? A. One note.

Q. And that note was endorsed by whom? A. Well, some of the directors, I couldn't positively state which one of the directors was on that.

Q. Some of the directors of the Creamery Co.? A. Yes.

Q. They endorsed that note to your bank and you gave

(1121)

them credit for \$6,000.00 on your books? A. Gave the State Experimental Creamery credit for \$6,000.00.

Q. Is that what they call it? A. The State Experimental creamery.

Q. Credit for \$6,000.00? A. Yes.

Q. Was there any other arrangement made with you as to where the \$6,000.00 was to come from that you were advancing to the State Experimental Creamery? A. Well, there was to be a redeposit made from the Bank of North Dakota.

Q. The Bank of North Dakota was to make a redeposit and leave that redeposit with you? A. Yes sir.

Q. For the full amount? A. Yes sir.

Q. For the full amount of your advancement? A. Yes sir.

Q. And the Bank of North Dakota has carried out that arrangement and left the deposit with you? A. Yes sir

Q. And you still have that deposit? A. Yes sir.

Q. For the full amount of advancement that you made? A. Yes sir.

Q. And do you remember what interest the note drew

that came to your bank from the Creamery Co.? A. Six
(1122)

per cent.

Q. And what interest did you pay the State of North Dakota on the redeposit? A. Four per cent.

Q. Who did you make those arrangements with to get this redeposit? A. Well, the arrangements was made through the Commissioner of Agriculture's office, chiefly through Mr. Osterhouse.

Q. Through the Commissioner of Agriculture's office? A. Yes sir.

Q. Mr. Osterhouse—do you know what connection he has with that office? A. He is Dairy Commissioner.

Q. You talked to him yourself, did you? A. Why, yes, I think so. It has been sometime and I forget just how the arrangement came about. But Mr. Osterhouse was sort of negotiating the affair and Mr. Hagan and Mr. Anderson came up and completed the arrangements.

Q. Who did? A. Mr. Hagan and Mr. Anderson.

Q. Mr. Hagan, Commissioner of Agriculture and Labor? A. Yes sir.

Q. And Mr. Anderson, is Mr. W. A. Anderson, who is now Assistant Attorney General? A. Yes sir, I believe so.

Q. He was at that time Secretary of the Industrial Commission? A. Yes sir.

(1123)

THOMAS HALL, having been called as a witness, was duly sworn and testified as follows:

EXAMINATION BY MR. MURPHY:

Q. Your name is Thomas Hall? A. Yes sir.

Q. You are Secretary of State of the State of North Dakota? A. Yes sir.

Q. How long have you been Secretary of State? A. Eight years.

Q. Among the duties of your office are you required to file articles of incorporation of corporations organized in the State of North Dakota? A. Yes sir.

Q. And to receive the proper fee for such filing? A. Yes sir.

Q. Do you know one William Lemke? A. Yes sir.

Q. Do you know his signature when you see it? A. Yes sir.

Q. Mr. Hall, I will ask you whether or not on the 31st day of December, 1917, you received a letter upon the letterhead of William Lemke, Attorney-at-Law, Fargo, N. D., and signed by William Lemke, addressed to you, enclosing Articles of incorporation of the Eddy County Farmers Press? A. Yes, I did.

Q. I will ask you whether or not on the 9th day of January, 1918, upon the letterhead of one William Lemke, Attorney-at-Law, Fargo, N. D., you had correspondence with reference to the Dickey County Farmers Press and its incorporation? A. Yes sir.

(1124)

Q. The letter signed by William Lemke, individually. A. Yes sir.

Q. I will ask you whether or not on February 8, 1918, on the letterhead of William Lemke, Attorney-at-Law, Fargo, N. D., you received a letter from Mr. Lemke, relative to the articles of incorporation of the Richland County Farmer?
A. Yes sir.

Q. And on April 2, 1918, on the letterhead of the National Non-Partisan League, A. C. Townely, President, National Headquarters, St. Paul, Minn., you received a letter signed by William Lemke, relative to the incorporation of the Pembina County Publishing Company? A. Yes sir.

Q. These letters were, of course, enclosing the articles of incorporation, all of them, were they not? A. Yes sir.

Q. I will ask you whether or not on the 23rd of April, 1918, you received a letter as Secretary of State, upon the letterhead of William Lemke, Attorney-at-Law, Fargo, N. D., signed by William Lemke, relative to the articles of incorporation of the Farmers Co-operative Publishing Com-
(1125)

pany? A. Yes sir.

Q. And on April 2, 1918, on the letterhead of the National Non-Partisan League, did you receive a letter from William Lemke relative to the Pembina County Publishing Company? A. Yes sir.

Q. And on July 1, 1918, did you receive a letter from William Lemke, on the letterhead of William Lemke, Attorney-at-Law, Fargo, N. D., relative to the Farmers Co-operative Publishing Company and signed by William Lemke?
A. Yes sir.

Q. These dates, I give you are the dates of the letters, I assume you received them shortly thereafter? A. Yes sir.

Q. Did you receive a letter dated May 11, 1918, from William Lemke, on the letterhead of the National Non-Partisan League relative to the incorporation of the Farmers Co-operative Publishing Company? A. Yes sir.

Q. Did you receive a letter dated July 11, 1918, relative to the incorporation of the Peoples Opinion, unsigned but with the stenographer's mark "WL-M"? A. Yes sir, our correspondence was with Mr. Lemke as to that.

Q. That is with the Peoples Opinion? A. Yes sir.

Q. Did you receive a letter dated Sept. 9, 1918, on the letterhead of the National Non-Partisan League relative to the incorporation of the Farmers Comet? A. Yes sir.

Q. On Sept. 20, 1918, did you receive a letter dated on that date, from William Lemke, on his letterhead, as Attorney-at-Law, Fargo, and signed by him, relative to the incorporation of the Benson County Peoples Press? A. Yes
(1126)

sir.

Q. And did you receive a letter dated Sept. 22, 1917, on the letterhead of William Lemke, Attorney-at-Law, Fargo, N. D., and signed by him, relative to the incorporation and charter for the Northwestern Service Bureau? A. Yes sir.

Q. And a letter dated September 22, 1917, letterhead of the National Non-Partisan League, relative to the articles of incorporation of the Kenmare Publishing Company, signed William Lemke, by E. M., and with the dictation mark "WL-M" to the left? A. Yes sir.

Q. And did you receive a letter as Secretary of State dated September 5, 1917, on the letterhead of the National Non-Partisan League signed by William Lemke, relative to

the capital stock of some concern where they claim you are quibbling—The MORION County Farmers Press? A. Yes.

Q. That is in Mandan? A. Yes sir.

Q. Did you receive a letter dated Oct. 4, 1917, on the letterhead of William Lemke, Attorney-at-Law, and signed by William Lemke, with reference to the articles of incorporation of the Mouse River Farmers Press? A. Yes sir.

Q. Did you receive a letter dated Oct. 12, 1917, from William Lemke, Fargo, N. D., with reference to the incorporation of the Consumers United Stores Company? A.

(1127)

Yes sir.

Q. And the letter reads, does it not:

"William Lemke,
Attorney-at-Law.
Fargo, N. D.

Oct. 12, 1917.

Hon. Thomas Hall,
Secretary of State.
Bismarck, N. Dak.

Dear Sir:

Enclosed please find check for \$12.00 for charter and certified copy of articles of incorporation of the Consumers United Stores Company. Also enclose original, and copy of articles.

Very truly yours,
William Lemke."

WL-EM.

A. Yes sir.

Q. Did you receive a similar letter signed by the same person, and on the letterhead of William Lemke, on Oct. 18, 1917, with reference to the filing of articles of incorporation of the Mountrail County Farmers Leader? A. Yes, sir.

Q. And a similar letter dated August 25, 1917, with reference to the Public Opinion of Bismarck? A. Yes sir.

Q. And a similar letter on the letterhead of William Lemke, dated Nov. 15, 1917, with reference to the articles of the incorporation of the Peoples Press of Hillsboro? A. Yes sir.

(1128)

Q. And that was also true with reference to the incorporation of the Cavalier County Press of Langdon, dated Nov. 28, 1917, and signed William Lemke on a blank piece of paper? A. Yes sir.

Q. And also with reference to the Eddy County Publishing Company, letter of Nov. 20, 1917, signed by William Lemke? A. Yes, sir.

Q. And also with reference to the Stutsman County Press, Jamestown, N. D., letter dated Dec. 11, 1917, on the letterhead of William Lemke, Attorney-at-Law, Fargo, N. D., and signed by William Lemke? A. Yes sir.

Q. And is that likewise true with reference to the Farmers Tribune Publishing Company of McHenry, on the letterhead of William Lemke, Attorney-at-Law, dated May 29, 1917, and signed by William Lemke. A. Yes sir.

Q. And all of these deal with the incorporation of these various corporations? A. Yes sir.

Q. And is that likewise true with reference to the Farmers Publishing Co., of the village of Bowman, County of

Bowman, on the letterhead of William Lemke, Attorney-at-Law, dated May 22, 1917, and signed by William Lemke. A. Yes sir.

Q. With reference to the incorporation of this same concern, the Farmers Publishing Co., Village of Bowman,—he comes across with more money—he didn't have enough the first time, that is correct? A. Yes sir.

(1129)

Q. That is signed by William Lemke? A. Yes.

Q. And the Sargent County Farmers Press, letter dated July 8, 1917, signed by William Lemke? A. Yes sir.

Q. With reference to the incorporation of that concern? A. Yes sir.

Q. And with reference to the McKenzie County Farmers Publishing Co., of Arnegard, N. D., dated July 14, 1917, and signed by William Lemke? A. Yes sir.

Q. With reference to the incorporation of the Williams County Farmers Press, and also the Emmons County Farmers Press, on the letterhead of William Lemke, and signed William Lemke? A. Yes sir.

Q. And with reference to the Slope Farmers Press and the Hettinger County Farmers Press, on the letterhead of William Lemke, Attorney-at-Law, dated June 30, 1917? A. Yes sir.

Q. And with reference to the Farmers Publishing Company, Rugby, on the letterhead of the National Non-Partisan League, dated June 13, 1917, and signed by William Lemke? A. Yes sir.

Q. All these letters which I have indicated to you are part of the files of your office as Secretary of State? A. Yes sir.

Q. Communications received by you officially as Secretary of State? A. Yes sir.

(1130)

Q. And refer to the original articles of incorporation of the various corporations which have been referred to here in your testimony? A. Yes sir.

Q. And all signed by William Lemke? A. Yes sir.

Q. The gentleman who is now Attorney General of the State of North Dakota? A. Yes sir.

On motion of Mr. Johnson of Ward, seconded by Mr. Nagel, adjournment taken until 9 o'clock A. M. March 1, 1921.

End of February 28, 1921.

(1131)

MARCH 1, 1921.

Meeting called to order by the Chairman, at 9:30 A. M., all members being present, except Messrs. Johnson of Steele, Hanson and Weld.

Reading of the minutes of previous meeting deferred until next meeting.

H. M. TEMPLE.

Recalled as a witness and testified as follows:

EXAMINATION BY MR. MURPHY:

Q. Mr. Temple, I will show you committee's Exhibit 116, being the report of the Industrial Commission filed with the

Secretary of State, showing the condition of the industries up to December 31st, 1920, and call your attention to Exhibit 1, referring to profits and ask you if you have analyzed that statement? A. I have.

Q. Please state the result of your analysis?

Q. This statement, exhibit 1, entitled "The Industrial Program of North Dakota for the entire period of operation is summarized as follows: "Bank of North Dakota surplus at Dec. 31, 1920, \$175,998.50. Giving consideration in regard to this surplus to the statement of the Bank of North Dakota which is contained at pages 21 and 22 of the same exhibit, it is there shown that one of the assets considered

(1132)

in Interest Earned, but not Collected, of \$269,437.98. Eliminating that as a tangible asset, and also setting up an appropriate reserve, more of which are expressed however in the statement at Exhibit 8, page 22 of Committee's Exhibit 116, for possible losses to be sustained by the bank from those banks which owe the Bank of North Dakota and which were closed at the date of this statement, I would conclude that the statement that the Bank of North Dakota's surplus of \$175,000 did not exist, that it was wiped out.

Giving consideration also to the possible contingent losses through its contractual relations, and the possible losses that might accrue in the event that they failed to pay the loan at Chicago to the Merchants Loan & Trust Company of a million dollars, carrying collateral in the sum of one million, two hundred thousand dollars—it is difficult to express what that contingent liability might be, but the loss of the bank in the event of the foreclosure of that loan and the foreclosure of the loan at the amount less than the principal of the loan or less than the value of the bonds hypothecated would incur an additional loss in the financial statement of the Bank of North Dakota, which would further

(1133)

increase its deficit; and adding to this amount the loss in the Drake Mill, shown at \$17,638.61, and the Fargo Office expense which is carried as a loss of \$15,088.09; also the expenses of the Industrial Commission expressed as \$11,814.35; and the Home Builders expense which is carried as a loss of \$15,000, the total of the four items being \$59,570.75 I would conclude that the net profit of North Dakota State industries of \$116,427.75, did not exist but that it really was a large deficit there and the amount could only be left to conjecture.

Q. Depending somewhat on future conditions. A. The realization.

Q. Realization of the present possibilities? A. Yes sir.

Q. Mr. Temple, I will ask if you made an analysis of the report of the Experimental Creamery from July 1, 1919, to January 25, 1921? A. Yes sir.

Q. I hand you copy of the report, Committee's Exhibit

(Exhibit No. 166)

166? A. The report of the Experimental Creamery from July 1, 1919 to January 25, 1921. The report shows total collections \$17,592.60. No detail as to sales of the creamery and no detail as to realization from the taxes collected, so-called. This statement also states that the total pay-

ments for the same period were \$8,819.47, and a balance
(1134)

unexpended of \$8,773.17. No inventory is expressed in connection with this Sources of collection are expressed as follows: "A tax of 50c on every 1,000 lbs. of butter fat purchased or received by persons, partnerships, associations or corporations, operating a creamery, cheese factory, ice cream factory, renovating or process butter factory or condensory within or from outside of the State, as provided in Chapter 149 (page 209) Session Laws of 1918." This is followed up by a list of warrants, paid, giving the date, to whom paid and the amount, and the amount of the warrants are summarized as total payments amounting to \$8,819.47.

I have reviewed the warrants that have been paid and tabulated them under the type of characterization of the expenditures as stated in the list with the following results as shown by the following Exhibit 165:

(Exhibit No. 165)

Summary of Report
The Experimental Creamery.
Summary of Warrants paid June 4, 1920—
Jan. 18, 1921.

Wages stated as such:

L. Heslerud, Manager, Werner.....	\$1625.00
J. H. Smith, buttermaker, Werner.....	\$ 479.78

\$2,104.78

(1135)

Jno. Dugstad, Manager, Killdeer.....	\$75 00	
F. E. Hamel, manager Dunn Center.....	\$75.00	
Constance Phelan, Stenog.....	268.50	\$4,123.28
Creamery Package & Mfg. Co.....		1,516.34
N. P. Ry., June 9, 1920.....		32.94
Berringer Auto & Supply Co., 9-23-20.....		780.00
Sundry payments		2,366.94

8,819.50

No details as to receipts from sales and taxes....\$17,592.60

Balance in fund\$ 8,773.10

REMARKS:

"A"—An unlocated difference of 3c appears in Report of Experimental Creamery.

The listing of warrants foots \$8,819.50 instead of \$8,819.47.

"B"—No inventory of property owned accompanies the report.

JOHN STEEN having been called as a witness, was duly sworn and testified as follows:

EXAMINATION BY MR. MURPHY:

Q. Your name is John Steen? A. Yes, sir.
Q. You are state treasurer of North Dakota? A. Yes sir.
Q. As such state treasurer did you have in your custody and as one of the files in your office a trust deed by the State

of North Dakota doing business as the Mill and Elevator Association to Obert A. Olson, trustee? A. Yes, sir.

(1136)

Q. Mr. Olson is your predecessor as state treasurer? A. Yes, sir.

Q. This bond has been handed to me and is now marked Committee's Exhibit 167, and it has reference to the Drake Mill at Drake? A. Yes, sir.

Q. And is in substance a mortgage on the Drake Mill to the State of North Dakota? A. As far as I know.

Q. In the form of a trust deed? A. Yes, sir.

Q. What is the amount involved? A. \$120,351.45

Q. This trust deed was given pursuant to statute authorizing the bonding of any property, was it not? A. Yes, sir.

Q. Of the Mill and Elevator Association? A. Yes, sir.

Q. By means of giving of a trust deed to the state treasurer of all the property to be bonded, and then the Industrial Commission issues bonds or does the state treasurer?

A. Well, the state treasurer is supposed to issue them.

Q. And did the state treasurer issue bonds in that amount? A. I think so as far as I know.

Q. Well, you have record in your office of bonds issued and delivered to the Industrial Commission? A. Yes sir.

Q. Do you recall the delivery of them or is there a receipt from them in your office? A. Yes sir.

(1137)

Q. Now the property in question involved in this trust deed, and upon which the bonds are issued is described in Exhibit A, the inventory? A. Yes, sir.

Q. Well, all of the property that the \$120,000 worth of bonds are issued on? A. Yes, sir.

Q. Now see if I read Exhibit A correctly, which describes the property upon which the bonds were issued: "Inventory and Appraisalment, in the matter of the appraisalment of the property of the State of North Dakota, doing business as the North Dakota Mill and Elevator Association, the following is a true statement, inventory and appraisalment of all the property of every kind, nature and description owned by the State of North Dakota, doing business as the North Dakota Mill and Elevator Association, which has come to the knowledge of the undersigned appraisers after diligent search and inquiry to ascertain all of said property. Real estate, appraised value (and giving a description of the property which we will leave out).

Land (railroad siding ordered in)...	\$ 350.00	\$ 350.00
Buildings:		
Mill	7,500.00	
Flour Warehouse & Office.....	2,927.45	
Feed Warehouse	1,150.00	
Power House	2,100.00	
Coal Sheds	455.00	
Shelter	150.00	
	<hr/>	
Total Buildings		\$14,632.45
Machinery and Equipment:		
Mill	15,000.00	
Power House	3,800.00	
Heating System	770.00	
Total Machinery.....	<hr/>	19,570.00

(1138)

Miscellaneous equipment	1,425.00	
Grand total of real property	35,627.45	
Personal property:		
Wheat on hand	17,438.25	
Flour on hand	26,792.75	
Shorts and Bran on hand.....	117.30	
Cereals on hand	625.70	
Bags	19,000.00	
Twine	300.00	
Coal	300.00	
Oils, belts and Misc.	150.00	
Total		64,724.00
Flour in storage	15,000.00	
Accounts receivable	5,000.00	
Total		20,000.00
Total of all personal property.....		84,724.00
Total of all real property.....		35,627.45
Grand total of all real and personal property		120,351.45

Q. I read that correctly do I not? A. Yes sir.

Q. So that the bonds that were issued for sale to the
(1139)

public of \$120,000, were based not only on the real estate property described, but also on some \$84,000 worth of personal property A Yes sir.

Q. Such as wheat, flour, shorts, bags, coal, flour in storage, belts, accounts receivable—they even put in \$5,000 of accounts receivable on which to base the issue of bonds? A. Yes sir.

O. E. LOFTHUS

Recalled as a witness. and testified as follows:

EXAMINATION BY MR. MURPHY.

Q. Mr. Lofthus, you are acquainted with the Farmers State Bank of Regan, in this county? A. Yes, sir.

Q. Within a very short time, the last few days, a representative of the Federal Reserve Bank was up to see you with reference to this bank? A. Yes, sir.

Q. And informed you of the fact that the bank had failed to pay and fails to meet its current items? A. He did.

Q. And he requested you to take some action with reference to the bank, didn't he? A. He did.

Q. You haven't taken any, have you? A. The items were
(1140)

all paid and settled.

Q. How long ago? A. They were settled according to the understanding between the Cashier and Mr. Geiss, who represented the Federal Reserve Bank.

Q. On January 6th there were items of \$4,684.20 on the 22nd. \$2,120.81 on the 24th, \$212.09 on the 29th. of \$607.91, making a total of several thousand dollars that they didn't take care of. A. The complaint was some \$4,600.00.

Q. Was there an action started? A. No complaint. It was simply an oral complaint.

Q. You mean the Federal Reserve men made an oral complaint to you? A. Yes, sir.

Q. What did you say to him? A. I asked him where—he also informed me the cashier was in town and soon the cashier called up and I invited him to come up there and they talked it over and arranged for all except \$2,000 that day and they arranged there to take up the balance by Saturday morning. I think it was.

Q. Well, you know that bank is insolvent, don't you? A. I don't know it.

Q. Isn't it insolvent? A. No, sir.

Q. What do you mean when you say a bank is or is not insolvent?

A. I mean that its capital is not impaired by bad paper to the extent that any depositors would lose in the event of a closing of the bank.

Q. That is what you mean is it? A. That is one meaning, (1141)

yes.

Q. Now this is supposed to be what is known as a commercial bank? A. Yes, ordinarily speaking.

Q. Ordinary commercial bank? A. Yes, sir.

Q. And receives deposits of peoples' money? A. Yes, sir.

Q. It is supposed to cash checks that are issued upon such deposits? A. Yes, sir.

Q. Now if that bank repeatedly failed to meet its current obligations you would say it was not insolvent despite that? A. I have examiners tied up.

A. I was informed that they had no outstanding cash letters and that they were in a position to take care of anything that came in.

Q. Who informed you of that? A. Mr. Vold, the cashier.

Q. Did you make investigation yourself to determine whether this information was correct or not? A. I did not.

Q. Are you in the habit of taking the word of a cashier in a bank which had failed to meet its cash letters that he could do so in the future without investigation?

A. As long as I have no further complaints I didn't think it necessary to investigate.

Q. You just let them run as long as there are no further complaints? Is that the idea? A. Well, it is a physical im- (1142)

possibility for me to have my men go to all those banks immediately. I have examiners tied up.

Q. Well, now, this is a report as of September 15, 1920, of the Farmers State Bank of Regan (Showing witness Examiners Report). A. Yes, sir.

Q. How much did they have due from reserve agents? A. \$532.51.

Q. And they had \$47.66 deposited in the Capital Security Bank of Bismarck? A. Yes, sir.

Q. And they had \$291.34 deposited in the Security National Bank of Fargo? A. Yes, sir.

Q. And they had \$141.29 in the Bank of North Dakota? A. Yes, sir.

Q. And \$52.28 in the Northwestern National of Minneapolis? A. Yes, sir.

Q. Making a total of \$532.51? A. Yes, sir.

Q. And all they had in the cash line was currency \$432? A. Yes, sir.

Q. Silver \$37.50? A. Yes, sir.

Q. Nickles and so forth? \$10.75? A. Yes, sir.

Q. Making a total cash actually on hand \$480.25? A. Yes, sir.

Q. In addition to that they had what they call cash items the nature of which are not explained. A. Yes, sir.

Q. And that is all the money that they had, wasn't it? A. Yes sir.

(1143)

Q. And to offset that they had \$76,000 that they owed in the form of deposits subject to check, time certificates, certified checks and cashier's checks \$76,426.28? A. Yes, sir.

Q. And in addition to that bills payable of \$28,500? A. Yes, sir.

Q. And yet you say that bank is not insolvent? A. Yes, sir.

Q. How about its reserve—did it have its reserve? A. It didn't have its reserve.

Q. How far was it, do you suppose below its reserve? A. The reserve was very small.

Q. Well, the reserve was a minus quantity—you can tell that by glancing at the statement, can't you? Don't you think it is, just glancing at it? A. No there is a small reserve.

Q. That is away below the legal requirements? A. Yes, sir.

Q. You notice also a statement, under overdrafts, your examiner says: "They are very large and freely granted Checks carried in cash items is practice to cover up overdrafts." You notice that? A. Yes, sir.

Q. And when you saw that statement there, "Checks carried as cash items to cover overdrafts" wouldn't it occur to you to be somewhat suspicious of this No. 8 over here—cash items? A. Those cash items are not figured in the re-

(1144)

serve.

Q. I know they are not. The law doesn't permit it? A. No.

Q. But if they were in fact overdrafts then you would set them over on the other side of the Ledger? A. Yes sir.

Q. And that would make them \$2,049.42 worse off? A. Providing these are irregular.

Q. Well, this statement shows they are carrying among their reserves as cash items \$2,049.42, and your examiner says that their overdrafts are very large; they are freely granted; checks carried as cash items is practice to cover up overdrafts. A. Yes, sir.

Q. Now that would raise your suspicions as to these cash items? A. Yes, sir.

Q. So it is fair to say that all the money the bank had in the world to pay this \$76,426.26 and \$28,500 of bills payable was less than a thousand dollars both in reserve agents and cash on hand? That is true, isn't it? A. It is a little over a thousand.

Q. Well, just a trifle over? A. Yes.

Q. That is all they had to meet something over a \$100,000 worth of obligations? A. Yes, sir.

Q. And yet you would say that that bank is not insolvent?

1145)

A. Yes, sir, they have bill receivable to offset.

Q. Can you pay checks will bills receivable? A. No.

Q. Supposing \$55,000 worth of demand deposits were called at once. Could they be taken care of with bills receivable? A. No, sir.

Q. If the bank refused to take care of them what would your duty be? A. To close the bank.

Q. Why haven't you done it? A. Well, I haven't been strict with any banks.

Q. Well, then I understand it is a custom that has arisen in this state by reason of circumstances whereby you take it upon yourself to suspend the law and refuse to suspend the banks? Is that the idea? A. I haven't enforced that law up to this time and none of the neighboring states have either.

Q. Which neighboring states hasn't? A. Minnesota, South Dakota and Montana.

Q. Is that so? Are you quite sure of that? A. I have been informed.

Q. That Minnesota hasn't enforced its banking law? A. Hasn't enforced the reserve part of it.

Q. Well, let's waive the reserve part of it. We don't care anything about that, but if you found a bank with a \$100,000 worth of obligations and only \$1,000 in cash money in reserve

(1146)

agents or on hand to take care of it, wouldn't you say it was a fairly "sick" bank, to use an expression that a certain high tribunal in this state recently used. You would call it a "sick" bank, wouldn't you? A. They have resources that they can reckon part of their reserves in the near future.

Q. Well, you are referring now to loans and discounts, I assume? A. Yes, and their deposits.

Q. Well, that is a liability, isn't it? A. Yes, but in case money is deposited it becomes also available cash.

Q. The money deposited also becomes available cash? A. As reserve.

Q. Well, we are not talking about reserve. What I am trying to do is to get something through a plain ordinary man's head and not a banker's. Here is a concern that owes a \$100,000, and back of it that is apparently subject to demand only a \$1,000 in real money. Wouldn't you say that that bank was in rather "sick" condition? A. It was in need of reserve.

Q. That is the worst you would say about it. Why—you told this fellow from the Federal Reserve Bank that this crowd up here a Regan was a pretty good bunch of fellows and he ought to let them alone? A. No, sir.

Q. What did you say? A. I asked what he would do in

(1147)

case he was state examiner.

Q. And he told you he would close it right away? A. He didn't. He said, "It is a difficult question."

Q. Now this is what he said: "You know what the law is and that you know what your duty is and you don't need to ask me for advice." That is the substance of what he told you. Don't you recall it? A. No, sir.

Q. Well, then what did he say? A. As I recall it the only thing he said was that it was a difficult thing to say.

Q. Were you looking to him for advice as to what you should do? A. I wanted his opinion. Not that I necessarily would follow it.

Q. So you didn't get it? A. No.

Q. And so you let the bank stay open? A. Yes sir.

Q. Now you knew, did you not, that this particular bank on the 3rd of December had \$12,306.07 of money in redeposits from the Bank of North Dakota? A. Whatever the report shows. I think the report shows the amount.

Q. The examiners report? A. I think so.

Q. Well, did you go over to the Bank of North Dakota in which you are interested, like all the rest of us, and find out how much money they had stuck in that bank? A. No, sir.

Q. It never occurred to you as state examiner, that you
(1148)

ought to kind of watch over the Bank of North Dakota and advise them as to the condition of these state banks that they were depositing their money in? A. No, sir.

Q. Never did that? A. No sir.

Q. And in addition to the redeposits to which I called your attention did you know that this Farmers State Bank of Regan owned the Bank of North Dakota upon a loan, \$17,000—were you aware of that, Mr. Lofthus? A. No, sir.

Q. Never investigated that? A. No, sir.

Q. Well, in addition to that did you know that the Bank of North Dakota had drawn a draft on them for \$7,000 and that it was dishonored? A. No, sir.

Q. You didn't know that? A. No, sir.

Q. Now in addition to that did you know that this bank had collections from the Bank of North Dakota that they didn't take care of, amounting to \$3,385.22? A. No, sir.

Q. Well, I want to show you the total liability of that bank which your report shows had a \$1,000 to take care of \$100,000 worth of liabilities. Well, they had \$15.72 on deposit there, so I think we better give them credit for that, and that leaves \$39,675.57. That is interesting information to you, isn't it, Mr. Lofthus?

(1149)

Mr. Sullivan: It is information, but not interesting.

A. I had no complaint other than the one from the Federal Reserve.

Q. That is the only answer you have to make, is that if no one came down and kicked it was all right to let them go along until you heard a kick. Is that the way you operate?

A. In some cases, yes, sir.

Q. Now this bank has been "kiting" checks with the Fort Ransom Bank. Didn't you know that? A. That was the accusation made by the Federal Reserve man.

Q. He told you that the Fort Ransom Bank and this bank had been "kiting" checks? A. Yes, sir.

Q. You don't believe a Federal Reserve officer would make that accusations unless there was some foundations for it? A. No. There was some foundation. I had them both in the office and talked it over.

Q. Well, that is a rather reprehensible practice for individuals, but much more so for a bank, is it not? A. Yes, sir.

Q. What do you mean by "kiting" checks? A. Well, I really don't know how to explain it any other way than if a bank was to try and keep a little—keep funds by drawing checks against—draw against one and pay it by drawing
(1150)

against some other bank.

Q. Just a kind of endless chain moving around? A. Yes, sir.

Q. Well they were passing their checks back and forth?
A. Yes they were.

Q. The Fort Ransom Bank would draw a check and get credit for it up here and they would draw a check and get credit for it with the Fort Ransom Bank and then check against this false credit? A. Yes.

Q. How long were they doing that? A. I don't know that it was done but once, and I didn't get that clearly. I knew it was irregular, that is a fact.

Q. Well, you got the boys up on the carpet about that, didn't you? A. Yes, I don't believe they will do that any more.

Q. The chances are they have run out of checks by this time. Well, don't you know that right down in the Register of Deeds office in this building right now there are checks drawn on the Farmers State Bank of Regan that they have refused to pay? A. I don't.

Q. Well, I invite you to go down and investigate.

Mr. Murphy: We offer in evidence Exhibits 1, 3, 18, 20, 21, 22, 32, 34, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, and 69.

(1151)

F. W. CATHRO recalled as a witness and testified as follows:

EXAMINATION BY MR. MURPHY: Q. Mr. Cathro, I asked you to produce the balance sheet of the Bank of North Dakota of a late date in February, and you have brought us one for the close of business, February 21, 1921. A. Yes, sir.

Q. That is Committee's Exhibit 168? A. It is.

Mr. Murphy: We offer Committee's Exhibit 168 in evidence.

Q. Have you got the name of that lawyer that got the fee in the bond case? A. I have not.

Q. Have you the slip that you produced here showing that there was a lawyers fee charged? A. There was not.

Q. Sure there wasn't? A. I have no recollection of having produced it.

Q. Do you recall that you testified here on the 14th of February, 1921, as a witness before this committee? A. I think I did.

Q. And we were inquiring into the Attorneys fees in the Dunn County case, and you said there was no charge made there for attorney fees. Do you recall that? A. That is my recollection.

Q. And then the question was: "Q. Well, how about Stark
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County, was there a charge made in that? A. I believe there was." A. Yes, sir.

Q. Who was the Lawyer? A. I don't know." A. Yes.

"Q. Can you find out for us? A. I presume I can.

"Q. The contract, I assume, with Stark County had a similar provision in it that the lawyer must be someone acceptable to the Bank of North Dakota? A. Yes." And now you say your testimony is wrong in that respect, that there wasn't any lawyer's fee charged? A. I didn't say there was. I said I thought there was.

Q. Your recollection is better now than it was then? A. Yes.

Q. How does it come that it has been refreshed. A. I

have a letter—a copy of a letter dated May 20th, in which the closing paragraph reads—well, the whole letter reads:

“County Treasurer,
Dickinson, N. Dak.

Dear Sir:

We are this date placing to your credit \$96,428.64, being proceeds of \$100,000 bond issue which we negotiated for you. There was \$766.66 accrued interest on these bonds up to the time buyers of same paid us for them, making a total of
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\$100,766.66. The commission as agreed to, Bank of North Dakota, brokerage 4.16% or \$4,160. We have deducted \$148 for printing of the bonds and \$30.02 for advertising which we have paid to the Commissioner of Agriculture and Labor. We were able to save the county the cost of attorneys opinion which we believe would have amounted to 1-10%

Yours very truly,

Director of Credits.”

Q. Now when you transferred these bonds to this Sidney Spitzer Company of Toledo, you sold them to that concern for enough less than par to make up for the usual brokerage fee that had been charged? A. Yes.

Q. That is the way you handled that operation? A. Yes, sir.

Q. So the bank you say didn't profit on that transaction at all? A. There was no profit on that transaction to amount to anything.

Q. What did it amount to? A. The adjustment of interest, charging the amount that the bonds bore, and crediting the amount that we charged on redeposits made in that particular county, a net gain of \$160, and in the case of Dunn County a loss of \$109.21. So the whole transaction washed out with a \$52 benefit to the bank, but that came through the ad-
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justment of interest and not through commission or other profit.

Q. When you were up here the other day you produced slips on which entries were made showing the debits. If you will recall a statement of that transaction? A. The ledger sheet of the bank?

Q. Yes. And also debit slips. You had some debit slips showing the debit entries. And it showed an attorney's fee on there. What became of them? A. I don't recall an attorney's fee ever having been shown.

Q. Did Mr. Lemke get an attorney fee on these? A. He did not.

Q. Was he the attorney for the bank at that time? A. He was not.

Q. Who was? A. Mr. Anderson.

Q. Did Mr. Anderson get an attorney fee? A. No sir.

Q. Do you know Mr. James Manahan of St. Paul? A. I have met him.

Q. Did Mr. Manahan get an attorney fee out of this transaction? A. Not from the Bank of North Dakota.

Q. Did he get it through anyone else? A. Not that I know of. The only way to discover that would be to find out whether the county auditor of Stark County ever issued warrant for attorney's fees.

Q. Have you ever heard that he did? A. I have not.

Q. Never heard anything of that kind? A. No.

Q. Who passed on the legality of the bonds, do you know? A. I don't know.

Q. Well, some lawyer gave an opinion on the proposition, didn't they? A. I presume Sidney, Spitzer & Company satisfied themselves some way as to the validity of the bonds.

Q. Well, didn't the Bank of North Dakota satisfy itself as to the validity of the bonds before the bank took them? A. I have no record of any such attorneys opinion being filed in the case. We were satisfied with the validity of the bonds.

Q. You have no record of an attorney's opinion of any kind filed in transactions involving \$2,000,000. A. I have no record of it.

Q. What money did you use to pay out this \$200,000 for these bonds, public money on deposit with you? A. Well, as I explained before, anything that is paid out of the bank comes through the accumulated funds of the bank. Funds lost their identity when they pass over the counter.

Q. Well, what you did was to give these counties credit upon the books of the bank for the amounts that were due them, did you not? A. After the bonds were paid for, yes.

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Q. And before they were transferred to Sidney, Spitzer Company the Bank of North Dakota had obligated itself to Dunn and Stark counties in the amount of these credits. That is correct, isn't it? A. No.

Q. Why isn't it? A. Because we deposited money in banks in those two counties so that those banks could finance and handle the seed and feed warrants and take care of them until the bonds were sold. They financed those seed and feed warrants on their own money, but they held up a deposit from the Bank of North Dakota to build up their reserves while doing so and the Bank of North Dakota did not assume any responsibility in the matter.

Q. You made a redeposit in the banks out in Dickinson and Dunn County to let them finance this matter with and gave them credit on the books down here at the same time, did you? A. Gave them credit.

Q. Or charged them up with the redeposits? A. Yes, sir. It was right up to the time when they needed money if they were going to buy seed and feed.

Q. Then you went around searching for a purchaser for the bonds? A. We knew Sidney, Spitzer Co., would buy them

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in all probability because they intended to buy them and had a man out here on the day they were offered for sale, and as I testified before on account of the wires being down they were unable to get in communication with their respective houses, but the option they wanted on the bonds justified us in the conclusion that they would immediately take up the bonds.

Q. Now as a matter of fact it was your action, the action of the Bank of North Dakota, that prevented these two counties from getting any bidders on the bonds at all? A. Absolutely not.

Q. Didn't you advise those county commissioners that the Bank of North Dakota would take care of them so no bidders were present at all? A. We did not. In fact, as I recall it

now, those negotiations were entered into after the bids had been opened or considered or asked for by the Commissioner of Agriculture and Labor.

Q. Was the Bank of North Dakota acting as agent for Sidney, Spitzer Company in this transaction? A. No, sir.

Q. You were acting independently without any reference to Sidney, Spitzer Company? A. Absolutely, but we assumed from the position they took in regard to bidding that they wanted the bonds and would take them off our hands.

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Q. All the money the bank made out of the transaction was the sum of \$50? A. Nothing else.

Q. And if you take into account the labor you probably had a loss on the transaction? A. Absolutely.

Q. You haven't bought any bonds since, have you? A. Yes.

Q. Where? A. We handled the Rolette county seed and feed bonds under similar arrangement, but the price was a little difference because on account of the population of the county the bond bidders were not willing to offer as high a price for these bonds.

Q. The same concern? A. Yes, sir.

Q. Sidney, Spitzer Company? A. Yes, sir.

Mr. Murphy: Gentlemen of the Committee, on account of the shortness of the time between now and the adjournment of the session of the legislature, requiring the entire time of this committee and counsel in the preparation and compilation of the report, Mr. Sullivan and myself have conferred on the matter, and, although we have in our possession a great deal of evidence upon both the Mill and Elevator Association and the Home Building Association, which is quite as conclusive and startling if I may so state, as that offered on the Bank of North Dakota, we have concluded that as we couldn't hardly touch it, that we will not offer any more evi-

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dence on these two subjects, and we will ask this committee to adjourn at this time subject to call. There may be some more clearing up that we may want to put in later, but we will ask that you adjourn subject to the call of the Chairman.

On motion of Mr. Shipley, seconded by Mr. Nagel, committee adjourned to meet on the call of the Chairman.

End of March 1st, 1921.

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EXHIBIT 168 CCW

Balance sheet of the Bank of North Dakota.

At close of business Feb. 26, 1921.

RESOURCES

Ten year 5% bonds.....\$	50.00	\$	96,500.00
Ten year 5% bonds.....	100.00		385,400.00
Ten year 5% bonds	500.00		474,000.00
Fifteen year 5% bonds	1,000.00		992,000.00
Bonds			14,645.80
Coupon Account			1,108.75
Liberty Bonds			2,000.00

Sinking funds, WSS & L L Bonds..	8,150.00
Sinking funds, Crfts. of Dep.....	38,941.19
Redeposit of Public Funds.....	4,225,696.54
Correspondent banks	490,635.84
Bills receivable rediscounts.....	2,455,605.75
Public Transfers	1,185,000.00
Farm Loans	2,721,212.92
Farm Loan Special Deposits	160,600.00
Furniture and Fixtures	52,054.95
Cash Items	7,164.76
Cash on hand	76,246.83
Items out for collection	277,817.36
Special Collections	282,347.05
Int. earned, not collected.....	263,966.35
Less Int. Col. not earned.....	1,228.65
Loss Int. acc'd not paid.....	119,492.98
Less Exp. Acc'd not paid.....	6,822.52
Net earned interest uncollected..	138,879.50

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\$14,087,007.21

LIABILITIES

Capital	\$2,000,000.00
Surplus	40,000.00
Reserve to repay legislative appro- priation	24,108.87
Reserve for depreciation on Fur & fixtures	10,563.02
Exchange	1,164.37
Farm Loan Interest.....	36,634.23
Int. on bonds, bank series.....	97,545.93
Int. & Dis. on Redis. & loans.....	134,366.50
Int. received except on redis.....	568,758.54
Int. earned but not collected.....	83,506.11
Premium on bonds bank series....	135.00
Adjustment account	83.48
Exchange	
Less int. paid	581,843.07
Dis. on bonds, Bk. Series.....	120.53
Expense paid	209,717.36
Net profit	130,346.24
Individual account	24,141.29
Certificates of Deposit	205,851.37
Cashier's checks	10,385.15
Appraisal fees (on hand)	5,263.73
Due to Depositary Banks A*K....	232,079.61
Due to Depositary Banks L*Z....	317,973.69
Sinking funds due treasurers	38,941.19
Sinking funds, WSS & L.L. bonds due treas.	8,150.00
Sinking Funds	3,507,628.29
General Funds due Co. Treas....	2,211,669.29
General Funds due City Treas....	137,484.26
General Funds due Township Treas	531,334.55
General Funds due School Treas..	616,012.96
General Funds due State Treas....	2,887,044.00
Gen. Funds due State Institutions	95,335.01
Suspense account	52,694.69
Certified checks.....	
Bills Payable	1,000,000.00
(1162)	14,087,007.21

COMMITTEE'S EXHIBIT 34 CCW.
CONSUMERS UNITED STORES CO., FARGO, N. D.

Incorporators.

Norbert O'Leary Fargo
Chas. H. Heck Wilton
H. L. Elliott Minot

Officers—1920

Pres. L. L. Griffith Fargo
Sec. W. G. Johnson Fargo
Treas. W. G. Johnson Fargo
Gen. Manager, W. G. Johnson

THE LEAGUE EXCHANGE, FARGO, NORTH DAKOTA.

Incorporators.

F. B. Wood Fargo
C. O. Swenson Northwood
P. A. Suhumski Lisbon
Wm. Olson Valley City
Wm. Maxwell Conway
Geo. White Kramer
C. A. Swanson Driscoll
A. C. Townley Fargo
S. S. Semingson Crosby

Officers—1920

Pres. F. B. Wood Deering
Sec. C. O. Swenson Northwood
Treas. Thos. N. Keys Minneapolis
Gen. Mgr. F. B. Wood Deering

NORTHWESTERN SERVICE BUREAU, FARGO, N. DAK.

Incorporators

C. F. Dupuis Temple
J. B. Hagelbarger Beulah
N. E. Whipple Eckelson

Officers—1920

Pres. F. B. Wood Deering
Sec-Treas. A. B. Gilbert Minneapolis
Gen. Mgr. John Thompson Minneapolis

PUBLISHERS' NATIONAL SERVICE BUREAU, FARGO, N. D.

Incorporators.

Harry Dence Belfield
H. B. Dunbar Turtle Lake
Sam S. Haislet Fargo

Officers—1920

Pres. H. B. Dunbar Turtle Lake
Sec. Sam. S. Haislet Fargo

COMMITTEE'S EXHIBIT 1.

To the Managers, Officials and Employees of the Bank of North Dakota, the Home Building Association of North Dakota, the North Dakota Mill and Elevator Association and to the Secretary and Employees of the Industrial Commission of North Dakota:

Please take notice that: WHEREAS, a certain committee selected by the Speaker of the House of Representatives of the Seventeenth Legislative Assembly of the State of North Dakota, under and by virtue of a certain resolution passed by

said House, has adopted rules of procedure for said Committee in conducting a purported investigation of the North Dakota state industries, which said rules of procedure do not permit witnesses summoned by that so-called Investigating Committee to be represented by counsel while testifying or to take with them stenographers to get a record of such testimony; and

WHEREAS, the majority of said investigating committee has refused to permit the minority of said committee to be represented by counsel or to have a voice in selecting the stenographers to take such record; and

WHEREAS, it is the opinion of the Governor, the Attorney General and the Commissioner of Agriculture and Labor of the State of North Dakota constituting the Industrial Commission of North Dakota and representing the Executive Department of the State of North Dakota that the actions hereinbefore set forth and the regulations adopted by said committee were taken and adopted for the purpose of preventing a full and honest investigation of the North Dakota state industries and are in the nature of a third degree or star chamber proceeding unheard of in the annals of the courts or legislative investigations of the United States or in the orderly process of civilized governments: and

WHEREAS, the said so-called investigating committee has issued documents termed "subpoenas" and had the same served upon some of the employees of the said state industries by a person purporting to be an officer of said committee, which said "subpoenas" demand that such employees deliver to said so called investigating committee the records, documents, files, books and accounts of said industries; and

WHEREAS, a compliance with the demands to produce the books and records of the state industries, as shown in said "subpoenas," would absolutely stop the operation of said industries and destroy them; and

WHEREAS, it is the opinion of the Governor, the Attorney General and the Commissioner of Agriculture and Labor, as

members of the Executive Department of the State and as members of the Industrial Commission of North Dakota, that such "subpoenas" and orders to produce, and such proceedings are taken, not with a view to securing evidence or inspection of such books, records and documents, but for the purpose of stopping the operation of said industries and of destroying them and that such action was taken for no fair and honest purpose and is in violation of the Constitution and Laws of the State of North Dakota and is an attempt to usurp the prerogatives of the Executive Department of the State. Be It Therefore,

RESOLVED, that you and each of you who have in your possession or under your control or in your use any books, records, documents, files, papers, instruments, or property of any kind or description belonging to the industries under the control and management of the Industrial Commission of the State of North Dakota are hereby ordered by the Governor, the Attorney General, and the Commissioner of Agriculture and Labor of the State of North Dakota, as members of the Executive Department of the State of North Dakota and as members of the Industrial Commission of North Dakota, to refrain from taking from said institutions and industries any

of such said items or property and to refrain from delivering
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the same to the so called investigating committee of the House of Representatives of the Seventeenth Legislative Assembly or to any of their employees, agents, attorneys, or servants except upon an order of this Industrial Commission. You are further ordered to permit any persons duly authorized by a resolution duly passed in either house of the Seventeenth Legislative Assembly, or persons duly delegated by said resolutions carrying proper credentials showing such authorization, to examine and inspect any of the above mentioned items or property which are in your possession, under your control or in your use at any time during business hours on business days, provided, however, such inspection shall only be permitted when the managing officer of the particular industry in which you are employed is present in person during such inspection or has authorized or delegated some other person to act in his behalf in that respect, and you are further ordered not to permit any person so inspecting any of such items or property to change, alter or remove any of the same; provided further that you are ordered and directed to do everything in your power consistent with this order to assist and cooperate with such person in securing for them such information as they may be seeking by such examination and inspection, so that it will be possible for such committee or
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committees to obtain all of the real facts concerning the said industries if they so desire.

Done this 1st day of February, A. D. 1921, at Bismarck, North Dakota.

LYNN J. FRAZIER,
as Governor.

WM. LEMKE,
as Attorney General,

J. N. HAGAN,
As Commissioner of Agriculture and Labor.

AND AS THE INDUSTRIAL COMMISSION OF NORTH DAKOTA.

Committee's Exhibit 169, Bishop, Brissman Company report on audit of Workmen's Compensation Bureau, and Committee's Exhibit 170, report on audit of State Creamery, Werner, North Dakota, offered in evidence.

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State of North Dakota }
 County of Burleigh } ss.

C. C. Wattam, being first duly sworn, deposes and says that he is the duly appointed, qualified and acting official reporter for the House Audit Committee of the House of Representatives of the Seventeenth Legislative Assembly of the State of North Dakota; that the attached transcript being pages 1 to 1169 inclusive, is a true and complete copy of my shorthand minutes made at the hearing before said Committee, and is a full, true, correct and complete record of the testimony and other proceedings which it purports to contain.

C. C. WATTAM

Subscribed and sworn to before me this 4th day of March, A. D. 1921.

G. F. DULLAM

Notary Public, Burleigh
 County, North Dakota.

My commission expires May 13, 1921.

(SEAL)

The Speaker appointed Mr. Sagen as a committee of one to notify the Governor and the Senate that the House had concluded its labors and were about to adjourn sine die.

Mr. Sagen reported that he had so notified the Senate and Governor.

The House was duly notified that the Senate had concluded its labors and were about to adjourn sine die.

Mr. Sagen moved that the House do now adjourn, which motion prevailed and the House adjourned sine die.

C. L. DAWSON,
 Chief Clerk.

CORRECTIONS TO THE PERMANENT JOURNAL OF THE
HOUSE OF REPRESENTATIVES

Line "1" page "5" change the figures from "57" to "59" and figures "56" to "54."

Strike out word "carried" in fourth line on page 9, and insert in lieu thereof "which motion prevailed."

Transfer "Message From the Senate" on page 57 to page 56, above First and Second Reading of Senate Bills.

In line "10" on page 111, after the word "Pass," strike out the period and insert the following, "as amended by the Standing Committee.

Also on same page in line "19," after the word "Pass," strike out the period and add thereto "and recommend the same do pass as amended by the Standing Committee and in Committee of the Whole."

After line "6" on page 170, insert the following: "Mr. Freeman moved that the report be adopted, which motion prevailed and the report was adopted."

On page 401, under "Consideration of Messages From the Senate" change the number of House Bill "27" to House Bill "37."

In line "22" on page 577, strike out everything after line 18, down to line 7 from the bottom of page and insert in lieu thereof the following:

And recommend that the same be amended as follows:

Strike out all after the word "Section" in first line of title to figure "4" in fifth line of title.

Strike out everything beginning with Section 1 to Section 4. Change Section 4 to read Section 1.

And when so amended recommend the same do pass.

Also:

House Bill No. 192: A Bill for an Act to Amend and Re-enact Chapter 97 of the Session Laws of 1917, as Amended by Chapter 99 of the Session Laws of 1919, and by Chapter 29 of the Special Session Laws of 1919, Relating to Cooperative Associations and to Repeal Chapter 13 of the Civil Code of the Compiled Laws of 1913, Chapter 92 of the Session Laws of 1915, and Chapters 95 and 96 of the Session Laws of 1917.

And recommend that the same be amended as follows:

In line 3, Section 3, page 2 of the printed bill, strike out the word "triplicate" and insert in lieu thereof the word "duplicate."

In line 6, Section 3, page 2 of the printed bill, after the word "association" insert the words "the other." In the

same line before the last word "copy," strike out the word "one."

On page 593, cut out lines 10, 11, 12 and 13.

On Page 461 insert the following:

GENERAL ORDERS

Mr. Kelly moved that the house resolve itself into a committee of the whole for the consideration of general orders; which motion prevailed, and the house resolved itself into a committee of the whole.

The Speaker called Mr. Kelly to the chair.

When the committee arose it submitted the following report:

Mr. Speaker: The committee of the whole have had under consideration:

House Bill No. 36: A Bill for an Act to Provide for the Standardization of the One-Room Rural Schools, the Graded Schools and the High Schools of the State.
and recommend the further consideration of this bill be indefinitely postponed.

Also—

House Bill No. 16: A Bill for an Act Relative to Scaffoldings and Providing Safety Appliances in Construction Work.

And recommend that the same be amended as follows:

Strike out all of Section 2. Change Section 3 to Section 2. Change Section 4 to Section 3.

And when so amended recommend the same do pass.

Also—

House Bill No. 172: A Bill for a Concurrent Resolution to Amend and Re-enact Section 173 of the Constitution of the State of North Dakota, Relating to County Officers.

And recommend that the same be amended as follows:

Line 4, Section 173, strike out the word "treasurer."

And when so amended recommend the same do pass.

Also—

House Bill No. 41: A Bill for an Act Providing for the Preservation and Control of the Artesian Waters of the State.

And recommend the same be referred to the committee on appropriations.

M. W. KELLY,
Chairman.

Mr. Watt moved that the report of the committee be adopted with the exception of House Bill No. 36, which motion prevailed, and the report was adopted.

Mr. Watt moved that House Bill No. 36 be referred to the committee on education, which motion was lost.

Mr. Miller moved that further consideration of House Bill No. 36 be indefinitely postponed.

Mr. Watt moved as an amendment that House Bill No. 36 be referred to the committee on state affairs, which motion was lost.

The question being on the motion of Mr. Miller to indefinitely postpone House Bill No. 36, which motion prevailed, and further consideration of the bill was indefinitely postponed.

The courtesies of the floor were extended to Geo. M. Robinson, C. A. Fuglie, Robt. Patron, C. J. Onsrud, Robt. Laing.

Mr. Kitchen moved that the House do now recess until 1 o'clock p. m. February 17, 1921, which motion prevailed, and the House so recessed.

C. L. DAWSON,
Chief Clerk.

C. L. DAWSON,
E. M. CRARY.

INDEX

HOUSE BILLS

House Bill No. 1.—(Miller and Renauld)

An Act to Amend and Re-enact Section 1 of Chapter 206 of the Session Laws of 1919, as Amended by Chapter 55 of the Special Session Laws of 1919, Relating to the Levying of a Tax of Three-Fourths of One Mill Upon Each Dollar of Assessed Valuation of all Taxable property Within the State for Each Year for the Purpose of Creating a Fund to be Known as the "Returned Soldiers' Fund," and increasing Such Levy to One Mill.

Introduction, first and second reading, 32.

Reference, Com. on State Affairs, 32.

Indefinitely postponed, 166.

House Bill No. 2.—(Maddock)

An Act Appropriating Twelve Thousand (\$12,000) Dollars to Cover a Deficit and for the Immediate Use of the Office of the Attorney General.

Introduced, first and second reading, 32.

Referred, Com. on Appropriations, 32.

Indefinitely postponed, 241.

House Bill No. 3.—(Alfson)

An Act Restricting the Form and Liability Upon Obligations in Writing given in Payment of any Speculative Security.

Introduction, first and second reading, 33.

Reference, Judiciary Com. 33.

Reported back, 132.

Indefinitely postponed, 249.

Amended, 169.

Third reading, passed, 183.

House Bill No. 4.—(Starke)

An Act Making it a felony for a Male Person over the Age of Sixteen Years to Take Indecent Liberties with a Child under the Age of Fourteen Years, and Providing a Penalty Therefor.

Introduced, first and second reading, 34.

Reference, 34.

Reported back, 131.

Indefinitely postponed, 371.

Amended, 169.

Third reading, passed, 182.

House Bill No. 5.—(Miller and Halcrow)

An Act to Prohibit Intoxicating Liquors and Beverages with Exceptions for Nonbeverage and Sacramental Purposes and Provide for its Enforcement and the Repeal of Laws in Conflict Therewith.

Introduction, first and second reading, 34.
 Reference, 34.
 Reported back, 76, 77, 78, 79, 331.
 Amended, 111, 291.
 Third reading, passed, 127-384.
 Received from the Senate, 291.
 Amendments concurred in, 343.
 Other action, 293, 484.

House Bill No. 6—(Bauer)

An Act to Amend and Re-enact Section 7949 of the Compiled Laws of North Dakota, 1913, Relating to Continuances of Cases.
 Introduction, first and second reading, 38.
 Reference, 38.
 Reported back, 237.
 Amended, 358.
 Third reading, passed, 431.
 Received from the Senate, 707.
 Other action, 758.

House Bill No. 7.—(Bauer)

An Act Providing for the Appointment of County Brand Inspectors; Defining the Duties of Railways in the Shipment of Certain Stock; Penalty.
 Introduction, first and second reading, 38.
 Reference, 38.
 Reported back, 82.
 Indefinitely postponed, 708.
 Amended, 111, 228.
 Third reading, passed, 247, 837.
 Other action, 825, 849.

House Bill No. 8.—(Lakie)

An Act entitled An Act to Amend Chapter 7739 of the Compiled Laws of North Dakota for the Year 1913, and Relating to Cases in which only Absolute Exemptions are allowed.
 Introduction, first and second reading, 45.
 Reference, State Affairs, 45.
 Indefinitely postponed, 144.

House Bill No. 9.—(Lakie)

An Act to Protect Trade Mark of Workmen's Unions and the Wearing of Union Buttons.
 Introduction, first and second reading, 45.
 Reference 45.
 Reported back, 145.
 Amended, 229.
 Third reading, passed, 247.
 Received from the Senate, 371.
 Other action, 484.

House Bill No. 10.—(Lakie)

An Act Creating a Mechanics' and Laborers' Lien.
 Introduction, first and second reading, 45.
 Reference, Judiciary Com. 45.
 Indefinitely postponed, 208.

House Bill No. 11.—(Lakie)

An Act to Amend Chapter 7567 of the Compiled Laws of North Dakota for the Year 1913, and Relating to Garnishments.

Introduction, first and second reading, 45.

Reference, 45.

Reported back, 146.

Amended, 229.

Third reading, passed, 248.

Received from the Senate, 428.

Other action, 484.

House Bill No. 12.—(Lakie)

An Act to Create a State Board of Electricians and Prescribing the Duties Thereof, Providing for the Classification, Examination and Licensing of Electricians and Electrical Workers, Prescribing Fees for Such Examination and License, and Providing for Inspection of Electrical Work Through the Commissioner of Insurance Under the Direction of the State Board.

Introduction, first and second reading, 45.

Reference, State Affairs, 45.

Indefinitely postponed, 82.

House Bill No. 13.—(Lakie)

An Act to Regulate the Hours of Work on Public Work.

Introduction, first and second reading, 46.

Reference, Com. on State Affairs, 46.

Reported back, 81.

Rereferred, 81.

Reported back, 141, 142, 143.

Amended, 170.

Third reading, Lost, 183.

House Bill No. 14.—(Lakie)

An Act Relating to Interfering with Rights of Employees.

Introduction, first and second reading, 46.

Reference, 46, 247.

Reported back, 143, 144.

Amended, 228, 405, 786.

Third reading 246. Passed, 439. 825.

Received from the Senate, 786.

Amendments concurred in, 825.

House Bill No. 15.—(Lakie)

An Act Providing for the Examination, Certification and Registration of Master and Journeymen Plumbers, Prescribing Powers and Duties of the State Board of Health in Reference Thereto, and Providing Penalties for a Violation of the Provisions Thereof.

Introduction, first and second reading, 46.

Reference, State Affairs, 46.

Indefinitely postponed, 80.

House Bill No. 16.—(Lakie)

An Act Relative to Scaffoldings and Providing Safety Appliances in Construction Work.

Introduction, first and second reading, 46.
Reference, 46, 247.
Reported back, 144, 397.
Amended, 228.
Third reading, 247.
Passed, 505.
Received from the Senate, 785.
Other action, 819.

House Bill No. 17.—(Semling)

An Act to Make Unlawful the Unauthorized Use of the Name, Insignia of, or the Impersonation of the Membership in the American Legion, and Providing a Penalty for the Violation Thereof.

Introduction, first and second reading, 46.
Reference, 46.
Reported back, 93.
Third reading, passed, 109, 455.
Other action, 484.

House Bill No. 18.—(Vogel)

An Act to Amend and Re-enact Section 2 of Chapter 162 of the Laws of North Dakota for the Year 1919. Defining Certain Words and Phrases Contained in said Chapter.

Introduction, first and second reading, 55.
Reference, 55.
Reported back, 216.
Amended, 316.
Third reading, passed, 352.
Received from the Senate, 706.
Other action, 758.

House Bill No. 19.—(Vogel)

An Act to Amend and Re-enact Section 4 of Chapter 162 of the Session Laws of the State of North Dakota for the Year 1919, as Amended by Chapter 73 of the Laws Passed at the Special Session of the Sixteenth Legislative Assembly in December, 1919, Relating to the Creation of the Workmen's Compensation Bureau of North Dakota, the Appointment and Removal of the Commissioners Thereof, the Salary of such Commissioners and the Powers and Duties of such Bureau.

Introduction, first and second reading, 55.
Reference, 55, 233.
Reported back, 232, 445.
Amended, 513.
Third reading, passed, 561, 797.
Received from the Senate, 756.
Amendments concurred in, 797.
Other action, 825.

House Bill No. 20.—(Vogel)

An Act to Amend and Re-enact Section 8 of Chapter 162 of the Laws of North Dakota for the Year 1919, Relating to the Enforcement of Payment of Premiums to the Workmen's Compensation Fund.

Introduction, first and second reading, 55.
Reference, 55.

Reported back, 344.
Amended, 407.
Third reading, passed, 441.
Received from the Senate, 706.
Other action, 758.

House Bill No. 21.—(Vogel)

An Act to Amend and Re-enact Section 5 of Chapter 162 of the Laws of North Dakota for 1919, Relating to Information Furnished by Employers to the Workmen's Compensation Bureau of North Dakota and Penalty for Failure to Furnish Information Required.

Introduction, first and second reading, 55.
Reference, 55.
Reported back, 144.
Amended, 251.
Third reading, passed, 269.
Received from the Senate, 706.
Other action, 758.

House Bill No. 22.—(Vogel)

An Act to Amend and Re-enact Section 3 of Chapter 162 of the Laws of North Dakota for the Year 1919, Relating to the Payment of Compensation to Injured Employees, or their Dependents, and the Payment of Burial Expenses in the Event of Death Resulting from Injuries.

Introduction, first and second reading, 56.
Reference, 56.
Reported back, 145.
Third reading, passed, 167.
Received from the Senate, 707.
Other action, 758.

House Bill No. 23.—(Semling, Bjorgo, Boyd, Kitchen, Carlson, Preszler, Starke and Olsen of Billings.)

An Act Designating the Legal Holidays in the State of North Dakota and to Amend and Re-enact Section 7297 of the Compiled Laws of North Dakota, 1913, as Amended by Chapter 143, Session Laws of 1919.

Introduction, first and second reading, 56.
Reference, 56.
Reported back, 71.
Amended, 111.
Third reading, Passed 125, 126.
Received from the Senate, 394.
Other action, 461, 723, 755, 826.

House Bill No. 24.—(Anderson, of Burleigh)

An Act to amend and Re-enact Chapter 220 of the Session Laws of North Dakota for the Year 1919, Relating to the Classification of Property for Assessment and Taxation.

Introduction, first and second reading, 56.
Reference, 56.
Indefinitely postponed, 494.

House Bill No. 25.—(Anderson, of Burleigh)

An Act to Amend and Re-enact Section 2078 of the Compiled Laws of North Dakota for the Year 1913 and

Chapter 223 of the Session Laws of North Dakota for the Year 1919, Relating to the Exemption of Property from Taxation.

Introduction, first and second reading, 56.

Reference, 56.

Reported back, 494.

Amended, 605.

Third reading, passed, 605.

Received from the Senate, 846.

Other action, 853, 853, 888, 901.

Request return from Senate, 615.

Statement by Speaker, 620.

House Bill No. 26.—(Heaton)

An Act to Amend and Re-enact Sections 1, 2, and 3, of Chapter 206 of the Session Laws of 1919, as Amended by Chapter 55 of the Special Session Laws of 1919, Relating to the Levying of a Tax for the Purpose of Creating a Fund to be Known as the "Returned Soldiers' Fund," and Increasing Such Levy to One Mill, and Providing for the Payment of Interest upon Unpaid Vouchers, and Removing the Limitation upon the Use of the Compensation Given to Returned Soldiers.

Introduction, first and second reading, 56.

Reference, State Affairs, 56.

Indefinitely postponed, 165.

House Bill No. 27.—(Kitchen)

An Act to Amend Section 1383 of the Compiled Laws of North Dakota for 1913, Relating to Branches to be Taught in Public Schools.

Introduction, first and second reading, 60.

Reference, 60.

Reported back, 93.

Indefinitely postponed, 258.

Third reading, passed, 110.

House Bill No. 28.—(Kitchen)

An Act to Amend and Re-enact Section 1136 of the General School Laws entitled Deputies. How Appointed. Salary.

Introduction, first and second reading, 60.

Reference, 60.

Reported back, 117, 171.

Rereferred, 169.

Amended, 251.

Third reading, passed, 270, 797.

Received from the Senate, 755.

Amendments concurred in, 796.

Other action, 825.

House Bill No. 29.—(Kitchen)

An Act to Amend and Re-enact Section 1137 of the General School Laws Entitled Salary and Expenses.

Introduction, first and second reading, 60.

Reference, 60.

Reported back, 93, 172.

Indefinitely postponed, 686.

Amended, 111, 252.

Rereferred, 126, 169.
Third reading, passed, 270.

House Bill No. 30.—(Larson and Sagen)

An Act Providing that Every Elevator Company may File a Statement with the Register of Deeds of the County in Which it Does Business. Pay a Fee Therefor and Providing that the Holders of Mortgages or Liens on Grain Shall Not have a Lien or Mortgage Upon said Crop Unless Register or Personal Service has been Made Upon said Elevator Company.

Introduction, first and second reading, 60.
Reference, 60.
Returned to authors.

House Bill No. 31.—(Burkhart and Starke)

An Act Creating a Children's Code Commission; fixing the Membership Thereof; Defining its Powers and Duties; and Making an Appropriation Therefor.

Introduction, first and second reading, 60.
Reference, 60.
Reported back, 117.
Amended, 169, 709.
Third reading, passed, 181, 753.
Received from the Senate, 709.
Amendments concurred in, 753.
Other action, 819.

House Bill 32.—(Shimmin)

An Act to Amend and Re-enact Subdivision 4 of Section 3387. and Sections 3498 and 7967, and to Repeal Sections 7685, 7686 and 7699 of the Compiled Laws of 1913, Relating to the Duties and Fees of the Clerk of the District Court.

Introduction, first and second reading, 62.
Reference, Judiciary, 63.
Indefinitely postponed, 208.

House Bill No. 33.—(Johnson, of Pembina)

An Act to appropriate \$12,000.00 out of Any Money in the State Treasury not Otherwise Appropriated, or so Much Thereof as May be Necessary for the Purpose of Paying All Expenses Connected with the Auditing of the Various State Industries as Required by Section 369 of the Compiled Laws of 1913, as Amended November 2nd, 1920, by a Vote of People, Providing How Such Appropriation Shall be Paid.

Introduction, first and second reading, 63.
Reference, 63.
Reported back, 74, 75.
Rereferred, 7, 108.
Amended, 137.
Third reading, passed, 152.
Other action, 849, 852, 862.
Died in Conference.

House Bill No. 34.—(Shimmin)

An Act to Fix the Salaries of Certain County Officers, to Provide for the Payment Thereof, for the Employment

and Payment of Deputies and Clerk Hire in Such Offices, the Collection and Deposit of Fees, and the Repeal of Certain Laws.

Introduction, first and second reading, 72.

Reference, 72.

Reported back, 277.

Indefinitely postponed, 644.

Amended, 358, 388.

Third reading, passed, 433.

House Bill No. 35.—(Peters)

An Act to Amend and Re-enact Section 33 of Chapter 161 of the Laws of North Dakota for the Year 1915 as Amended by Chapter 122 of the Laws of North Dakota for the Year 1917 as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Relating to Game Birds and Season for Killing.

Introduction, first and second reading, 72.

Reference, 72.

Reported back, 206, 207.

Indefinitely postponed, 646.

Amended, 316.

Third reading passed, 348.

House Bill No. 36.—(Kitchen)

An Act to Provide for the Standardization of the One-Room Rural Schools, the Graded Schools and the High Schools of the State.

Introduction, first and second reading, 72.

Reference, 72, 169, 196.

Reported back, 117, 196, 234, 367.

Indefinitely postponed, 461.

House Bill No. 37.—(Slominski)

An Act to Amend and Re-enact Section 466 of the Compiled Laws of North Dakota for the Year 1913, Relating to Preliminary Qualifications of Applicants for Licenses to Practice Medicine in the State of North Dakota.

Introduction, first and second reading, 72.

Reference, 72.

Reported back, 117.

Amended, 370.

Third reading, passed, 134, 438.

Received from the Senate, 370.

Amendments concurred in, 401, 438.

Other action, 484.

House Bill No. 38.—(Larson of Pierce and Sagen of Ramsey)

An Act Authorizing the Board of Railroad Commissioners to Establish Rules and Regulations for the Distribution of Cars, and to Appoint Inspectors to Investigate and Report Car Situations to Said Board; Defining Their Duties and Providing for Their Compensation.

Introduction, first and second reading, 73.

Reference, 73.

Indefinitely postponed, 448.

House Bill No. 39—(Harding)

An Act to Amend and Re-enact Sections 48, 49 and 50 of the Compiled Laws of North Dakota for the Year 1913, Relating to Public Printing and Binding.

Introduction.
Withdrawn.

House Bill No. 40.—(Burkhart of Ward)

An Act to Amend and Re-enact the Hotel Inspection Laws of North Dakota, the Same Being Article 57 of the Political Code of the Compiled Laws of North Dakota for the year 1913 as Amended by Chapter 170, Session Laws of 1915 and Chapter 133, Session Laws of 1917.

Introduction, first and second reading, 88.
Reference, '88.
Reported back, 118.
Indefinitely postponed, 338.
Third reading, passed, 135.

House Bill No. 41.—(Shimmin)

An Act Providing for the Preservation and Control of the Artesian Waters of the State.

Introduction, first and second reading, 88.
Reference, 88.
Reported back, 324, 491.
Amended, 542.
Third reading, passed, 591.
Received from the Senate, 794.
Other action, 826.

House Bill No. 42.—(Maxwell)

An Act to Amend and Re-enact Section 3969 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Section 79 of the Session Laws of North Dakota for the Year 1919, Relating to Excluding Farm Lands from the Limits of City, Town and Villages.

Introduction, first and second reading, 95.
Reference, 95.
Reported back, 193.
Amended, 252.
Third reading, passed, 271.
Received from the Senate, 646.
Other action, 694.

House Bill No. 43.—(Jardine)

An Act Providing for the Creation and Establishment of a State Board of Engineering Examiners, Granting Certain Powers to and Prescribing the Duties of Said Board, Providing for the Examination and Registration of Land surveyors and Professional Engineers, Regulating the Practice of Engineering in the State of North Dakota, Providing Penalties for the Violation of This Act and Repealing all Acts or Parts of Acts in Conflict Therewith.

Introduction, first and second reading, 95.
Reference, 95, 399.
Reported back, 238, 443.
Indefinitely postponed, 358, 561.

Amended, 513.
Other action, 399.

House Bill No. 44.—(Johnson, of Sargent)

An Act to Amend and Re-enact Sections 2462, 2463, 2466, 2487, 2489, 2490 Compiled Laws 1913, Relating to Drains.
Introduced, first and second reading, 95.
Reference, 95.
Withdrawn by Author.

House Bill No. 45.—(Johnson of Steele and Griggs)

An Act to Amend and Re-enact Section 3967 of the Compiled Laws of North Dakota for the Year 1913, Relating to Errors and Deficiencies in City, Town or Village Plats.
Introduction, first and second reading, 95.
Reference, 95.
Reported back, 193.
Third reading, passed, 221.
Received from the Senate, 371.
Other action, 484.

House Bill No. 46.—(Martin and Bjorgo)

An Act Prohibiting the Insertion of any Waiver or Release of Damages in Promissory Notes or Chattel Mortgages.
Introduction, first and second reading, 108.
Reference, Judiciary, 109.
Indefinitely postponed, 196.

House Bill No. 47.—(Lazier and Durkee)

An Act to Amend and Re-enact Section 10298 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 162 of the Session Laws of 1915 and Chapter 134 of the Session Laws of 1919, Regular Session, Relating to the Killing of Deer.
Introduction, first and second reading, 109.
Reference, Game and Fish, 109.
Withdrawn, 217.

House Bill No. 48.—(Bauer)

An Act to Amend and Re-enact Section 9997 of the Compiled Laws of North Dakota for the Year 1913, Relating to Butchers' Reports of Branded Animals Killed.
Introduction, first and second reading, 109.
Reference, 109.
Reported back, 131.
Third reading, passed, 158.
Received from the Senate, 258.
Other action, 484.

House Bill No. 49.—(Jardine)

An Act to Amend and Re-enact Section 814 of the Compiled Laws of North Dakota for the Year 1913, Relating to Jurors.
Introduction, first and second reading, 118.
Reference, 119, 252.
Reported back, 195, 421.
Amended, 488, 786.

Third reading, passed, 563, 824.
 Received from the Senate, 786.
 Amendments concurred in, 824.
 Other action, 841.

House Bill No. 50.—(McLarty)

An Act to Amend and Re-enact Section 1146 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 213 of the Session Laws of 1917, Relating to Changing of School District Boundaries.

Introduction, first and second reading, 119.
 Reference, 119.
 Reported back, 235.
 Indefinitely postponed, 805.
 Third reading, passed, 269.

House Bill No. 51.—(McLarty)

An Act to Prohibit the Use of Tobacco by Smoking in Certain Places and Providing Penalty.

Introduction, first and second reading, 119.
 Reference, 119.
 Reported back, 197.
 Amended, 252.
 Third reading, passed, 272.
 Received from the Senate, 667.
 Amendments concurred in, 668.
 Other action, 694.

House Bill No. 52.—(Boyd, Cart, Carlson, Kitchen, Semling, Starke, Preszler and Yeater)

An Act Levying a Tax of One Mill Upon Each Dollar of Assessed Valuation of all Taxable Property Within the State for Each Year for the Purpose of Creating a fund to be known as the "Returned Soldiers' Fund," Providing for the Payment Thereof to Returned Soldiers, Defining the Powers and Duties of the Adjutant General and of the Industrial Commission with Reference Thereto and Making an Appropriation Therefor.

Introduction, first and second reading, 119.
 Reference, 119.
 Reported back, 165.
 Amended, 429.
 Third reading, passed, 179, 506.
 Received from the Senate, 429.
 Amendments concurred in, 461.
 Other action, 693.

House Bill No. 53.—(Larson of Pierce, and Sagen of Ramsey)

An Act Providing that Every Company May File a Statement with the Register of Deeds of the County in Which it Does Business. Pay a Fee Therefor, and Providing that the Holders of Mortgages or Liens on Grain Shall not have a Lien or Mortgage upon said Crop Unless Register or Personal Service has been Made Upon said Elevator Company.

Introduction, first and second reading, 119.
 Reference, State Affairs, 119.

Reported back, 165.
Indefinitely postponed, 201.
Third reading, 181.
Deferred, 181.

House Bill No. 54.—(Babcock)

An Act to Amend and Re-enact Sections 3533 of the Compiled Laws of North Dakota for the Year 1913, Relating to Office Hours of County Commissioners and Fixing their Compensation.

Introduction, first and second reading, 119.
Reference, Ways and Means, 119.
Indefinitely postponed, 208.

House Bill No. 55.—(Starke)

An Act to Amend and Re-enact Sections 1 and 2 of Chapter 173 of the Session Laws of 1919, Requiring the Label of the International Typographical Union to Be Placed Upon All Public Printing of the State of North Dakota and Providing Penalties for the Violation Thereof.

Introduction, first and second reading, 119.
Reference, Public Printing, 120.
Indefinitely postponed, 215.

House Bill No. 56.—(Starke)

An Act to Amend and Re-enact Section 7643 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Judgments, District and Supreme Courts to Direct.

Introduction, first and second reading, 120.
Reference, 120.
Reported back, 195.
Third reading, passed, 222.
Received from the Senate, 371.
Other action, 484.

House Bill No. 57.—(Maddock and Hanson, of Benson)

An Act to Amend and Re-enact Section 1455 of the Compiled Laws of the State of North Dakota for the Year 1913, and Section 1456 of the Compiled Laws of the State of North Dakota for the Year 1913, as Amended by Chapter 207 of the Session Laws of the State of North Dakota for the Year 1917, Relating to County Agricultural and Training Schools.

Introduction, first and second reading, 120.
Reference, 120, 135.
Reported back, 131, 164.
Third reading, passed, 179.
Received from the Senate, 687.
Other action, 758.

House Bill No. 58.—(Johnson, of Steele)

An Act Making an Appropriation for Immigration for the Biennial Period Beginning July 1st, 1921, and Ending June 30th, 1923.

Introduction, first and second reading, 120.
Reference, 120.
Indefinitely postponed, 260.

House Bill No. 59.—(Sims)

An Act to Amend and Re-enact Section 3905 of the Compiled Laws of North Dakota for the Year 1913, Relating to the Building and Repairing of Side Walks by Villages, the Giving of Notices Thereof, the Duties of Real Property Owners, and the Powers of the Board of Trustees in Regard Thereto.

Introduction, first and second reading, 132.

Reference, 133.

Reported back, 193.

Third reading, passed, 221.

Received from the Senate, 688.

Other action, 758.

House Bill No. 60.—(Bratsberg)

An Act Appropriating Five Thousand (\$5,000.00) Dollars for the Purpose of Erecting a Suitable Dairy Barn at the Experimental Station, Situated at Hettinger, Adams County, North Dakota.

Introduction, first and second reading, 133.

Reference, 133.

Reported back, 491.

Amended, 542.

Third reading, passed, 591.

Received from the Senate, 706.

Other action, 758.

House Bill No. 61.—(Wood)

An Act to Amend and Re-enact Section 5 of Chapter 224 of the Session Laws of North Dakota, for the Year 1919, Relating to Income Taxes.

Introduction, first and second reading, 133.

Reference, 134.

Reported back, 465.

Indefinitely postponed, 806, 837.

Third reading, passed, 508.

Received from the Senate, 887.

Other action, 825, 871, 876, 895.

House Bill No. 62.—(Hanson, of Grand Forks)

An Act Repealing Chapter 171 of the Session Laws of North Dakota for the Year 1919, Limiting the Power of Courts to Grant Injunctions.

Introduction, first and second reading, 133.

Reference, 133.

Reported back, 496.

Indefinitely postponed. Died in Committee.

House Bill No. 63.—(Martin and Bjorgo)

An Act to Amend and Re-enact Section 7644 of the Compiled Laws of North Dakota for the year 1913, as amended by Chapter 1 of the Session Laws of the Year 1919, (Regular Session), Relating to Change of Judges in Civil and Criminal Actions in the District Court, for Prejudice or Bias of Judge Thereof; Providing for the Calling in of Another Judge of Another Judicial District, and the Payment of His Expenses, and the Discharge of Jurors Therein.

Introduction, first and second reading, 133.
 Reference, 133.
 Reported back, 236.
 Amended, 357.
 Third reading, passed, 431.
 Received from the Senate, 706.
 Other action, 760.

House Bill No. 64.—(Peters)

An Act Repealing Section 6 of Chapter 160 of the Session Laws of North Dakota for the Year 1919, Relating to a Flat Tax of Three Cents an Acre for the Purpose of Carrying Out the Hail Insurance Act.
 Introduction, first and second reading, 133.
 Reference, 133.
 Indefinitely postponed, 575.

House Bill No. 65.—(Olson, of Billings)

An Act to provide for the Sterilization of Razors, Towels and Other Material Used in Barber Shops.
 Introduction, first and second reading, 133.
 Reference, Public Health, 133.
 Indefinitely postponed, 196.

House Bill No. 66.—(Committee on Education)

An Act to Provide for the Payment of Non-Resident Tuition Fee in the High School Department of Standardized Graded and Standardized High Schools Receiving State Aid.
 Introduction, first and second reading, 135.
 Reference, 135.
 Reported back, 172.
 Third reading, 211.
 Passed, 220.
 Received from the Senate, 370.
 Amendments concurred in, 201, 436.
 Other action, 485.

House Bill No. 67.—(Johnson, of Sargent)

An Act to Amend and Re-enact Sections 2462, 2463, 2466, 2487, 2489, 2490 Compiled Laws 1913, Relating to Drains.
 Introduction, first and second reading, 136.
 Reference, 136, 273.
 Reported back, 236.
 Amended, 357, 430.
 Third reading, passed, 430, 794.
 Received from the Senate, 794.
 Other action, 826.

House Bill No. 68.—(Olsgard, by request)

An Act to Amend and Re-enact Section 27 of Chapter 162 of the Session Laws of North Dakota for the Year 1919, Relating to and for the Benefit of Injured Employees and their Dependents in Hazardous Employments, and Providing Funds with which to Carry on the Work of the Workmen's Compensation Bureau.
 Introduction, first and second reading, 147.
 Reference, 147, 170.

Reported back, 344.
Indefinitely postponed, 707.
Amended, 410.
Third reading, passed, 451.

House Bill No. 69.—(Olsgard, by request)

An Act to Amend and Re-enact Section 6 of Chapter 162 of the Session Laws of North Dakota for the Year 1919, Relating to and for the Benefit of Employees Injured and the Dependents of Employees Killed in Hazardous Employments. Fixing the Duties and Liabilities of Employees and Employers, and Providing Methods of Securing the Payment of Obligations Arising in Favor of Injured Employees and Their Dependents.

Introduction, first and second reading, 147.
Reference, 147.
Reported back, 346.
Indefinitely postponed, 708.
Amended, 409.
Third reading, 442.
Passed, 450.

House Bill No. 70.—(Root)

An Act to Repeal Chapter One Hundred and Seventy-Three of the Session Laws of Nineteen Hundred and Nineteen, requiring Union Label on State Printing.

Introduction, first and second reading, 148.
Reference, Public Printing, 145.
Indefinitely postponed, 216.

House Bill No. 71.—(Root)

An Act to Amend and Re-enact Section 2212 of the Compiled Laws of North Dakota for 1913 as Amended by Chapter 252 of the Session Laws of 1915, Relating to the Duty of the County Auditor, and the Requirements of the Transfer of Real Property as to Taxes.

Introduction, first and second reading, 148.
Reference, 148, 584.
Reported back, 589.
Indefinitely postponed, 603.

House Bill No. 72.—(Magnuson)

An Act to Amend and Re-enact Section 4924 of the Compiled Laws of North Dakota for the Year 1913, Relating to Taxation of Insurance Companies.

Introduction, first and second reading, 148.
Reference, 148.
Reported back, 323.
Amended, 407.
Third reading passed, 440.
Received from the Senate, 707.
Other action, 758.

House Bill No. 73.—(Bjorgo)

An Act Fixing the Compensation of Election Officers for Services at Elections.

Introduction, first and second reading, 148.

Reference, 148.
Indefinitely postponed, 472.

House Bill No. 74.—(Lackey)

An Act to Amend and Re-enact Section 7660, Compiled Laws of 1913, Relating to Causes for a New Trial.

Introduction, first and second reading, 148.

Reference, 148.

Reported back, 209.

Third reading, passed, 223.

Received from the Senate, 371.

Other action, 485.

House Bill No. 75.—(Flom)

An Act to Appropriate Money for the Purpose of Constructing a Beef Cattle Barn at the Langdon Sub-Station.

Introduction, first and second reading, 148.

Reference, 148.

Reported back, 490.

Amended, 541.

Third reading, passed, 590.

Received from the Senate, 706.

Other action, 760.

House Bill No. 76.—(Elmer)

An Act to Amend and Re-enact Section 1147, Compiled Laws for the Year 1913, as Amended by Chapter 197, of the Session Laws for the Year 1919, Relating to the Formation of New Common School Districts.

Introduction, first and second reading, 148.

Reference, Education, 148.

Indefinitely postponed, 207.

House Bill No. 77.—(Bauer)

An Act Fixing the Compensation of Election Officers.

Introduction, first and second reading, 149.

Reference, 149.

Amended, 580.

Third reading, passed, 609, 798.

Received from the Senate, 756.

Amendments concurred in, 798.

Other action, 555, 826.

House Bill No. 78.—(Miller)

An Act Authorizing the Commissioner of Agriculture and Labor to Collect, Tabulate and Publish Statistics Relating to the Cost of Producing Agricultural Products in the State of North Dakota, and Making an Appropriation therefor.

Introduction, first and second reading, 149.

Reference, Appropriations, 149.

Indefinitely postponed, 204.

House Bill No. 79.—(Harding, by Request of the State Publication and Printing Commission)

An Act to Amend and Re-enact Sections 48 and 49 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Public Printing and Binding.

Introduction, first and second reading, 149.
 Reference, 149, 333.
 Reported back, 214, 474, 530.
 Amended, 578.
 Third reading, passed, 608.
 Received from the Senate, 755.
 Other action 819.

House Bill No. 80.—(Burns)

An Act to Amend and Re-enact Sections 624, 625, 626, and 627 of the Compiled Laws of North Dakota for the Year 1913; as Amended and Re-enacted by Chapter 252 of the Session Laws of North Dakota for the Year 1917, and Chapter 25 of the Special Session Laws for Year 1919, Providing for a Commissioner of Noxious Weeds, Appointment and Duties.

Introduction, first and second reading, 149.
 Reference, State Affairs, 149.
 Indefinitely postponed, 233.

House Bill No. 81.—(Oberg)

An Act to Establish a Uniform Egg Law, for Regulating and Preventing the Sale of Eggs unfit as Articles of Human Food, Requiring Eggs to be Canded, Requiring a License for Dealers in Eggs and Establishing a Penalty for Violation of this Act.

Introduction, first and second reading, 149.
 Reference, 149.
 Reported back, 214.
 Amended, 316, 690.
 Third reading, passed, 351, 731.
 Received from the Senate, 690.
 Amendments concurred in, 731.
 Other action, 819.

House Bill No. 82.—(Kitchen)

An Act to Amend and Re-enact Sections 1151, 1153, 1159, 1168, 1169, 1170, 1171, 1213, 1214, 1217, 1218, 1219, 1220, 1248, 1253, 1255, 1337, 1352 and 1353 of Revised Code of 1913; to Repeal Sections 1165, 1166, 1167, 1172, 1254 and 1256 of the Revised Code of 1913 and for Other Purposes.

Introduction, first and second reading, 149.
 Reference, 149
 Withdrawn by author

House Bill No. 83.—(Olson of Billings)

An Act Repealing the Penalty and Interest on Real Estate Taxes for the Year 1920, Up to the Date of November 1, 1921.

Introduction, first and second reading, 149.
 Reference, 149.
 Indefinitely postponed, 465.

House Bill No. 84.—(Boyd)

An Act to Provide for a State Factory Inspector, Prescribing His Duties and Fixing the Salary Thereof.

Introduction, first and second reading, 149.
 Reference, 149, 194.

Reported back, 194.
Indefinitely postponed, 397.

House Bill No. 85.—(Bauer)

An Act to Amend and Re-enact Chapter 160, Session Laws 1919, Relating to Hail Insurance.
Introduction, first and second reading, 150.
Reference, 150.
Indefinitely postponed, 575.

House Bill No. 86.—(McLarty)

An Act to Amend and Re-enact Section 1240 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 196 of the Session Laws of 1919, Relating to Adjacent Territory in Special School Districts.
Introduction, first and second reading, 166.
Reference, Education, 167.
Indefinitely postponed, 235.

House Bill No. 87.—(Peters)

An Act Repealing Sections 924, 925, 926, and 927 of the Compiled Laws of North Dakota for the Year 1913, Relating to Publicity Pamphlets.
Introduction, first and second reading, 167.
Reference, Public Printing, 167.
Indefinitely postponed, 215.

House Bill No. 88.—(Patterson)

An Act Relating to the Inspection of Steam Boilers and the Licensing of Steam and Operating Engineers in the State of North Dakota.
Introduction, first and second reading, 167.
Reference, Industry, 167.
Reported back, 297.
Indefinitely postponed, 297.

House Bill No. 89.—(Johnson of Sargent)

An Act to Amend and Re-enact Section 2014 of the Compiled Laws of North Dakota for the Year 1913.
Introduction, first and second reading, 177.
Reference, Counties, 177.
Indefinitely postponed, 236.

House Bill No. 90.—(Kjos)

An Act Requiring Railroad Companies to Provide Separate Compartments for Carriage of Sick People and Providing a Penalty for Violation Thereof.
Introduction, first and second reading, 177.
Reference, 177.
Reported back, 467.
Amended, 541, 790.
Third reading, passed, 587, 835.
Other action, 849.

House Bill No. 91.—(Root)

An Act Appropriating the Sum of Nine Thousand Fifty-One Dollars and Five Cents (\$9051.05), for the Use of the Office of the Attorney General of the State of North

Dakota, and Repealing Chapter 20 of the Laws of the Special Legislative Session of North Dakota for the Year 1919, by Which Said Chapter an Appropriation was Made for the Payment of Salaries of Special Assistant Attorneys General, of Which said Appropriation the Sum of \$9051.05 is Still in the General Fund of the State Unexpended.

Presented, introduction, first and second reading, 180.
Reference, 178, 180.
Reported back, 204, 205.
Indefinitely postponed, 547.
Third reading, passed, 223.

House Bill No. 92.—(Johnson of Pembina, Maddock of Mountrail)

An Act Providing for a Committee to Investigate the Proposed Roosevelt Park.

Presented, 178.
Introduction, first and second reading, 180.
Reference, 178.
Reported back, 180, 445.
Indefinitely postponed, 644, 787.
Third reading, passed, 480.
Other action, 668.

House Bill No. 93.—(Johnson of Cass)

An Act Requiring Insurance Companies Writing Burglary and Fidelity Insurance for Banks to Furnish Certain Information.

Introduction, first and second reading, 178.
Reference, Insurance, 178.
Indefinitely postponed, 324.

House Bill No. 94.—(Carlson)

An Act to Amend and Re-enact Chapter 117 of the 1919 Session Laws of the State of North Dakota, and to Provide for No Party Nomination and Election of All Elective State and County Officers, Judges of the Supreme and District Court, State Superintendent of Public Instruction and County Superintendent of Schools.

Introduction, first and second reading, 178.
Reference, Elections and Election Privileges, 178.
Died in committee.

House Bill No. 95.—(Magnuson)

An Act to Amend and Re-enact Section 4547 of the Compiled Laws of North Dakota for the Year 1913, Relating to Elections by Stockholders and Members of Corporations.

Introduction, first and second reading, 178.
Reference, 178.
Reported back, 498.
Indefinitely postponed, 572.
Amended, 544.

House Bill No. 96.—(Mouck)

An Act to Amend and Re-enact Sections 869 and 983 of the Compiled Laws of North Dakota for the Year 1913, as

Amended by Chapter 117, Session Laws of 1919, Relating to the Opening and Closing of Polls in Primary and General Elections.

Introduction, first and second reading, 180.

Reference, 180.

Indefinitely postponed, 471.

House Bill No. 97.—(Boyd)

An Act Permitting the City to Make Advancements Upon Material Purchased by a Contractor for Use in the Performance of Contracts for Municipal Improvements.

Introduction, first and second reading, 199.

Reference, 199.

Reported back, 365.

Indefinitely postponed, 708.

Amended, 411.

Third reading, passed, 453.

House Bill No. 98.—(Boyd)

An Act to Amend and Re-enact Section 3710 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Contractors. How Paid.

Introduction, first and second reading, 200.

Reference, 200.

Reported back, 366.

Indefinitely postponed, 644.

Amended, 411.

Third reading, passed, 454.

House Bill No. 99.—(Anderson of Griggs)

An Act to Amend and Re-enact Section 3529 of the Compiled Laws of North Dakota for the Year 1913 Relating to Fees of Notaries Public.

Introduction, first and second reading, 200.

Reference, 200.

Reported back, 305.

Third reading, passed, 347.

Received from the Senate, 646.

Other action, 694.

House Bill No. 100.—(Johnson of Cass)

An Act Defining Criminal Syndicalism, Prohibiting the Advocacy Thereof and the Advocacy of Crime, Sabotage, Violence, or Other Unlawful Methods of Terrorism as a Means of Accomplishing Industrial Ends, and Assemblage for the Purpose of Such Advocacy; and Providing Penalties for the Violation of the Provisions Thereof.

Introduction, first and second reading, 200.

Reference, 200.

Reported back, 217.

Indefinitely postponed, 896.

Amended, 316, 317.

Third reading, passed, 353.

Received from the Senate, 792.

Other action, 838.

House Bill No. 101.—(Frandsen)

An Act Establishing a System of State Free Employment Service, Providing for the Maintenance Thereof, Defining the Duties of Such Department, Its Officers and Employees, and Appropriating Money for the Carrying Out of the Provisions of This Act.

Presented, 200.
 Permitted to be introduced, 206.
 Introduction, first and second reading, 209.
 Referred, 200, 210.
 Reported back, 329.
 Amended, 406, 709.
 Third reading, passed, 439, 753.
 Received from the Senate, 709.
 Amendments concurred in, 753.
 Other action, 819.

House Bill No. 102.—(Grangaard, by Request)

An Act to Amend and Re-enact Section 1 of Chapter 142 of the Session Laws of North Dakota for the Year 1915, Relating to the Payment of Tuition for Attendance at Any Model High or Graded or Elementary School Which is Operated, Maintained or in Any Manner Connected With the State University, Any Normal School or Any Educational Institution of Higher Learning.

Introduction, first and second reading, 200.
 Referred, 200.
 Indefinitely postponed, 235.

House Bill No. 103.—(Olson of Ramsey)

An Act to Amend and Re-enact Section 4059 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 71, Session Laws of 1915, and House Bill No. 192 of the Session Laws of 1917, Relating to the Powers of Park Commission.

Introduction, first and second reading, 210.
 Reference, 210.
 Indefinitely postponed, 418.

House Bill No. 104.—(Olson of Ramsey)

An Act to Amend and Re-enact Chapter 59, Laws of North Dakota, 1917, and Chapter 220, Laws of North Dakota, 1919, Relating to the Classification of Property for Assessment.

Introduction, first and second reading, 210.
 Referred, 210.
 Reported back, 494.
 Indefinitely postponed, 805.
 Amended, 544.
 Third reading, passed, 592.
 Request return from Senate, 615.
 Statement by Speaker, 620.

House Bill No. 105.—(Johnson of Ward)

An Act to Amend and Re-enact Chapter 118 of the Session Laws of 1919, Which Amends and Re-enacts Section 890 of the Compiled Laws of North Dakota, for the Year 1913, Pertaining to the Selection of County and State Committeemen.

Introduction, first and second reading, 210.
 Referred, 210.
 Reported back, 472.
 Indefinitely postponed, 881.
 Amended, 785.
 Third reading, passed, 555.
 Received from the Senate, 785.
 Other action, 823, 824, 845, 848, 862.

House Bill No. 106.—(House Game and Fish Committee)

An Act to Amend and Re-enact Section 46 of Chapter 161 of the Laws of North Dakota for the Year 1915, as Amended by Chapter 63, of the Laws of North Dakota for the Year 1917, as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Prohibiting the Trapping, Catching, Killing, or Destroying of Beaver and Otter, for a Limited Period.

Introduction, first and second reading, 210.
 Reference, 210.
 Reported back, 276.
 Amended, 358.
 Third reading, passed, 432.
 Received from the Senate, 687.
 Other action, 758.

House Bill No. 107.—(House Game and Fish Committee)

An Act to Amend and Re-enact Section 10298 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 162 of the Laws of North Dakota for the Year 1915, as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Relating to the Season for Killing Deer.

Introduction, first and second reading, 210.
 Referred, 210.
 Reported back, 233.
 Third reading, passed, 267.
 Received from the Senate, 646.
 Other action, 694.

House Bill No. 108.—(House Game and Fish Committee)

An Act to Amend and Re-enact Section 28 of Chapter 161 of the Laws of North Dakota for the Year 1915 as Amended by Chapter 134 of the Laws of North Dakota for the Year 1919, Relating to Trespassing on Lands Where Hunting is Prohibited.

Introduction, first and second reading, 210.
 Referred, 211.
 Reported back, 234.
 Third reading, passed, 268, 832.
 Received from the Senate, 756.
 Amendments concurred in, 832.
 Other action, 807, 845, 849.

House Bill No. 109.—(Olsen of Billings)

An Act Legalizing Certain Acts of City, Village and School District Officials.

Introduction, first and second reading, 211.
 Referred, 211.
 Reported back, 468.

Indefinitely postponed, 646.
 Third reading, passed, 509.
 Received from the Senate, 706.
 Other action, 668, 759.

House Bill No. 110.—(Jardine)

An Act to Amend and Re-enact Section 3012 of the Compiled Laws of the State of North Dakota for the Year 1913, Establishing Legal Weights for Bread and the Weight Units in Which Bread Shall be Sold, Manufactured for Sale, Offered or Exposed for Sale, and Providing a Penalty for the Violation Thereof.

Introduction, first and second reading, 211.
 Referred, 211.
 Indefinitely postponed, 281.

House Bill No. 111.—(Ellingson)

An Act to Require Railroad Companies to Install and Maintain Stock Scales in Railroad Stock Yards at All Stations or Points From Which an Average of Fifty Car Loads or More of Stock Were Shipped During the Three Years Next Preceding Such Application and Prescribing Penalties for Violations of This Act and Defining Powers of Railroad Commissioners.

Introduction, first and second reading, 218.
 Referred, 218.
 Indefinitely postponed, 447.

House Bill No. 112.—(Olsen of Billings)

An Act to Amend and Re-enact Section 2955, 2956, of the Compiled Laws of the State of North Dakota for the Year 1913.

Introduction, first and second reading, 218.
 Referred, 218.
 Reported back, 323.
 Indefinitely postponed, 805.
 Amended, 407.
 Third reading, passed, 440.

House Bill No. 113.—(Boyd)

An Act to Amend and Re-enact Section 2495 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Levy of Taxes for Interest for Drainage Purposes and Creating Sinking Fund.

Introduction, first and second reading, 218.
 Referred, 218.
 Reported back, 282.
 Amended, 794.
 Third reading, passed, 314, 840.
 Received from the Senate, 794.
 Amendments concurred in, 840.
 Other action, 849.

House Bill No. 114.—(Judiciary Committee)

An Act to Amend and Re-enact Chapter 171 of the Session Laws of North Dakota for the Year 1919, Limiting the Power of Courts to Grant Injunctions and Prohibiting the Issuing of Restraining Orders and Injunctions in Certain Labor Matters.

Introduction, first and second reading, 244.
Referred, 244.
Reported back, 496.
Indefinitely postponed, 708.
Third reading, passed, 558.

House Bill No. 115.—(Sagen and Larson of Pierce)

An Act to Amend and Re-enact Section 6854 of the Compiled Laws of North Dakota for the Year 1913, Relating to Thresher's Leins and Who may Have.

Introduction, first and second reading, 244.
Referred, 244.
Reported back, 281.
Indefinitely postponed, 644.
Third reading, passed, 313.

House Bill No. 116.—(Sagen and Larson of Pierce)

An Act Providing for the Furnishing by the Register of Deeds of Each County to Elevators Making Application and Paying the Fee Provided Therefor, of an Abstract of All Mortgages and Leins Upon Grain Grown During Each Year, and Filed in the office of the Register of Deeds.

Introduction, first and second reading, 244.
Referred, 244.
Reported back, 281.
Amended, 392.
Third reading, passed, 433.
Received from the Senate, 707.
Other action, 759.

House Bill No. 117.—(Carlson)

An Act Prohibiting the Manufacture, Sale, Barter, Exchange or Giving Away of Cigarettes, Cigarette Papers, Cigarette Wrappers, or Any Paper Made or Prepared for the Purpose of Being Filled With Tobacco for Smoking, Except by Duly Licensed Persons, Firms, Associations, Partnerships or Corporations; Fixing the Fee for Said License; Providing for the Issuance Thereof; Prohibiting the Use of Cigarettes by Minors and the Sale of Cigarettes, Cigarette Papers or Wrappers to Minors; Providing Penalties for the Violation of the Provisions of this Act, and for the Repeal of Sections 10184 and 10185 of the Compiled Laws of North Dakota for 1913, and all Acts or Parts of Acts in Conflict Herewith.

Introduction, first and second reading, 244.
Referred, 244.
Reported back, 422.
Indefinitely postponed, 424.

House Bill No. 118.—(Johnson of Cass)

An Act to Amend and Re-enact Sections 624 and 625 of the Compiled Laws of North Dakota, for the year 1913 as Amended by Chapter 252 of the Laws of North Dakota, for the year 1917, and by Chapter 25 of the Laws Passed by the Special Session of the Legislative Assembly of North Dakota in 1919, Relative to the Commissioner of Noxious Weeds.

Introduction, first and second reading, 245.

Referred, 245.
Reported back, 297.
Amended, 392, 688.
Third reading, passed, 434, 727.
Received from the Senate, 688.
Amendments concurred in, 727.
Other action, 819.

House Bill No. 119.—(Johnson of Cass)

An Act Declaring Sow Thistles to be a Noxious Weed,
Providing for Its Destruction and Providing for the Pay-
ment of the Expense of Its Destruction.
Introduction, first and second reading, 245.
Referred, 245.
Reported back, 297.
Third reading, passed, 400.
Received from the Senate, 687.
Other action, 759.

House Bill No. 120.—(Allen)

An Act Relating to a Trial by Jury in Certain Court Cases.
Introduction, first and second reading, 245.
Referred, 245.
Indefinitely postponed, 306.

House Bill No. 121.—(Freeman)

An Act to Amend and Re-enact Section 4926, Compiled
Laws 1913, Relating to Resident and Non-resident In-
surance Agents.
Introduction, first and second reading, 245.
Referred, 245.
Indefinitely postponed, 467.

House Bill No. 122.—(Preszler, by Request)

An Act to Amend and Re-enact Section 3460 of the Com-
piled Laws of the State of North Dakota for 1913, Re-
lating to Power of County Commissioners, in Letting of
Contracts.
Introduction, first and second reading, 245.
Referred, 245.
Indefinitely postponed, 281.

House Bill No. 123.—(Jardine)

An Act to Amend and Re-enact Section 6877 of the Com-
piled Laws of North Dakota for 1913, as Amended by
Chapter 182 of the Session Laws of North Dakota for
Year 1917, Providing for Liens for Repairs on Personalty.
Introduction, first and second reading, 245.
Referred, 245.
Indefinitely postponed, 305.

House Bill No. 124.—(Johnson of Pembina)

An Act to Amend and Re-enact Chapter 205 of the Session
Laws of the State of North Dakota for the Year 1919
Prohibiting the Sale of Any New Draft Sleds Within
the State of Which the Runners Measure Less Than Four
Feet Six Inches from Center to Center and Making the
Sale of Same a Misdemeanor and Providing for the Re-

vocation of the License of Any Foreign Corporation to do Business in the State Which Fails to Comply With the Terms of this Act.

Introduction, first and second reading, 245.
Referred, 246.
Reported back, 417.
Third reading, passed, 457.
Received from the Senate, 688.
Other action, 759.

House Bill No. 125.—(Mouck and Burkhart)

An Act to Amend and Re-enact Section 2681 of the Compiled Laws of the State of North Dakota for 1913, Compensation for Members of State Live Stock Sanitary Board.

Introduction, first and second reading, 246.
Referred, 246.
Reported back, 363.
Amended, 410.
Third reading, passed, 452.
Received from the Senate, 687.
Other action, 759.

House Bill No. 126.—(Mouck)

An Act Relating to the Application of the Tuberculin Test and Eradication of Bovine Tuberculosis in Townships in Counties in North Dakota Under Direction of the State Live Stock Sanitary Board by Petition of a Majority of Freeholders in Such Township.

Introduction, first and second reading, 246.
Referred, 246.
Reported back, 364.
Third reading, passed, 452.
Other action, 759.

House Bill No. 127.—(Mouck)

An Act to Amend and Re-enact Section 2702 of the Compiled Laws of the State of North Dakota for 1913 as Amended by Chapter 263, Session Laws of North Dakota for the Year 1915, and Amending and Re-enacting Section 2706 of the Compiled Laws of the State of North Dakota for 1913, Relating to the Reimbursement of Owners of Tubercular Cattle.

Introduction, first and second reading, 246.
Referred, 246.
Reported back, 364.
Third reading, passed, 399.
Received from the Senate, 707.
Other action, 759.

House Bill No. 128.—(Bauer by Request)

An Act to Amend and Re-enact Section 2110 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 221 of the Session Laws of 1919, Relating to the Listing of Property of Corporations, Joint-Stock Companies or Associations for Taxation.

Introduction, first and second reading, 246.
Referred, 246.

Reported back, 535.
Third reading, passed, 565.
Received from the Senate, 706.
Other action, 759.

House Bill No. 129.—(Bjorgo by Request)

An Act to Empower Cities, Villages, and Towns to Purchase, Construct, Rent, Lease, Extend, Connect, or Erect, High Tension Electric Transmission Lines and Electrical Equipment, Within and Without the Corporate Limits, and Necessary Secondary Transmission Lines and Distribution Systems Within the Corporate Limits, for the Purpose of Securing Light, Power and Electric Energy for Municipal and Commercial Use; and to Assess the Property Within the Corporate Limits, and to Provide for the Method of Such Assessment and the Collection Thereof, and to Provide for the Issuance of Bonds.

Introduction, first and second reading, 263.
Referred, 263.
Reported back, 495.
Indefinitely postponed, 576.
Other action, 603.

House Bill No. 130.—(Doyle)

An Act Providing for Increased Pay for School Officers in Large and Unorganized School Districts.

Introduction, first and second reading, 263.
Referred, 263.
Indefinitely postponed, 326.

House Bill No. 131.—(Miller)

An Act Providing for the Care of Graves in Cemeteries.

Introduction, first and second reading, 263.
Indefinitely postponed, 496.

House Bill No. 132.—(Miller and Halcrow)

An Act Relating to Motion Picture Films, Reels, and Views, Providing a System of Examination, Approval and Regulation Thereof, and of the Banners, Posters and Other Advertising Matter Used in Connection Therewith; Creating a Bureau of Inspectors of Motion Pictures and Providing Penalties for the Violation of this Act.

Introduction, first and second reading, 263.
Referred, 263.
Indefinitely postponed, 787.

House Bill No. 133.—(Olsgard by Request)

An Act to Regulate Exchange Charges, to Prohibit Notaries From Protesting Unpaid Items; to Prevent Embarrassment of the State Banks and Declaring an Emergency.

Introduction, first and second reading, 264.
Referred, 264.
Reported back, 503.
Indefinitely postponed, 576.
Amended, 538.
Third reading, passed, 567.

House Bill No. 134.—(Semling by Request)

An Act to Amend and Re-enact Sub-division 70 of Section 3818, Compiled Laws of North Dakota for 1913, Relating to the Purchase and Acquisition by a City of Any System or Part of System of Water Works.

Introduction, first and second reading, 264.
Referred, 264, 413.
Reported back, 364.
Amended, 541.
Third reading, passed, 586, 885.
Received from the Senate, 800.
Other action, 848, 862, 863, 864, 866, 896.

House Bill No. 135.—(Semling by Request)

An Act Amending and Re-enacting Section 8074 of Chapter 30, of the Code of Civil Procedure of the Compiled Laws of North Dakota for 1913. Relating to the Foreclosure of Mortgages, Liens and Contracts,

Introduction, first and second reading, 264.
Referred, 264.
Reported back, 305.
Indefinitely postponed, 305.

House Bill No. 136.—(Semling by Request)

An Act to Amend and Re-enact Section 8205, Compiled Laws of North Dakota for 1913, Defining the Private Property Which May be Taken by Eminent Domain.

Introduction, first and second reading, 264.
Referred, 264, 406, 449.
Reported back, 305, 466.
Amended, 540.
Third reading, passed, 585, 835.
Received from the Senate, 800.
Amendments concurred in, 830.
Other action, 849.

House Bill No. 137.—(Semling by Request)

An Act Amending and Re-enacting Section 3742, Compiled Laws of North Dakota for 1913, Relating to the Application of the Provision of Article 20, Compiled Laws of 1913, to Water Main and Water Works Systems, and to the Purchase Thereof.

Introduction, first and second reading, 264.
Referred, 264, 449.
Reported back, 365, 466.
Amended, 414, 540.
Third reading, passed, 570.
Received from the Senate, 799.
Other action, 826.

House Bill No. 138.—(Ness)

An Act to Amend and Re-enact Section 432 of the Compiled Laws of North Dakota for the Year 1913.

Introduction, first and second reading, 264.
Referred, 264.
Indefinitely postponed, 416.

House Bill No. 139.—(Freeman)

An Act to Amend and Re-enact Section 3296 of the Compiled Laws of North Dakota for the Year 1913, Relating to County Commissioners' Powers and Duties With Respect to Contracts Let on Competitive Bids.

Introduction, first and second reading, 264.

Referred, 264.

Reported back, 417.

Amended, 486.

Third reading, passed, 559, 841.

Received from the Senate, 799.

Amendments concurred in, 841.

Other action, 849.

House Bill No. 140.—(Renauld)

An Act to Amend and Re-enact Chapter 271 of the Session Laws of North Dakota for the Year 1915, Relating to Qualifications of Signers on Petition to County Commissioners.

Introduction, first and second reading, 265.

Referred, 265.

Reported back, 397, 803.

Third reading, passed, 434.

Received from the Senate, 755.

Other action, 819.

House Bill No. 141.—(Hanson of Grand Forks, by Request)

An Act to Amend and Re-enact Section 2185 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 67 of the Special Session Laws of the Sixteenth Legislative Assembly, Relating to the Time When Real Estate Taxes Become Due and Delinquent.

Introduction, first and second reading, 265.

Referred, 265.

Reported back, 535.

Third reading, lost, 565.

House Bill No. 142.—(Jardine)

An Act to Amend and Re-enact Section 10380 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to the Disposition of Fines, Forfeitures and Penalties.

Introduction, first and second reading, 265.

Referred, 265.

Indefinitely postponed, 306.

House Bill No. 143.—(Jardine)

An Act to Amend and Re-enact Section 2190 of the Compiled Laws of North Dakota for the Year 1913, Relating to the Disposition of Penalty and Interest.

Introduction, first and second reading, 265.

Referred, 265.

Reported back, 467.

Indefinitely postponed, 495.

House Bill No. 144.—(Allen)

An Act to Amend and Re-enact Section 988 of the Compiled Laws of North Dakota for the Year 1913, Relating

to Disability of Elector and Providing a Penalty for Violation Thereof.

Introduction, first and second reading, 265.

Referred, 265.

Indefinitely postponed, 444.

House Bill No. 145.—(Bauer)

An Act to Amend and Re-enact Section 3471 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Section 1 of Chapter 13 of the Laws of the Special Session of the State of North Dakota for the Year 1918, as Amended by Chapter 54 of the Laws of North Dakota Passed by the Special Session of the Sixteenth Legislative Assembly in 1919, Relating to the Issuance of Bonds for Seed Grain and Feed.

Introduction, first and second reading, 265.

Referred, 265.

Indefinitely postponed, 296.

House Bill No. 146.—(Sproul)

An Act to Amend and Re-enact Section 3533 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 104 of the Session Laws of 1915, Relating to the Compensation and Office Hours of County Commissioners.

Introduction, first and second reading, 265.

Referred, 266.

Reported back, 296.

Amended, 689.

Third reading, passed, 340, 728.

Received from the Senate, 689.

Amendments concurred in, 728.

Other action, 819.

House Bill No. 147.—(Committee on Banking)

An Act to Amend and Re-enact Section 5179 of the Compiled Laws of 1913 as Amended and re-enacted by Chapter 55 of the Session Laws of 1915, Relating to the Department of the State Examiner.

Introduction, first and second reading, 266.

Referred, 266.

Reported back, 303.

Amended, 709.

Third reading, passed, 341.

Received from the Senate, 709.

Other action, 753, 807, 887, 891.

House Bill No. 148.—(Committee on Banking)

An Act Making it a Felony for Any Person to Enter Any Room Wherein, in Whole or in Part, a General Banking Business is Carried on, or Wherein in Whole or in Part, a Business of Receiving Securities, Evidence of Debts or Any Other Valuable Papers on Deposit or for Safe Keeping, in Which There is at the Time a Human Being, With Intent to Commit a Felony by Means of Threats, Force or Violence, and Prescribing the Punishment Thereof.

Introduction, first and second reading, 266.

Referred, 266.

Reported back, 421.
Amended, 512.
Third reading, passed, 560.
Received from the Senate, 754.
Other action, 820.

House Bill No. 149.—(Committee on Banking)

An Act Providing for the Supervision of Liquidation of Insolvent Banks by the Depositors' Guaranty Fund Commission, the Appointment of a Supervisor of Receivers and Compensation and Expenses Thereof to Be Paid out of the Depositors' Guaranty Fund.

Introduction, first and second reading, 266.
Referred, 266.
Reported back, 304.
Third reading, passed, 341.
Received from the Senate, 755. •
Other action, 819.

House Bill No. 150.—(Committee on Banking)

An Act to Amend and Re-enact Section 7 of Chapter 126 of the Laws of North Dakota for the Year 1917 as Amended and Re-enacted by Chapter 110 of the Laws of North Dakota for 1919, Relative to the Guarantee of Bank Deposits.

Introduction, first and second reading, 266.
Reference, 266, 342.
Reported back, 304.
Indefinitely postponed, 518.

House Bill No. 151.—(Committee on Banking)

An Act to Amend and Re-enact Section 1 of Chapter 126 of the Laws of North Dakota for the Year 1917 as Amended and Re-enacted by Chapter 110 of the Laws of North Dakota for 1919, Relative to the Guarantee of Bank Deposits.

Introduction, first and second reading, 266.
Reference, 266.
Reported back, 304.
Third reading, passed, 342, 844.
Received from the Senate, 756.
Amendments concurred in, 844.
Other action, 807, 843, 859.

House Bill No. 152.—(Committee on Banking)

An Act to Amend and Re-enact Section 8 of Chapter 126 of the Laws of North Dakota for the Year 1917, Relating to the Guarantee of Bank Deposits.

Introduction, first and second reading, 266.
Reference, 267, 401.
Reported back, 304.
Indefinitely postponed, 518.
Third reading, passed, 343.
Other action, 369.

House Bill No. 153.—(Lackey)

An Act to Amend and Re-enact Section 1185 of the Compiled Laws of the State of North Dakota for 1913, Relating to School Elections.

Introduction, first and second reading, 267.
Reference, 267.
Indefinitely postponed, 322.

House Bill No. 154.—(Halcrow)

An Act to Amend and Re-enact Section 10184 and 10185 of the Compiled Laws of North Dakota for 1913, Prohibiting the Manufacture, Sale, Disposing of, Giving Away, and Soliciting Orders for Cigarettes, or Cigarette Papers and Providing Penalty.

Introduction, first and second reading, 267.
Reference, 267.
Reported back, 424.
Amended, 540, 690.
Third reading, passed, 570, 730.
Received from the Senate, 690.
Amendments concurred in, 730.
Other action, 820.

House Bill No. 155.—(Olsen of Billings)

An Act to Amend and Re-enact Section 4624 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Conveyances and Mortgages of Railroad Corporations, so as to Provide the Manner of Execution and Manner and Place of Record of Every Conveyance or Lease, Deed of Trust, Mortgage or Assignment, or Satisfaction Thereof, Made by Any Railroad, Telegraph or Telephone Corporation.

Introduction, first and second reading, 267.
Reference, 267.
Reported back, 421.
Third reading, passed, 457.
Received from the Senate, 706.
Other action, 759.

House Bill No. 156.—(Maddock of Mountrail)

An Act to Meet an Emergency in the Operating of the Schools Located on the Fort Berthold Reservation in Mountrail County, North Dakota.

Presented, 267.
Introduction, first and second reading, 293.
Reference, 267, 293.
Reported back, 276.
Indefinitely postponed, 419.

House Bill No. 157.—(Durkee by Request)

An Act to Amend and Re-enact Section 2078, Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 223, Session Laws of 1919, Relating to the Exemption of Property from Taxation.

Introduction, first and second reading, 293.
Reference, 294.
Indefinitely postponed, 494.

House Bill No. 158.—(Carl E. Johnson)

An Act to Amend and Re-enact Sections 948 and 968 of the Compiled Laws of 1913, and to Repeal Section 991 of the Compiled Laws of 1913, Relating to Election.

Introduction, first and second reading, 294.
Reference, 294.
Reported back, 498.
Indefinitely postponed, 686.
Third reading, passed, 559.

House Bill No. 159.—(Game and Fish Committee)

An Act to Amend and Re-enact Section 26 of Chapter 161 of the Session Laws of 1915, Relating to Hours for Shooting.

Introduction, first and second reading, 294.
Reference, 294.
Reported back, 416.
Amended, 688.
Third reading, passed, 457, 728.
Received from the Senate, 688.
Amendments concurred in, 727.
Other action, 820.

House Bill No. 160.—(Game and Fish Committee)

An Act to Amend and Re-enact Section 52 of Chapter 161 of the Session Laws of North Dakota for the Year 1915, as Amended by Section 52 of Chapter 122 of the Session Laws for the Year 1917, Relating to Bag Limit of Game Birds.

Introduction, first and second reading, 294.
Reference, 294.
Reported back, 416.
Third reading, passed, 456.
Received from the Senate, 687.
Other action, 759.

House Bill No. 161.—(Johnson of Pembina)

An Act Providing that Chapter 174 of the Session Laws of North Dakota for the Year 1919 Shall not Apply in Cities, Villages, and Towns, Having a Population of Five Thousand (5,000) or Less; and Repealing All Acts and Parts of Acts in Conflict Therewith.

Introduction, first and second reading, 294.
Reference, 294.
Reported back, 468.
Indefinitely postponed, 541.

House Bill No. 162.—(Erickson of Walsh, by Request)

An Act to Amend and Re-enact Section 13b and Section 43 of Chapter 225, Laws of North Dakota, 1919, Relating to the Taxation of Transfers of Property by Will, Gift, or by Intestate Law.

Introduction, first and second reading, 294.
Reference, 294.
Reported back, 547.
Third reading, passed, 595.
Received from the Senate, 706.
Other action, 760.

House Bill No. 163.—(Cole by Request)

An Act to Amend and Re-enact Section Ten (10) of Chapter 174 of the Session Laws of North Dakota for the Year 1919, Relating to Appeals From the Decision of Minimum

Wage Commission, and Providing the Procedure of Such Appeals.

Introduction, first and second reading, 294.

Reference, 294.

Indefinitely postponed, 425.

House Bill No. 164.—(Flom)

An Act to Amend and Re-enact Section 4, Chapter 61 of the Laws Passed by the Special Session of the Sixteenth Legislative Assembly, 1919, Relating to the Debt Limit of Any County of Political Subdivision Thereof, or of Any Town or Village.

Introduction, first and second reading, 294.

Reference, 295.

Reported back, 468.

Indefinitely postponed, 524.

Third reading, 509.

House Bill No. 165.—(Patterson)

An Act Providing for the Collection of Such Taxes by the State Treasurer and Providing a Method of Apportionment and Distribution Thereof.

Introduction, first and second reading, 295.

Reference, 295.

Indefinitely postponed, 533.

House Bill No. 166.—(Kitchen)

An Act Empowering the State Land Department of the State of North Dakota to Grant Certain Permits for the Sinking of Oil Wells on School Lands.

Introduction, first and second reading, 295, 308.

Reference, 308.

Indefinitely postponed, 398.

House Bill No. 167.—(Kitchen and Martin of Slope)

An Act Authorizing Cities and Organized Villages in the State of North Dakota to Pass Ordinances Regulating and Censoring the Exhibition of Moving Pictures.

Introduction, first and second reading, 295, 308.

Reference, 308.

• Indefinitely postponed, 416.

House Bill No. 168.—(McGauvran)

An Act to Amend and Re-enact Section 287 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 241 of the Session Laws of 1915, as Amended by Chapter 204 of the Session Laws of 1917, and as Amended by Chapter 198 of the Session Laws of 1919, Relating to the Investment of University and School Land Funds.

Introduction, first and second reading, 295, 308.

Reference, 308.

Reported back, 465.

Third reading, passed, 508.

Received from the Senate, 687.

Other action, 760.

House Bill No. 169.—(Whitmer)

An Act to Amend and Re-enact Section 4671 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to the Size and Construction of Caboose Cars.

Introduction, first and second reading, 295, 308.
 Reference, 308.
 Reported back, 446.
 Amended, 539.
 Third reading, passed, 568.
 Received from the Senate, 755.
 Other action, 819.

House Bill No. 170.—(Starke)

An Act to Amend and Re-enact Section 7633 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to When Special Verdicts Directed to Special Findings, How Prepared and Judgment Entered Thereon.

Introduction, first and second reading, 295, 308.
 Reference, 308.
 Reported back, 470.
 Third reading, passed, 537.
 Received from the Senate, 707.
 Other action, 760.

House Bill No. 171.—(Kopp)

An Act Authorizing the Board of Administration to Create a Students Loaning Fund in State Normal Schools.

Introduction, first and second reading, 295, 309.
 Reference, 309.
 Reported back, 425.
 Amended, 689.
 Third reading, passed, 459, 729.
 Received from the Senate, 689.
 Amendments concurred in, 729.
 Other action, 819.

House Bill No. 172.—(Olson of Ramsey)

A Concurrent Resolution to Amend and Re-enact Section 173 of the Constitution of the State of North Dakota, Relating to County Officers.

Introduction, first and second reading, 295, 309.
 Reference, 309.
 Reported back, 397.
 Indefinitely postponed, 505.

House Bill No. 173.—(Bratsberg)

An Act to Amend and Re-enact Section 2846 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 104 of the Laws of North Dakota for the Year 1917, Relating to Price Discrimination in Purchasing Dairy Products.

Introduction, first and second reading, 295, 309.
 Reference, 309.
 Indefinitely postponed, 521.

House Bill No. 174.—(Lackey by Request)

An Act to Amend and Re-enact Section 1190 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 199 of the Laws of North Dakota for the Year 1919, as Amended by Chapter 53 of the Laws of North Dakota, Special Session of the Year 1919, Relating to the Consolidation of Schools; and Contracting for the Transportation of Pupils to and From Said Schools; and Providing for a Board of Arbitration.

Introduction, first and second reading, 295, 309.
Reference, 309, 366.
Reported back, 448.
Amended, 539.
Third reading, passed, 569, 842.
Amendments concurred in, 842.
Other action, 859.

House Bill No. 175.—(Freeman)

An Act to Authorize Congressional Townships to Levy a Special Tax for the Support of High Schools.

Introduction, first and second reading, 295, 309.
Reference, 309.
Reported back, 533.
Indefinitely postponed, 579.

House Bill No. 176.—(Shipley)

An Act to Amend and Re-enact Section 2078, Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 223, Session Laws of 1919, Relating to the Exemption of Property From Taxation.

Introduction, first and second reading, 295, 309.
Reference, 309.
Reported back, 531.
Indefinitely postponed, 787.
Amended, 579.
Third reading, passed, 609.

House Bill No. 177.—(Olson of Ramsey)

An Act to Amend and Re-enact Section 27 of Chapter 161 of the Laws of North Dakota for the Year 1915, as Amended by Chapter 134 of the Laws of North Dakota of the Year 1919, Relating to the Use of Hunting Dogs.

Introduction, first and second reading, 295, 310.
Reference, 310.
Reported back, 416.
Indefinitely postponed, 462.

House Bill No. 178.—(Mouck)

An Act to Amend and Re-enact Chapter 155 of the Session Laws of 1917, Relating to Glaring Head Lights and Spotlights and Prescribing Penalty for Violation.

Introduction, first and second reading, 295, 310.
Reference, 310.
Reported back, 492.
Amended, 543.
Other action, 592.

House Bill No. 179.—(Maddock of Mountrail)

An Act to Amend and Re-enact Section 3482 of the Compiled Laws of North Dakota for the Year 1913 as Amended by Section 10 of Chapter 13 of the Laws of North Dakota for the Year 1918, as Amended by Section 2 of Chapter 177 of the Laws of North Dakota for the Year 1919; Also to Amend and Re-enact Section 4 of Chapter 54 of the Laws of the Spécial Session of North Dakota for the Year 1919, Relating to the Issuance of Bonds and Warrants to Procure Seed Grain and Feed.

Presented, 310.
Reference, 310, 323, 333.
Introduction, first and second reading, 333.
Reported back, 517.
Indefinitely postponed, 606.
Amended, 577.

House Bill No. 180.—(Halcrow)

An Act to Provide for the Establishment of County Hospitals and County Aid to Private Hospitals.

Introduction, first and second reading, 295, 310.
Reference, 310.
Indefinitely postponed, 493.

House Bill No. 181.—(Hempel)

An Act to Amend and Re-enact Section 7753; Sections 7754 and 7758 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 223 of the Laws of North Dakota for the Year 1915, and as Amended by Chapter 109 of the Laws of North Dakota for the Year 1917; and Sections 8085 and 8115 of the Compiled Laws of North Dakota for the Year 1913, Relating to Redemption From Sales of Real Estate Under Execution and Foreclosure.

Introduction, first and second reading, 295, 310.
Reference, 310.
Indefinitely postponed, 470.

House Bill No. 182.—(Shipley by Request)

An Act Defining and Providing for a Gross Earnings Tax on Freight Line and Car Equipment Companies and Repealing Subdivisions 2, 3, 4, 5, 6, 7, 8, 9, 10, and 11 of Section 2144 of the Compiled Laws of North Dakota for the Year 1913, as Amended and Re-enacted in Chapter 59, Special Session Laws of 1919.

Introduction, first and second reading, 295, 310.
Reference, 310.
Indefinitely postponed, 551.
Other action, 845.

House Bill No. 183.—(Allen and Eckert)

An Act to Amend and Re-enact Chapter 1342 of the Compiled Laws of North Dakota for 1913, as Amended by Chapter 141 of the Session Laws of North Dakota for the Year 1915, and Chapter 206 of the Session Laws of North Dakota for the Year 1917, Relating to Compulsory Attendance, School Age and the Transportation of Pupils.

Introduction, first and second reading, 295, 310.

Reference, 310.
Reported back, 449.
Indefinitely postponed, 787.
Amended, 689.
Third reading, passed, 481.
Received from the Senate, 689.
Returned to Senate by request, 730.

House Bill No. 184.—(Preszler by Request)

An Act Limiting and Defining the Powers of County Commissioners in Certain Counties.
Introduction, first and second reading, 295, 311.
Reference, 311.
Indefinitely postponed, 470.

House Bill No. 185.—(Reichert)

An Act to Amend and Re-enact Section One, Chapter 124, of Session Laws of 1917, as Amended by Chapter 136, Session Laws of 1919, Relating to Witness Fees in Garnishment Proceedings.
Introduction, first and second reading, 295, 311.
Reference, 311.
Reported back, 471.
Amended, 541; 708.
Third reading, passed, 589, 752.
Received from the Senate, 708.
Amendments concurred in, 752.
Other action, 820.

House Bill No. 186.—(Carl E. Johnson)

A Concurrent Resolution, Amending the Constitution of the State of North Dakota Relating to the Term of Office of the Judges of the Supreme Court.
Introduction, first and second reading, 295, 311.
Reference, 311.
Reported back, 496.
Indefinitely postponed, 686.
Third reading, passed, 557.

House Bill No. 187.—(Warehouse and Grain Grading Committee)

An Act to Amend and Re-enact Chapter 138 of the Session Laws of North Dakota for the Year 1919, Creating and Establishing the Department of Grades, Weights, and Measures Under the Direction and Supervision of the Board of Railroad Commissioners; Defining and Prescribing the Duties and Powers Thereof; Providing for the Licensing of Public Warehouses, Grain Buyers and Persons Engaged in soliciting or Procuring Consignments of Grain, Seeds or Other Agricultural Products; Providing for the Establishing of Central Marketing Places; Providing for the Appointment of State Inspector, State Deputy Inspectors and Deputy Inspectors, Chief Elevator Accountant and Warehouse Inspectors, Defining Their Duties and Powers; Providing for Bonds from Public Warehouses to Secure all Moneys Due the Holders of Outstanding Grain Tickets; Requiring Public Warehouses to Keep Records of Their Business; Authorizing the Fixing of a Reasonable Margin to be Paid, the Pro-

ducer of Grain; Providing for the Inspection of Public Warehouses; Providing for the Payment of Dockage Having Value; Authorizing Investigation of all Matters Bearing Upon the Marketing of Grain; Authorizing the Employment of Clerks, Experts and all Other Employees Necessary to Carry Out the Provisions of This Act, and Making an Appropriation Therefor; and Providing Penalties for the Violation of any of the Provisions of This Act.

Presented, reference, 311.

Introduction, first and second reading, 332.

Reference, 332.

Reported back, 446.

Indefinitely postponed, 686.

Third reading, passed, 507.

House Bill No. 188.—(Carlson and Boyd)

A Concurrent Resolution to Amend and Re-enact Section 45 of the Constitution of the State of North Dakota, Relating to Compensation of Members of the Legislative Assembly.

Introduction, first and second reading, 295, 311.

Reference, 311.

Reported back, 398.

Indefinitely postponed, 871.

Third reading, passed, 435.

Received from the Senate, 870.

Other action, 844.

House Bill No. 189.—(Olson of Ramsey)

An Act to Repeal Sections 811 and 812 of the Compiled Laws of North Dakota for 1913 as Amended and Re-enacted by Chapter 69 of the Laws of North Dakota (Regular Session) for 1919, Relating to License Fees for Attorneys and Counsellors at Law.

Introduction, first and second reading, 295, 311.

Reference, 311.

Reported back, 470.

Indefinitely postponed, 646.

Third reading, passed, 536.

House Bill No. 190.—(Johnson of Cass)

An Act Empowering the State Inspectors of Grades, Weights and Measures to Fix Maximum Rates for the Storage, Insurance, and Handling of Grain in Public Grain Warehouses; Requiring Warehousemen to Insure all Grain Stored in Public Grain Warehouses; and Repealing Section 3116 of the Compiled Laws of 1913.

Introduction, first and second reading, 295, 311.

Reference, 311.

Reported back, 447.

Indefinitely postponed, 686, 787.

Third reading, passed, 481.

Returned to Senate by request, 730.

House Bill No. 191.—(Johnson of Cass)

An Act Empowering the State Inspector of Grades, Weights, and Measurers to Waive Certain Requirements of the Laws, Rules, and Regulations of the State of North

Dakota Relating to Public Grain Warehouses in the Case of Grain Warehouses Which Have Given Bond and are Licensed Under the United States Warehouse Act.

Introduction, first and second reading, 295, 312.

Reference, 312.

Reported back, 447.

Indefinitely postponed, 686, 788.

Third reading, passed, 480.

Returned to Senate by request, 730.

House Bill No. 192—(Anderson of Burleigh, Shipley, Heaton, Bratsberg, Opland and Harding)

An Act to Amend and Re-enact Chapter 97 of the Session Laws of 1917 as Amended by Chapter 99 of the Session Laws of 1919 and by Chapter 29 of the Special Session Laws of 1919, Relating to Co-operative Associations and to Repeal Chapter 13 of the Civil Code of the Compiled Laws of 1913, Chapter 92 of the Session Laws of 1915 and Chapters 95 and 96 of the Session Laws of 1917.

Introduction, first and second reading, 295, 312.

Reference, 312.

Reported back, 528.

Amended, 791.

Third reading, passed, 606, 836.

Received from the Senate, 791.

Other action, 859.

House Bill No. 193.—(Hall)

An Act Creating the Office of County Assessor; Defining His Powers and Duties and Abolishing the Offices of Township, Village or City Assessor and the Office of Tax Supervisor.

Introduction, first and second reading, 295, 312.

Reference, 312.

Indefinitely postponed, 534.

House Bill No. 194.—(Mikkelson by Request)

An Act to Repeal Chapter 130 of the Laws of North Dakota (Regular Session) for 1919, Relating to Attorney Fees and Sheriff's Fees on Foreclosure of Liens and Mortgages by Advertisement.

Introduction, first and second reading, 295, 312.

Reference, 312.

Indefinitely postponed, 471.

House Bill No. 195.—(Jardine)

An Act to Provide for the Giving of Notice Before the Commencement of Actions or Proceedings to Foreclose Mortgages Upon Real Estate.

Introduction, first and second reading, 295, 312.

Reference, 312.

Indefinitely postponed, 497.

House Bill No. 196.—(Anderson of Burleigh and Semling)

An Act to Amend and Re-enact Chapter 131 of the Laws of North Dakota for 1919, Relating to Notices Before Foreclosure of Mortgages on Real Property.

Introduction, first and second reading, 295, 312.

Reference, 312.
Indefinitely postponed, 497.

House Bill No. 197.—(Shipley)

An Act to Provide for State and County Ballots for the Primary and General Elections and for Nomination and Election of All Elective State Officers, Members of the Legislative Assembly, Judges of the Supreme Court and District Court, Superintendent of Public Instruction and all Elective County Officers and to Repeal Sections 904, 905, 906, 907, 908, 909, 917, 918, 919 of the Compiled Laws of the State of North Dakota for the Year 1913 and Chapter 117 of the Session Laws of 1919, as Well as All Other Acts or Parts of Acts That are in Conflict With the Provisions Hereof.

Introduction, first and second reading, 295, 313.
Reference, 313.
Reported back, 472.
Indefinitely postponed, 787.
Third reading, passed, 556.

House Bill No. 198.—(Shipley)

An Act to Provide for Nomination of Candidates for the Offices of Presidential Electors, United States Senator, and Member of Congress and to Elect Delegates to the National Party Convention, National Committeemen and Party Precinct Committeemen and to Repeal Sections 917, 918, and 919 of the Compiled Laws of North Dakota for the Year 1913, and all Other Acts or Parts of Acts That are in Conflict with the Provisions Hereof.

Introduction, first and second reading, 295, 313.
Reference, 313.
Reported back, 473.
Indefinitely postponed, 686.
Third reading, passed, 557.

House Bill No. 199.—(Olson and Grangaard)

An Act to Amend and Re-enact Sections 1589, 1594, and 1595 of the Compiled Laws of 1913, Relative to Normal Schools.

Introduction, first and second reading, 295, 313.
Reference, 313.
Reported back, 366.
Third reading, passed, 400, 839.
Received from the Senate, 793.
Amendments concurred in, 839.
Other action, 849.

House Bill No. 200.—(McLarty)

An Act to Repeal Article 3 and Sections 1596, 1597, 1598, 1599, 1600, 1601, 1602, and 1603, of the Compiled Laws, 1913, and to Re-enact Article 3, Sections 1596 and 1597.

Introduction, first and second reading, 295, 313.
Reference, 313.
Indefinitely postponed, 552.

House Bill No. 201.—(Bjorgo, Boyd, Carlson, Kitchen, Semling, Stark and Preszler)

An Act Whereby Teachers Teaching in the Public Schools of North Dakota Be United States Citizens.

Introduction, first and second reading, 295, 313.
Reference, 313.
Reported back, 367.
Amended, 411.
Third reading, passed, 454.
Received from the Senate, 794.
Other action, 826.

House Bill No. 202.—(Kitchen)

An Act to Abolish the Office of School District Treasurer and to Make the County Treasurer Ex-officio Treasurer of all School Districts in His County.
Presented, 332.
Introduction, first and second reading, 369.
Reference, 332, 369.
Reported back, 444.
Third reading, lost, 479.

House Bill No. 203.—(Lackey by Request)

An act to Amend and Re-enact Section 69 of the Compiled Laws of North Dakota for 1913, Relating to the Printing of the Popular Edition of the Session Laws; Fixing the Specifications for the Unauthenticated Edition of the Session Laws of the State of North Dakota, and Repealing all Acts and Parts of Acts in Conflict Therewith.
Presented, 332.
Introduction, first and second reading, 369.
Reference, 332, 369.
Reported back, 367, 530.
Amended, 578.
Third reading, passed, 607, 818.
Received from the Senate, 784.
Amendments concurred in, 818.
Other action, 841.

House Bill No. 204.—(Jardine)

An Act to Provide for the Survival of Actions and Causes of Action Against the Estate of Deceased Persons.
Presented, 332.
Reference, 332.
Reported back, 368.

House Bill No. 205.—(Jardine)

An Act to Provide for the Survival of Actions and Causes of Action for Damages, Pain and Suffering and Personal Injuries.
Presented, 332.
Reference, 332.
Reported back, 368.

House Bill No. 206.—(Mouck)

An Act Authorizing Boards of County Commissioners to Issue Refunding Bonds to Fund or Refund for the Purpose of Seed Grain or Seed and Feed Grain Bonds or Warrants Theretofore Issued Pursuant to Law for the Purchase of Seed Grain and Feed or Either.
Presented, 340.
Introduction, first and second reading, 369.

Reference, 340, 369.
Reported back, 367, 520.
Third reading, passed, 564.
Received from the Senate, 687.
Other action, 760.

House Bill No. 207.—(Morton)

An Act Authorizing the State Examiner to Appoint Not to Exceed Eight Special Deputy Examiners Subject to the Approval of the State Banking Board and to Appropriate the Sum of \$15,000.00 for the Payment of the Salaries and Expenses of Such Deputy Examiners.
Presented, 340.
Reference, 340.
Reported back, 367.

House Bill No. 208.—(Boyd)

An Act to Require County Commissioners to Have All County Printing Done Within the County and State.
Presented, 399.
Introduction, first and second reading, 430.
Reference, 430.
Reported back, 417, 530.
Other action, 546.

House Bill No. 209.—(Olafson and Maddock of Benson)

An Act to Abolish the Present and to Provide a New System of Legal Procedure Both Civil and Criminal, by Authorizing the Supreme Court to Prescribe Forms and Rules, and Generally to Regulate Pleading, Evidence and Practice.
Presented, 399.
Introduction, first and second reading, 478.
Reference, 399, 478.
Reported back, 475, 575.
Indefinitely postponed, 603.

House Bill No. 210.—(Jardine)

An Act to Cancel Uncollected Personal Property Taxes Assessed for 1910 and Prior Years.
Presented, 399.
Introduction, first and second reading, 430.
Reference, 399, 430.
Reported back, 418, 533.
Indefinitely postponed, 708.
Third reading, passed, 564.

House Bill No. 211.—(Bauer)

An Act Amending and Re-enacting Section 6814, Compiled Laws of North Dakota for 1913, and Acts Amendatory Thereof, Relating to the Conditions Under Which Mechanic's Liens May Be Had, and Repealing Sections 6815 and 6816, and Amendatory Thereof.
Presented, 399.
Reported back, 418.

House Bill No. 212.—(Hanson of Grand Forks)

An Act, Designating Depositories of all Public Funds and Fixing the Minimum rate of Interest; Requiring Com-

petitive Bids for Such Deposit; Providing for Publicity with Reference to Such Funds and Depositories; Prescribing Penalties for Violation of this Act; Defining Terms Used Herein, and Repealing Sections 370 to 374, inclusive, Sections 1472 to 1488, inclusive, and Sections 3315 to 3329, inclusive, of the Compiled Laws of 1913.

Presented, 451.

Introduction, first and second reading, 478.

Reference, 451, 478.

Reported back, 475, 521.

Third reading, passed, 600.

Other action, 900.

House Bill No. 213.—(Olsgard)

An Act to Amend and Re-enact Chapter 151 of the Session Laws of 1919, Creating an Industrial Commission and Defining the Powers and Duties Thereof, and Authorizing the Same to Manage, in Behalf of the State, the Mill and Elevator Association and the Home Building Association, Established by Chapters 152 and 150 of the Session Laws of 1919, Respectively, and to Repeal Such Portions of Chapter 151 of the Session Laws of 1919, as are Not Re-enacted Herein.

Presented, 462.

Introduction, first and second reading, 478.

Reference, 462, 478.

Reported back, 476, 520.

Third reading, lost, 598.

House Bill No. 214.—(Hanson of Grand Forks)

An Act to Create a Rural Credits Board, to Establish a System of Rural Credits, and to Provide for the Assumption by Such Rural Credits Board of the Farm Loan Business of the Bank of North Dakota, and to Provide for Taking Charge of the North Dakota Bonds, Real Estate Series, Provided for in Chapter One Hundred Fifty-four (154) of the Session Laws of 1919.

Presented, 462.

Introduction, first and second reading, 479.

Reference, 462, 479.

Reported back, 476, 552.

Third reading, lost, 596.

House Bill No. 215.—(Jardine)

An Act to Provide for the Service of Copy of Notice of Foreclosure of Real Estate Mortgage or Lien, When Such Foreclosure is by Advertisement, Upon the Title Owner of Record When the Postoffice Address of Such Title Owner is Shown by the Record of the Instrument by Which Such Title Acquired; and Providing for Foreclosure Fee Being Taxable as Costs, Only When Such Notice is Given as Required; and Providing for the Recording of Affidavit With Respect Thereof.

Presented, 486.

Introduction, first and second reading, 504.

Reference, 486, 505.

Reported back, 493, 555.

Other action, 584.

House Bill No. 216—(Burkhart)

An Act Regulating All Fee Employment Agencies, Providing for a License for the Operation Thereof and a Fee Therefor, Providing Forms Therefor of Receipts and Registers to Be Used and Kept and for Other Purposes.

Presented, 504.

Reported back not to be introduced, 518.

Reference, 504.

House Bill No. 217.—(McGauvran)

An Act Requiring and Providing for the Dissolution of the Bank of North Dakota, for the Liquidation of Its Affairs and Creating a Board of Trustees for Such Purpose and Prescribing the Powers and Duties of Such Board.

Presented, 536.

Introduction, first and second reading, 536.

Reference, 536.

Reported back, 576.

Third reading, lost, 602.

SENATE BILLS

Senate Bill No. 1.—(McNair and Baird)

An Act to Amend and Re-enact Section 800 of the Compiled Laws of the State of North Dakota for the Year 1913 as Amended by Chapter 70, Session Laws 1919, Relating to the Revocation or Suspension of an Attorney's Right to Practice.

Received from the Senate, 56.
 First and second reading, 56.
 Reference, 57.
 Reported back, 209.
 Passed, 227.
 Other action, 348.

Senate Bill No. 6.—(Liederbach)

An Act Appropriating Twelve Thousand (\$12,000) Dollars to Cover a Deficit and for the Immediate Use of the Office of the Attorney General.

Received from the Senate, 58.
 First and second reading, 60.
 Reference, Appropriations, 60.
 Indefinitely postponed, 241.

Senate Bill No. 7.—(Murphy)

An Act to Repeal Section 14 of Chapter 225, Laws of North Dakota, 1919, Relating to the Taxation of Transfers of Property by Will, Gift or by intestate Law.

Received from the Senate, 370.
 First and second reading, 614.
 Reference, 614.
 Reported back, 657.
 Passed, 682.
 Other action, 757.

Senate Bill No. 8.—(Murphy)

An Act to Repeal and Re-enact Section 1714 of the Compiled Laws of the State of North Dakota for the Year 1913, as Amended by Chapter 143, of the Session Laws of 1917.

Received from the Senate, 101.
 First and second reading, 111.
 Reference, 111.
 Reported back, 208.
 Passed, 227.
 Other action, 349.

Senate Bill No. 11.—(Rusch)

An Act Amending and Re-enacting Section 10251 of the Compiled Laws of North Dakota for the Year 1913, Relating to Unlawful Obligations in Writing.

Received from the Senate, 429.

First and second reading, 614.
Reference, 614, 790.
Reported back, 704.
Passed, 790.
Other action, 838.

Senate Bill No. 12.—(Rusch)

An Act to Amend and Re-enact the Concentrated Feeding Stuff Law of North Dakota the Same Being Article 43, Section 2911-2921 of the Political Code of the Compiled Laws of North Dakota for 1913.

Received from the Senate, 101.
First and second reading, 101.
Reference, 101.
Reported back, 151.
Amended, 169.
Passed, 225.
Other action, 349.

Senate Bill No. 15.—(Ettestad)

An Act to Amend and Re-enact Section 1340, Compiled Laws of North Dakota for 1913. Relating to Proposals for Building School Houses.

Received from the Senate, 82.
First and second reading, 101.
Reference, 101, 250.
Reported back, 132.
Amended, 169.
Passed, 226.
Report of conference committee, 282.
Other action, 485.

Senate Bill No. 16.—(Miklethun, by request)

An Act Providing for a Reward for the Arrest and Conviction of Persons Charged with the Violation of the Prohibition Laws of this State and for Appointment of Special Deputy Sheriffs to Enforce such Prohibition Laws.

Received from the Senate, 548.
First and second reading, 615.
Reference, 615.
Indefinitely postponed, 712.

Senate Bill No 17.—(Byrne)

An Act to Appropriate \$10,000 to Aid in the Educational Work Being Carried on by the North Dakota Tuberculosis Association, and the Prevention of the Spread of Tuberculosis more Definitely Prescribed in Chapter 7 of the Session Laws of North Dakota for the year 1915, for the Salary and Traveling Expenses of Field Workers and Nurses.

Received from the Senate, 428.
First and second reading, 614.
Reference, 614.
Reported back, 662.
Passed, 731.
Other action, 820.

Senate Bill No. 18.—(Church and Miklethun)

An Act to Amend and Re-enact Chapter Six, Session Laws 1919, as Amended by Special Session Laws 1919 Relating to the Licensing, Regulating and Supervising the Licensing and Inspection of Pool and Billiard Rooms, Ball and Pin Alleys, Dance Halls, Theaters, Moving Picture Shows, Taxicab and Auto Livery, Places where Soft Drinks are Manufactured or Sold or where Cigars and Tobacco are Sold, or Public Hall, Owned Privately and Used for Public Purposes; Providing Fees Therefor, Inspectors, Office Help and Supplies Thereof; Defining Powers and Duties and Repealing all Acts and Parts of Acts Inconsistent Therewith.

Received from the Senate, 151.

First and second reading, 168.

Reference, 168, 630.

Reported back, 298, 720.

Amended, 402, 772.

Passed, 865.

Other action, 864, 895.

Senate Bill No. 19.—(Liederbach, by request)

An Act Prohibiting the Use of Long Range Fire Arms or Ammunition Larger than Shot Number Four and Twenty-two Short Cartridges in any Brush, Timber or Wooded Lands.

Received from the Senate, 63.

First and second reading, 63.

Reference, Federal Relations, 63.

Reported back, 67.

Passed, 68.

Senate Bill No. 21.—(Gross by Request)

An Act Creating a Public Health Commission; Fixing the Membership Thereof, and Defining its Powers and Duties.

Received from the Senate, 331.

First and second reading, 612.

Reference, 612.

Indefinitely postponed, 694.

Senate Bill No. 24.—(Church)

An Act to Amend and Re-enact Section 4400 of the Compiled Laws of North Dakota, 1913, Relating to Affirmative Proof Required in Divorce Actions.

Received from the Senate, 173.

First and second reading, 224.

Reference, 224.

Amended, 648.

Passed, 627, 669.

Amendments concurred by Senate, 787.

Other action, 820.

Senate Bill No. 25.—(Appropriations Committee)

An Act to appropriate Money for the Expenses of the Executive, Legislative and Judicial Departments of the State Government, and for Public Schools, Specifying the Amount and Time for Which Such Appropriations

Shall be Available, and Repealing Sections 1416, 1418 and 1419 of the Compiled Laws of 1913, as Amended by Chapter 34 of the Session Laws of 1915, and All Other Acts and Parts of Acts in so far as the same Relate to Appropriations Conflicting Herewith or the Appropriations for the Same Matters or Purpose Provided for Herein.

Received from the Senate, 595.
 First and second reading, 604.
 Reference, 604.
 Reported back, 742.
 Amended, 809, 810, 811, 812, 813, 814, 815.
 Passed, 827.
 Other action, 845, 902.

Senate Bill No. 27.—(Church)

An Act to Amend and Re-enact Section 1045 of the Compiled Laws of North Dakota for the Year 1913 as Amended by Chapter 148 of the Laws of North Dakota for the Year 1919, Relating to the Compensation of Election Officers.

Received from the Senate, 201.
 First and second reading, 224.
 Reference, 224.
 Reported back, 475.
 Indefinitely postponed, 580.

Senate Bill No. 29.—(Van Camp)

An Act to Amend and Re-enact Section 1 of Chapter 4 of the Laws Passed by the Special Session of the Sixteenth Legislative Assembly of the State of North Dakota, Begun and Held at Bismarck, the Capital of Said State, on Tuesday, the Twenty-fifth Day of November, A. D. 1919, and Concluding Thursday, December the Eleventh, 1919, Being an Act to appropriate \$225,000.00 for the Purpose of Aiding in the Construction of a Bridge Across the Missouri River From Burleigh County to Morton County in the State of North Dakota, and the Further Sum of \$35,000.00 for the Construction of a Bridge Across the Red River, at Pembina, Pembina County, and Kittson County, Minnesota, Under the Provisions of Chapter 73 of the Laws Passed at the Sixteenth Session of the Legislative Assembly of North Dakota, Approved March 5, 1919; and Such Appropriation be Made From the State Highway Fund; Which Was Approved 9:00 A. M. December 12, 1919.

Received from the Senate, 201.
 First and second reading, 224.
 Reference, 225.
 Reported back, 330.
 Passed, 628.
 Other action, 702.

Senate Bill No. 30.—(Whitman)

An Act to Amend and Re-enact Section 9 of Chapter 167 of the Session Laws of North Dakota for the Year 1919, Relating to the Salary and Expenses of the District Judges.

Received from the Senate, 369.
 First and second reading, 614.
 Reference, 614.
 Indefinitely postponed, 642.

Senate Bill No. 31.—(Whitman)

An Act to Amend and Re-enact Section 780 of the Compiled Laws of North Dakota, for the Year 1913, as Amended by Chapter 30, of the Special Session Laws of North Dakota, for the Year 1919, Relating to Compensation of Court Stenographers, and Providing for the Payment of Expenses.

Received from the Senate, 429.
 First and second reading, 614.
 Reference, 614.
 Reported back, 643.
 Amended, 677.
 Passed, 775.
 Amendments concurred by Senate, 807.
 Other action, 838.

Senate Bill No. 32.—(Garberg)

An Act to Amend and Re-enact Sections 11114 and 11115, Compiled Laws of the State of North Dakota for 1913, Relating to the Admitting to Bail of Persons Charged with the Offense of Homicide.

Received from the Senate, 173.
 First and second reading, 224.
 Reference, 224.
 Reported back, 518.
 Amended, 581.
 Passed, 651.
 Amendments concurred by Senate, 786.
 Other action, 838.

Senate Bill No. 33.—(Garberg)

An Act to Amend and Re-enact Section 2625, Compiled Laws of North Dakota for 1913, Relating to Trespass of Animals.

Received from the Senate, 259.
 First and second reading, 315.
 Reference, 315.
 Reported back, 522.
 Passed, 649.
 Other action, 702.

Senate Bill No. 34.—(Thorson)

An Act Legalizing and Validating all Notices and Publications Commenced in an Official Newspaper Prior to the 1st Day of January, 1921.

Received from the Senate, 201.
 First and second reading, 225.
 Reference, 225.
 Reported back, 530.
 Passed, 650.
 Other action, 702.

Senate Bill No. 35.—(Berg)

An Act Repealing Section 6972 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating

to Negotiable Instruments Made Payable at a Bank.
Received from the Senate, 173.
First and second reading, 224.
Reference, 224.
Reported back, 519.
Passed, 648.
Other action, 703.

Senate Bill No. 37.—(Baird)

An Act Entitled, an Act to Cure Defects in the Title
Real Eestate Caused by Failure of Foreign Corporations
to Comply with Section 5238 Compiled Laws 1913.
Received from the Senate, 242.
First and second reading, 251.
Reference, 251.
Reported back, 326.
Passed, 629.
Other action, 703, 838.

Senate Bill No. 39.—(Leiderbach)

An Act to Appropriate the sum of \$175,000.00 for the Pur-
pose of Aiding in the Construction of a Bridge Across
the Missouri River from Burleigh County to Morton
County in the State of North Dakota Under the Pro-
visions of Chapter 73 of the Laws Passed at the Sixteenth
Session of the Legislative Assembly of North Dakota
Approved March 5, 1919, in Addition to the sum Appro-
priated by Chapter 4 of the Special Session of the
Sixteenth Legislative Assembly, Approved December 12,
1919, and that such Appropriation be made from the
State Highway Fund.
Received from the Senate, 331.
First and second reading, 612.
Reference, 612.
Reported back, 698.
Passed, 783.
Other action, 901.

Senate Bill No. 41.—(Noltimier and Ployhar)

An Act to Amend and Re-enact Section 4059 of the Com-
piled Laws of North Dakota for the Year 1913, as
Amended by Chapter 71, Session Laws of 1915, and
Chapter 178, Session Laws of 1917, Relating to Powers
of Park Commission, be Amended and Re-enacted to
Read as Follows:
Received from the Senate, 201.
First and second reading, 225.
Reference, 225, 667.
Reported back, 418, 676.
Amended, 486, 696.
Passed, 782.
Amendments concurred by Senate, 807.
Other action, 838.

Senate Bill No. 42.—(Liederbach)

An Act to Amend and Re-enact Section 814 of the Compiled
Laws of North Dakota for the Year 1913, Relating to
the Qualifications of Jurors.
Received from the Senate, 242.

First and second reading, 250.
 Reference, 250.
 Indefinitely postponed, 425.

Senate Bill No. 44.—(Baird)

An Act to Amend and Re-enact Section 4 of Chapter 187 of the Session Laws of North Dakota for the Year 1919:

Received from the Senate, 242.
 First and second reading, 250.
 Reference, 250.
 Reported back, 529.
 Passed, 650.
 Other action, 703.

Senate Bill No. 46.—(Thorson)

An Act to Amend and Re-enact Sections 48 and 49 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Public Printing and Binding.

Received from the Senate, 201.
 First and second reading, 225.
 Reference, 225.
 Reported back, 529.
 Indefinitely postponed, 529.

Senate Bill No. 48.—(Mees)

An Act Requiring County Commissioners to have classified all Acre Property in the State; Providing Method of Contracting for Such Work of Classification, Authorizing a Tax Levy Therefor Fixing Classification Schedules, Providing for Notice to Public Prior to Adoption of Such Classification and Fixing the Duties of the Board of County Commissioners, Boards of Review, and Equalization and Local Assessors with Respect to Such Classification Schedules.

Received from the Senate, 617.
 First and second reading, 626.
 Reference, 626.
 Reported back, 705.
 Amended, 765.
 Passed, 876.
 Lost, 872.
 Other action, 876, 901.

Senate Bill No. 49.—(Fraser and Ward)

An Act Amending Section 10298 of the Compiled Laws of the State of North Dakota for the year 1913 as Amended by Chapter 162 of the Laws of North Dakota for the Year 1915, as Amended by Chapter 134, Section 9, of the Laws of North Dakota for the Year 1919, Relating to the Season for Killing Deer and Providing a penalty therefor.

Received from the Senate, 242.
 First and second reading, 251.
 Reference, 251.
 Indefinitely postponed, 275.

Senate Bill No. 51.—(Liederbach)

An Act to Appropriate \$200,000.00 Out of Any Moneys in the Interest and Income of the Capitol Building Fund to

Complete the Liberty Memorial Building, to Build a Tunnel to Connect it with the Power House, Laying Water Mains and Sewers, for the Improvement of the Grounds and Establishment of the Park

Received from the Senate, 500.
 First and second reading, 612.
 Reference, 612.
 Reported back, 796.
 Passed, 860.
 Other action, 888.

Senate Bill No. 53.—(Ingerson)

An Act to Amend and Re-enact Chapter 160 of the Session Laws of North Dakota for the Year 1919 as Amended by Chapter No. 38 of the Special Session Laws of the 16th Legislative Assembly of the State of North Dakota for the Year 1919 Relating to State Hail Insurance.

Received from the Senate, 394.
 First and second reading, 453.
 Reference, 453, 667.
 Reported back, 621, 741.
 Amended, 653, 802.
 Passed, 882.
 Other action, 901.

Senate Bill No. 54.—(Ingerson)

An Act to Appropriate Money to Take Care of the Deficit in the Maintenance Account of the Hail Insurance Department for the Year Beginning January 1st, 1920, and Ending December 31st, 1920.

Received from the Senate, 259.
 First and second reading, 315.
 Reference, 315, 329.
 Reported back, 491.
 Amended, 580.
 Passed, 651.
 Amendments concurred by Senate, 786.
 Other action, 820.

Senate Bill No. 55.—(Sperry)

An Act to Amend and Re-enact Sections 9014 and 9015, Compiled Laws of North Dakota for the Year 1913, Relating to the Depositing of Official Dockets and Papers of Justices of the Peace.

Received from the Senate, 242.
 First and second reading, 250.
 Reference, 250.
 Reported back, 519.
 Amended, 652.
 Passed, 675.
 Amendments concurred by Senate, 786.
 Other action, 820.

Senate Bill No. 56.—(Sperry)

✓ An Act Providing for the Cancellation of Mortgages by Order of the District Court Judges of the State of North Dakota.

Received from the Senate, 242.

First and second reading, 250.
Reference, 250.
Indefinitely postponed, 641.

Senate Bill No. 57.—(Wenstrom)

Concurrent Resolution for an Amendment to the Constitution Relating to the Residence Required of an Elector.

Received from the Senate, 242.
First and second reading, 251.
Reference, 251.
Reported back, 635.
Passed, 669.
Other action, 703.

Senate Bill No. 58.—(Fleckten)

An Act Making it Unlawful for Any Railroad Corporation Doing Business in North Dakota, to Operate Any Locomotive Engine Propelled by Steam or Electric Power, Without Equipping Such Engine with a Vestibuled Cab; and Prescribing a Penalty for the Violation of this Act.

Received from the Senate, 600.
First and second reading, 615.
Reference, 615.
Reported back, 682.
Passed, 776.
Other action, 838.

Senate Bill No. 59.—(Baker)

An Act to Amend and Re-enact Section 2141 of the Compiled Laws of North Dakota, for the Year 1913, as Amended, Providing for the Substitution of the Commissioner of Insurance as a Member of the State Board of Equalization Instead of the State Auditor, and Making the Tax Commissioner Secretary Thereof.

Received from the Senate, 594.
First and second reading, 604.
Reference, 604, 647.
Indefinitely postponed, 667.

Senate Bill No. 60.—(Kendall)

An Act to Regulate Assignments for Benefit of Credits, and Provide for the Carrying Out of the Same Under Court Supervision.

Received from the Senate, 500.
First and second reading, 612.
Reference, 612.
Reported back, 658.
Passed, 683.
Other action, 757.

Senate Bill No. 64.—(Nelson by Request)

An Act to Repeal Chapter 222, Laws 1919, in Regard to Taxes on Shares of Stock.

Received from the Senate, 459.
First and second reading, 615.
Reference, 616.
Indefinitely postponed, 857.

Senate Bill No. 65.—(Ingerson)

An Act Requiring the Evaluation by the Board of Railroad Commissioners of All Common Carrier Railroad Property Within the State of North Dakota; Requiring the Fixing of the Fair Value Thereof for Rate Making Purposes; and Providing for an Appropriation to Carry Out the Provisions Thereof.

Received from the Senate, 617.

First and second reading, 626.

Reference, 626.

Indefinitely postponed, 742.

Senate Bill No. 66.—(Church)

An Act to Promote, Foster and Encourage the Proper Marketing of Agricultural Products and By-Products, and for the Creation of a Co-operative Marketing Association and Providing for License Fees.

First and second reading, 616.

Reference, 616.

Reported back, 751.

Amended, 815.

Passed, 883.

Other action, 901.

Senate Bill No. 67.—(Mees)

An Act to Appropriate Seventy five Hundred Dollars to the Missouri Slope Agricultural and Fair Association at Mandan for the Fairs to be Held in the Years 1921 and 1922.

Received from the Senate, 594.

First and second reading, 604.

Reference, 604.

Reported back, 741.

Passed, 877.

Other action, 890.

Senate Bill No. 68.—(Rusch)

An Act to Amend and Re-enact Section 2166 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Delinquent Personal Property Taxes.

Received from the Senate, 594.

First and second reading, 604.

Reference, 604.

Indefinitely postponed, 665.

Senate Bill No. 71.—(Murphy by Request)

An Act to Amend and Re-enact Section 2185 of the Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 67 of the Special Session Laws of North Dakota for the Year 1919, Relating to Real Estate Taxes Due and Delinquent, and the Penalty and Interest Thereon.

Received from the Senate, 600.

First and second reading, 616.

Reference, 616.

Reported back, 705.

Amended, 764.

Passed, 871.
Other action, 880, 901.

Senate Bill No. 80.—(Bowman)

An Act to Prevent the Adulteration and Description in Varnishes and Varnish Substitutes and Providing for the Proper Labeling of the Same.

Received from the Senate, 259.
First and second reading, 315.
Reference, 315.
Reported back, 325.
Passed, 631.
Other action, 703.

Senate Bill No. 81.—(Church)

An Act Declaring the Purpose of the State of North Dakota to Engage in the Business of Mining Lignite Coal for Use in its State Institutions, to Be Operated by the State, and Making an Appropriation therefor.

Received from the Senate, 259.
First and second reading, 315.
Reference, 315.
Indefinitely postponed, 328.

Senate Bill No. 83.—(Fleckten)

An Act Amending and Re-enacting Section 2618, Compiled Laws of North Dakota, for the Year 1913, as Amended by Chapter 140 of the Session Laws of North Dakota, for the Year 1919, Relating to the Herd Law.

Received from the Senate, 500.
First and second reading, 613.
Reference, 613.
Indefinitely postponed, 635.

Senate Bill No. 84.—(Ingerson)

An Act to appropriate the Sum of Eight Hundred Twenty-one and 75-100 Dollars (\$821.75) for Printing the 1917-1918 Biennial Report of the Attorney General.

Received from the Senate, 338.
First and second reading, 613.
Reference, 613.
Reported back, 698.
Passed, 788.
Other action, 838.

Senate Bill No. 87.—(Whitman)

An Act to Amend and Re-enact Section 8657 of the Compiled Laws of North Dakota for the Year 1913, Relating to Letters of Administration, and Who are Entitled Thereto.

Received from the Senate, 331.
First and second reading, 613.
Reference, 613.
Indefinitely postponed, 642.

Senate Bill No. 88.—(Whitman)

An Act to Amend and Re-enact Section 8551 of the Compiled Laws of North Dakota for the Year 1913, Relating

to Citations of Notices Issued by the County Court and How the Same Must be Served.

Received from the Senate, 331.

First and second reading, 613.

Reference, 613.

Indefinitely postponed, 642.

Senate Bill No. 89.—(Eastgate by Request)

An Act to Amend and Re-enact Section 1 of Chapter 204 of the Laws of North Dakota for the Year 1915; an Act to Compel Railroad Companies to Maintain Suitable Stock Yards and Erect Suitable Barns for the Convenience of the Public; to Restrain Any Person From Using the Stock Yards for Any Other Purpose Than Shipping; and to Provide a Penalty for the Violation Thereof.

Received from the Senate, 460.

First and second reading, 616.

Reference, 616.

Indefinitely postponed, 682.

Senate Bill No. 96.—(Rusch)

An Act to Amend and Re-enact Section 3550 of the Compiled Laws of the State of North Dakota for 1913, Relating to the Appointment of District Court Bailiffs and Compensation Thereof.

Received from the Senate, 259.

First and second reading, 315.

Reference, 315.

Reported back, 519.

Passed, 648.

Other action, 703.

Senate Bill No. 97.—(Church by Request)

An Act to Authorize the Valuation of Bonds and Other Securities Held by Life Insurance Companies, Assessment Life Associations and Fraternal Beneficiary Associations by the Amortization Method.

Received from the Senate, 548.

First and second reading, 616.

Reference, 616.

Reported back, 634.

Passed, 670.

Other action, 703.

Senate Bill No. 98.—(Ettestad)

An Act to Amend and Re-enact Section 3552, Compiled Laws of North Dakota for the Year 1913, Permitting Incorporated Towns and Villages Having a Population of Not Less Than Two Hundred Inhabitants to Become Incorporated as a City.

Received from the Senate, 369.

First and second reading, 614.

Reference, 614.

Reported back, 639.

Passed, 670.

Other action, 703.

Senate Bill No. 102.—(Ployhar)

An Act to Amend and Re-enact Section 3621, Compiled Laws of North Dakota for the Year 1913, Relating to Compensation of Aldermen.

Received from the Senate, 331.

First and second reading, 613.

Reference, 613.

Reported back, 638.

Passed, 671.

Other action, 703.

Senate Bill No. 103.—(Ployhar)

An Act to Compel City Councils, City Commissions and Boards of Education of Independent School Districts to Publish Proceedings of All Meetings in Official Paper to be Designated by Them.

Received from the Senate, 337.

First and second reading, 613.

Reference, 613.

Passed, 866.

Other action, 870, 888.

Senate Bill No. 104.—(Miklethun)

An Act to Repeal Section 153, Compiled Laws of North Dakota for 1913, Relating to Fees for the Registration of Bonds.

Received from the Senate, 338.

First and second reading, 613.

Reference, 613.

Reported back, 634.

Passed, 672.

Other action, 703.

Senate Bill No. 110.—(Fleckten)

An Act to Amend and Re-enact Section 811 of Chapter 69 of the Laws of the State of North Dakota for the Year 1919, Providing for a Bond for Attorneys.

Received from the Senate, 331.

First and second reading, 614.

Reference, 614, 780.

Reported back, 657, 795.

Amended, 694, 853.

Passed, 858.

Returned to Senate.

Senate Bill No. 111.—(Whitman)

An Act Prescribing What Number of Stockholders shall constitute a Quorum in Stockholders' Meetings of Domestic Corporations, and also Providing that the Written Consent of the Holders of a Majority in Value of the Subscribed Capital Stock Shall be Effectual for Certain Purposes, also Making Provision for Notice for Stockholders' Meetings, and Repealing Conflicting Laws.

Received from the Senate, 617.

First and second reading, 627.

Reference, 627.

Reported back, 664.

Amended, 695.

Passed, 781.
Amendments concurred by Senate, 807.
Other action, 838.

Senate Bill No. 115.—(Ingerson)

An Act to Amend and Re-enact Sections 3, 6 and 12 of Chapter 157 of the Session Laws of 1919 Regular Session, Relating to the Authorizing and Regulating the Exchange of Reciprocal or Insurance Contracts Among Individuals, Partnerships and Corporations.

Received from the Senate, 337.
First and second reading, 613.
Reference, 613.
Reported back, 700.
Passed, 868.
Other action, 888.

Senate Bill No. 116.—(Baird)

An Act to Amend and Re-enact Chapter 179 of the Session Laws of 1915.

Received from the Senate, 429.
First and second reading, 616.
Reference, 616.
Reported back, 639.
Amended, 678.
Passed, 775.
Other action, 794, 853, 881, 888.

Senate Bill No. 117.—(Bond)

An Act Empowering the Board of County Commissioners of Each County to Designate Depositories for County Funds and Providing the Procedure and the Regulations Under Which Such Funds May be Deposited.

Received from the Senate, 617.
First and second reading, 627.
Reference, 627, 664.
Reported back, 713.
Amended, 766.
Passed, 875.
Other action, 874.
Died in conference.

Senate Bill No. 118.—(Thorson, by Request)

An Act to Amend and Re-enact Section 5097 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to Cemetery Corporations.

Received from the Senate, 370.
First and second reading, 482.
Reference, 482.
Indefinitely postponed, 492.

Senate Bill No. 120.—(Ingerson)

An Act to Amend and Re-enact Section 23 of Chapter 138 of the Session Laws of North Dakota for the Year 1919, Regular Session, Relating to the Grading and Inspection of Grains.

Received from the Senate, 600.
First and second reading, 618.

Reference, 618.
Indefinitely postponed, 676.

Senate Bill No. 121.—(McNair)

An Act to Provide for the Acceptance of the Benefits of An Act by the Senate and House of Representatives of the United States of America in Congress Assembled. (H. R. 4438, Approved June 3, 1920) entitled "An Act to Provide for the Promotion of Vocational Rehabilitation of Persons Disabled in Industry or Otherwise and Their Return to Civil Employment"; to Provide for the Administration of Same.

Received from the Senate, 548.
First and second reading, 618.
Reference, 618.
Reported back, 663.
Passed, 733.
Other action, 820.

Senate Bill No. 122.—(Byrne)

An Act to Provide for the Survival of Actions and Causes of Action for Damages, Pain and Suffering and Personal Injuries.

Received from the Senate, 510.
First and second reading, 611.
Reference, 611.
Reported back, 642.
Lost, 672.

Senate Bill No. 123.—(Mikelthun)

An Act to Amend and Re-enact Section 1147, Compiled Laws of North Dakota for the Year 1913, as Amended by Chapter 197, of the Laws of North Dakota for the Year 1919, Relating to the Formation of New Common School Districts.

Received from the Senate, 599.
First and second reading, 618.
Reference, 618.
Indefinitely postponed, 736.

Senate Bill No. 131.—(Benson)

An Act for the Purpose of Continuing the Work of Immigration as Provided for in Chapter 146 of the Session Laws of 1919, During the Biennial Period Beginning July 1, 1921, and Ending June 30, 1923.

Received from the Senate, 595.
First and second reading, 604.
Reference, 604.
Reported back, 796.
Amended, 854.
Passed, 859.
Other action, 888.

Senate Bill No. 133.—(Thorson and Beisel by Request)

An Act to Empower Cities and Villages to Levy and Collect a Tax for the Purpose of Furnishing Musical Concerts to the Public.

Received from the Senate, 459.

First and second reading, 618.
Reference, 618.
Reported back, 645.
Amended, 680.
Lost, 776.

Senate Bill No. 134.—(Baird)

An Act to Amend and Re-enact Section 1, Chapter 77, of the Session Laws for the Year 1919, an Act Making it Unlawful to Separate or Cause to be Separated any Child Under Six Months of Age From Its Mother for the Purpose of Committing Such Child to a Foster Home or Institution, and to Regulate the Manner and Circumstances Under which it May be Done, and to Provide a Penalty for Violation of Said Act.

Received from the Senate, 594.
First and second reading, 605.
Reference, 605.
Indefinitely postponed, 658.

Senate Bill No. 135.—(Liederbach)

An Act Providing for the Issuance of Bonds of the State of North Dakota in a Sum Not Exceeding \$250,000.00, to be Known as Bonds of North Dakota, Electric Utility Series; Prescribing the Terms and Stating the Purposes Thereof; Providing for a Tax and Making Other Provisions for the Payment Thereof; Making Appropriations for the Payment of Said Bonds and Other Provisions for the Payment of Interest and Principal of Said Bonds and to Carry Into Effect the Provisions of This Act.

Received from the Senate, 617.
First and second reading, 627.
Reference, 627.
Reported back, 659.
Lost, 691.

Senate Bill No. 136.—(Liederbach)

An Act Declaring the Purpose of the State of North Dakota to Engage in the Enterprise of Furnishing Electricity for Power, Heat, and Lighting Purposes to the Inhabitants and Public of the City of Bismarck and of the County of Burleigh, and to Supply Electricity to All State Buildings Owned or Leased by the State of North Dakota in Said City and County and to the State Street Car Line

Received from the Senate, 617.
First and second reading, 627.
Reference, 627.
Reported back, 661.
Indefinitely postponed, 693.

Senate Bill No. 139.—(Ingerson)

An Act for the Protection of Employees as Members of Labor Organizations.

Received from the Senate, 510.
First and second reading, 611.
Reference, 611.
Indefinitely postponed, 636.

Senate Bill No. 140.—(Committee on Tax and Tax Laws)

An Act to Amend and Re-enact Chapter 224, Laws of North Dakota, for the Year 1919, as Amended by Chapter 60, Special Session Laws of 1919, an Act for the Purpose of Raising Revenue to defray the General Expenses of the State Government by providing for a Tax on the Incomes of Individuals, Fiduciaries, Corporations, Joint Stock Companies or Associations and Insurance Companies in the State of North Dakota; Classifying and Graduating Incomes for the Purpose of Taxation; Providing for Exemptions and Deductions in Certain Cases; Describing a Method of Levying and Collecting Said Tax; Prescribing Penalties for Non-conformance With the Provisions of this Act, and Repealing All Acts and Parts of Acts in Conflict Herewith.

Received from the Senate, 610.
First and second reading, 618.
Reference, 618.
Amended, 854, 855, 856.
Lost, 861.

Senate Bill No. 141.—(Murphy)

An Act to Amend and Re-enact Section 1717 of the Compiled Laws of North Dakota for the year 1913, as Amended by Section 4 of Chapter 113 of the Session Laws of 1915, and Chapter 145 of Session Laws of North Dakota for the Year 1917, Relating to the Support of Feeble Minded Persons in the Institution for the Feeble Minded.

Received from the Senate, 459.
First and second reading, 619.
Reference, 619.
Indefinitely postponed, 636.

Senate Bill No. 142.—(Gross by Request)

An Act to Prevent the Taking or Carrying in or Having in Possession Intoxicating Liquor in Any Hotel, Theater or Dance Hall in the State of North Dakota.

Received from the Senate, 594.
First and second reading, 605.
Reference, 605.
Indefinitely postponed, 659.

Senate Bill No. 143.—(Gross by Request)

An Act to Prevent Any Person from Registering as a Guest in Any Hotel in the State of North Dakota Under a Fictitious or False Name.

Received from the Senate, 510.
First and second reading, 611.
Reference, 611
Reported back, 636.
Passed, 673.
Other Action, 703.

Senate Bill No. 145.—(Fraser by Request)

An Act to Create, define and Establish the Bar Association of the State of North Dakota, and Providing for the publication of Its Proceedings and Filing Copies Thereof

With the State Bar Board and the State Libraries and as Otherwise Provided, and Making an Appropriation for the Expenses Connected Therewith.

Received from the Senate, 510.
 First and second reading, 611.
 Reference, 611.
 Reported back, 796.
 Passed, 881.
 Other Action, 890.

Senate Bill No. 147.—(Fraser)

An Act to Amend and Re-enact Chapter 183 of the Session Laws of 1917, an Act Requiring the Owners of Personal Property to Notify the County Treasurer of the Sale of Such Property at Public Auction, Providing for the Collection of Their personal Property Taxes and Prescribing Dates of Auctioneers in Relation Thereto.

Received from the Senate, 548.
 First and second reading, 619.
 Reference, 619-674.
 Reported back, 645-712.

* Amended, 765.
 Passed, 873.
 Other Action, 895.

Senate Bill No. 148.—(Church)

An Act to Amend Chapter 131 of the Session Laws of 1919, Enacted by the Sixteenth Session of the Legislative Assembly, Pertaining to the Giving of Notices of Intention to Foreclose Real Estate Mortgages.

Received from the Senate, 594.
 First and second reading, 619.
 Reference, 619.
 Reported back, 658.
 Passed, 685.
 Other Action, 757.

Senate Bill No. 150.—(Ward)

An Act to Amend and Re-enact Section 9804 and Section 9805 of Chapter 55 of the Laws of North Dakota for the Year 1913, Regulating the Sale to and Use of Firearms by Minors and Providing a Penalty for the Violation Thereof.

Received from the Senate, 510.
 First and second reading, 611.
 Reference, 611.
 Indefinitely postponed, 637.

Senate Bill No. 152.—(Whitman, by request of the Alumni Association of the University of North Dakota)

An Act to Permit the Use of Certain Ground Upon the Campus of the University and to Consent to the Erection of an Alumni Building Thereupon by the Alumni Association for the Purposes of Aiding the University and the Co-operative Interest of Its Alumni and to Grant to Such Alumni Association the Right to Exercise Control and Dominion Over Such Ground and the Building to be

Constructed Thereon, Subject to the Rules and Regulations of the State and of Its Board of Administration.
Received from the Senate, 510.
First and second reading, 611.
Reference, 611.
Reported back, 638.
Passed, 674.
Other Action. 703.

Senate Bill No. 153.—(Hagen)

An Act to Amend and Re-enact Section 8122 of the Compiled Laws of North Dakota for 1913, as Amended by Chapter 180 of the Laws of 1915 and as Amended by Chapter 151 of the Laws of 1917, Relating to Foreclosure of Land Contracts.
Received from the Senate, 510.
First and second reading, 612.
Reference, 612.
Reported back, 704.
Passed, 789.
Other Action, 839.

Senate Bill No. 154.—(Liederbach and Porter)

An Act Prescribing the Fees to be Paid to Newspapers for the Publications and Printing of All Legal Notices and Repealing All Acts or Parts of Acts in Conflict Herewith.
Received from the Senate, 594.
First and second reading, 619.
Reference, 619.
Reported back, 658.
Passed, 684.
Other Action, 757.

Senate Bill No. 155.—(Baird)

An Act Defining Duration of the War.
Received from the Senate, 617.
First and second reading, 626.
Reference, 626.
Reported back, 658.
Passed, 684.
Other Action, 757.

Senate Bill No. 156.—(Bowman)

An Act Restricting Rights of Litigants to Bring Actions in Courts to Set Aside Taxes or Assessments or to Recover Taxes Before Submitting Their Claims to the Board of County Commissioners for Adjustment and Dismissing Actions Heretofore Brought.
Received from the Senate, 548.
First and second reading, 619.
Reference, 619.
Reported back, 665.
Amended, 696.
Passed, 782.
Amendments concurred by Senate, 807.
Other Action, 839.

Senate Bill No. 158.—(Olson, Garberg and Oksendahl)

An Act to Provide for Conciliation of Controversies and to Repeal Sections 9187, 9188, 9189, 9190, 9191 and 9192 of the Compiled Laws of North Dakota, 1913.

Received from the Senate, 595.

First and second reading, 619.

Reference, 619.

Reported back, 700.

Amended, 744.

Passed, 869.

Other Action, 891.

Senate Bill No. 162.—(Byrne and Storstad.)

An Act to Provide a Minimum Amount of Training, a Minimum Salary for a Teaching Experience of Less Than One School Year, and a Schedule of Salary Minimums for a Teaching Experience of From One to Six Years Inclusive, for the Teachers in the Public Schools of North Dakota.

Received from the Senate, 617.

First and second reading, 626.

Reference, 626.

Reported back, 664.

Passed, 735.

Amendments concurred by Senate, 787.

Other Action, 839.

Senate Bill No. 163.—(State Affairs Committee)

A Concurrent Resolution for an Amendment to the Constitution of the State of North Dakota Relating to the Compensation and Mileage of Legislative Members.

Received from the Senate, 460.

First and second reading, 619.

Reference, 620.

Reported back, 663.

Passed, 867.

Other Action, 888.

Senate Bill No. 164.—(Hagen)

An Act to Limit the Margin of Profit on Sales of Farm Lands by Agents and Brokers.

Received from the Senate, 510.

First and second reading, 612.

Reference, 612.

Indefinitely postponed, 645.

Senate Bill No. 172.—(Wog)

An Act to Repeal Sections 1960, 1961, 1962, 1963, 1964, 1965, 1966, 1967, and 1968 Compiled Laws of the State of North Dakota for 1913 and Amend Section 1969 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to the Levy and Collection of Poll Tax.

Received from the Senate, 460.

First and second reading, 620.

Reference, 620.

Indefinitely postponed, 644.

Senate Bill No. 173.—(Miklethun.)

An Act Providing for Salaries of County Auditors, Registers of Deeds, County Judges, State's Attorneys, Clerks of District Courts, Sheriffs, and County Superintendents of Schools, and Repealing Chapter 112 of the Laws of 1915 and All Acts and Parts of Acts in Conflict Herewith, and Chapter 105 of the Session Laws of 1919.

Received from the Senate, 594.

First and second reading, 620.

Reference, 620.

Reported back, 719.

Amended, 771-893.

Passed, 877.

Other Action, 893-901.

Senate Bill No. 181.—(Levang)

An Act to Amend and Re-enact Section 144 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to the Keeping of Permanent Books of Record by the State Treasurer and the State Auditor, and Authorizing the Re-arrangement and Revision of the Present System.

Received from the Senate, 599.

First and Second Reading, 624.

Reference, 624.

Reported back, 719.

Passed, 861.

Other Action, 888.

Senate Bill No. 182.—(Wog)

A Concurrent Resolution to Amend and Re-enact Section 173 of Article 10 of the Constitution of the State of North Dakota Providing for the Election of County Officials.

Received from the Senate, 610.

First and second reading, 624.

Reference, 624.

Reported back, 662.

Passed, 780.

Other Action, 888.

Senate Bill No. 187.—(Wog)

An Act Amending and Re-enacting Section 1334 of the Compiled Laws of the State of North Dakota for the Year 1913, Relating to the Interest on Bonds of Common School Districts.

Received from the Senate, 460.

First and second reading, 625.

Reference, 625.

Reported back, 663.

Passed, 734.

Other Action, 820.

Senate Bill No. 189.—(Rusch)

An Act to Amend and Re-enact Section 1008 of the Compiled Laws of North Dakota for the Year 1913, as

Amended by Chapter 121 of the Session Laws of North Dakota for the Year 1919.

Received from the Senate, 594.

First and second reading, 625.

Reference, 625.

Indefinitely postponed, 635.

Senate Bill No. 192.—(Insurance Committee)

An Act to Amend and Re-enact Section 4929 of the Compiled Laws of North Dakota for the Year 1913, Relating to the fees to be paid by Insurance Companies doing Business in this State.

Received from the Senate, 594.

First and second reading, 625.

Reference, 625.

Reported back, 635.

Passed, 674.

Other Action, 758.

Senate Bill No. 195.—(Rusch)

An Act Relating to the Taking of New Promissory Notes in Renewal of Notes Already Held by Banks, Other Corporations or Individuals, Effecting Their Legality.

Received from the Senate, 594.

First and second reading, 625.

Reference, 625.

Reported back, 701.

Amended, 764.

Passed, 871.

Other Action, 888.

Senate Bill No. 197.—(Bowman)

An Act Making an Appropriation for the Care and Maintenance of Persons Affected with Leprosy.

Received from the Senate, 617.

First and second reading, 626.

Reference, 626-675.

Reported back, 639-697.

Amended, 740.

Passed, 867.

Other Action, 888.

Senate Bill No. 198.—(Liederbach and Porter)

An Act to Amend and Re-enact Section 3522 of the Compiled Laws of North Dakota for the Year 1913, Prescribing the Rate of Mileage Allowed the Sheriff.

Received from the Senate, 610.

First and second reading, 625.

Reference, 625.

Indefinitely postponed, 637.

Senate Bill No. 199.—(Liederbach and Porter)

An Act to Repeal Section 3522 of the Compiled Laws of North Dakota for 1913 Providing for Livery Allowed Sheriffs.

Received from the Senate, 610.

First and second reading, 625.

Reference, 625.
Indefinitely postponed, 638.

Senate Bill No. 200.—(Rusch)

An Act Authorizing the Renewal of the Period of Corporate Existence of Certain Corporations Whose Period of Duration has Expired Without the Renewal Thereof, and Legalizing Acts and Contracts of Such Corporation Made or Done and Performed Subsequent to the Expiration of the Original Period of Existence of Such Corporations.

Received from the Senate, 600.
First and second reading, 625.
Reference, 625.
Reported back, 665.
Passed, 774.
Other Action, 839.

Senate Bill No. 201.—(Byrne)

An Act Making an Appropriation to Pay the Irrigation or Water Tax on State School Lands, Included Within the Williston Irrigation District.

Received from the Senate, 617.
First and second reading, 626.
Reference, 626.
Reported back, 662.
Passed, 732.
Other Action, 821.

Senate Bill No. 202.—(Baird)

An Act to Amend and Re-enact Section 2 of Chapter 63 of the Session Laws of 1915 Prescribing and Limiting the Punishment of the Crime of Murder in the First Degree and Limiting the Time, Manner and Conditions Whereby Such Persons May be Pardoned.

Received from the Senate, 610.
First and second reading, 625.
Reference, 626.
Reported back, 701.
Amended, 764.
Passed, 869.
Other Action, 888.

Senate Bill No. 203.—(Church)

An Act to Amend and Re-enact Section 10 of Chapter 31 of the Special Laws of North Dakota for the Year 1919 Relating to the Purchase of Cattle by County.

Received from the Senate, 611.
First and second reading, 626.
Reference, 626.
Reported back, 663.
Passed, 733.
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