

## Legislative Notes

**Bills.** This Monday, May 4th, was the last day for introduction of bills in the state legislature without a three-fourths vote of the membership of either house. The Federation is still in the process of digging out from under some 265 bills that jammed the legislative hoppers the last minute. Not counting constitutional amendments and various forms of resolutions, a total of 4,397 bills have been introduced—1,486 Senate measures and 2,911 Assembly bills. The Federation is following better than a third of the total.

**Industrial Development.** SB 43 (Cobey) establishing a state industrial development agency overcame opposition of the State Chamber of Commerce this Monday when the upper house sent it to the Assembly by a near unanimous vote of 30 to 2. Senate approval almost assures passage through the legislature. The primary purpose of the measure is to secure a coordinated approach to industrial development of the state.

The measure, however, falls far short of providing the vehicle for coordinated economic and physical planning that is needed for California. Other measures introduced to accomplish this broader purpose are given slim chance of passing this session.

**1,750,000,000 Dollars.** This is what Governor Brown is proposing in his bond issue approach (reported last week) to the solution of the north-south water development dispute. The state bond issue has been amended into SB 1106 (Burns). A block of northern legislators in the upper house have already denounced it as a settlement of the hot political issue in favor of the south.

**Anti-Monopoly Protections.** The type of protections which the voters will demand before they approve a whopping \$1.75 billion bond issue for water development were offered by Assemblyman John A. O'Connell (D., San Francisco) in two bills dropped in the hopper on the last day for introduction of bills. Embodied in Assembly Bills 2860 and 2861, they would insert anti-monopoly provisions in California law to give taxpayers a measure of assurance that the development of our precious water and power resources will be undertaken along lines which will secure the widest possible distribution of benefits, rather than the unwarranted enrichment of land speculators, corporate monopolists and others

*(Continued on Page 5)*



C. J. HAGGERTY  
Executive  
Secretary-Treasurer

INSTITUTE OF INDUSTRIAL  
RELATIONS LIBRARY

MAY 11 1959

UNIVERSITY OF CALIFORNIA  
BERKELEY

# Weekly News Letter

MAY 8, 1959  
Vol. 1 No. 15

Published by California Labor Federation, AFL-CIO

## Workmen's Compensation Liberalization Bill Moves To Assembly Floor

Assembly Bill 1015, containing significant improvements in workmen's compensation benefits payable to injured workers, was sent to the Assembly floor this Monday after receiving clearance by the lower house Ways and Means Committee.

Authored by Assemblyman Robert W. Crown, (D. Alameda), and endorsed by employer groups and Governor Brown, the measure is expected to come up for a vote on the Assembly floor later this week.

It is estimated that AB 1015 would increase benefits to injured workers and their dependents by approximately \$16 million a year.

### Weekly Benefit Boost

Under the liberalization measure, injured workers who are temporarily disabled would receive a weekly benefit up to \$65 a week, instead of the present maximum of \$50, based on the existing wage-loss compensation formula of 61.75 per cent of average weekly earnings of the injured employee.

The weekly benefit for permanent disabilities would be increased from a maximum of \$40 to \$52.50 on the same wage-loss formula. In the case of both temporary and permanent disabilities, the minimum benefit amount would be set at \$20 a week, instead of the present \$15.00.

The effect of the new weekly benefit levels provided in AB 1015, if enacted into law, would be to permit the bulk of injured workers to actually receive benefits which conform to the principles of compensation which have been in the law for better than 40 years, but which have been restricted over the years by unreasonable ceilings on the computation of benefits.

### Death Benefit Increases

Benefits to dependents of fatally injured workers are increased in AB 1015, from \$15,000 to \$20,500 for a totally dependent wife with children, and from \$12,000 to \$17,500 for a totally dependent spouse without dependents.

These death benefit increases, payable at the weekly temporary disability rate, would give a spouse with children

*(Continued on Page 6)*

### Factory Wages Show Increase In Past Year

Average weekly earnings of factory workers in the San Francisco-Oakland Metropolitan Area rose to a record high of \$104.66 in March, 8 per cent more than March a year ago.

In the Los Angeles-Long Beach Metropolitan Area the corresponding factory wage reached \$100.28 per week in March, 6 per cent more than a year earlier.

The figures released by the Department of Industrial Relations, however, show a substantially smaller increase in purchasing power because of rising prices and tax deductions.

While gross weekly earnings rose 8 per cent over the year in the SF-Oakland area, the increase of purchasing

*(Continued on Page 5)*

## FARM LABOR RESOURCES COMMITTEE BILL INTRODUCED IN SENATE

Senator Hugo Fisher (D. San Diego) has introduced a bill to create a California Agricultural Labor Resources Committee with authority to conduct surveys and educational programs, hold public hearings, and establish liaison with governmental agencies for the purpose of advancing the welfare of farm workers and their families.

The bill, SB 1469, co-authored by Senators Robert I. Montgomery and George Miller, was one of the final bills introduced in the state Senate before the bill introduction deadline this Monday.

Establishment of such a committee on a permanent basis was recom-

*(Continued on Page 6)*

## HEARINGS Assembly

### May 11th

#### Criminal Procedure, 3.45 pm

- \*AB 1407 O'Connell. Wire tapping prohibition. **Good**  
AB 2250-53 Francis. Obscene literature. **Watch**

#### Education, 3.45 pm

- AB 2377 DeLotto. State Bd. meetings. **Watch**  
AB 2380 DeLotto. Transfer of school districts. **Bad**  
AB 2423 and 2429 Donahoe. Classified school district employees. **Watch**  
AB 2225 and 2226 Munnell. School district employees leaves of absences. **Good**  
AB 2160 E. R. Geddes. Child care centers. **Good**  
AB 1864 Lanterman. Use of state text books. **Bad**

#### Finance and Insurance, 1.30 pm

- AB 963 Rees. Rees-Doyle Act administration costs. **Bad**  
\*AB 1163 Rees. Rees-Doyle Act scope. **Good**  
AB 1164 Rees. Rees-Doyle Act extension. **Watch**  
\*AB 1524 Beaver. Hospital service plans. **Good**  
AB 2158 Masterson. DI hospital benefits integration with Health & Welfare. **Bad**  
AB 414 Rees. DI voluntary plans. **Good**  
AB 1960 Z'berg. DI doctor's certificated. **Watch**  
SB 158 Short. DI re institutionalized. **Good**  
AB 2073 Z'berg. UI eligibility. **Good**

#### Judiciary—Civil, Subcommittee on Trade Practices, 8 pm

- Assembly Bills 1336, 1337, 1338, 2352, 2353, 2399 and 1476. Unfair Trade Practices. **Bad**

#### Transportation and Commerce, 1.30 pm

- AB 2424 Levering. Vehicle salesmen. **Bad**

### May 12th

#### Fish and Game, 3.45 pm

- SB 878 Miller. Calif. Fish and Seafood advisory board. **Good**

#### Government Organization, 1.30 pm

- AB 2355 Luckel. Advertising of alcoholic beverages. **Good**  
AB 2346 Johnson. Review powers of ABC Appeals Board. **Bad**  
AB 2347 Johnson. Bar openings on local election days. **Watch**  
SB 540 Christensen. Publication of notice of bidding on county contracts. **Watch**  
AB 2192 Coolidge. Workmen's compensation administration costs. **Bad**

#### Governmental Efficiency and Economy, 3.45 pm

- AB 146 Cunningham. Acting as a contractor without license. **Good**  
AB 1548 Hanna. Contractor's bond. **Watch**  
AB 1696 O'Connell. Democracy in professional and vocational organizations. **Watch**  
AB 1340 Bane. Education requirement for barber's certificate. **Bad**  
AB's 1789-91 inclusive, Masterson. Fair trade contracts. **Good**  
AB 1591 Backstrand. Subcontracting bids. **Watch**  
SB 534 Gibson. Water well digging contractors. **Watch**

#### Water, 1.30 pm

- AJR 23 and 25. Z'berg and Bruce Allen. Opposition to PG&E partnership on Trinity. **Good**  
AB 1592 Davis. Siskiyou County Flood Control District. **Bad**

### May 13th

#### Education, 3.45 pm

- AB 2376 Porter. Employees of reorganized school districts. **Good**  
AB 2364 Hegland. State Bd. of Education. **Bad**  
AB 1516 Donahoe. Probationary state college employees. **Watch**  
AB 1594 Donahoe. Education of prisoners. **Watch**  
AB 2160 E. R. Geddes. Child care center certification of employees. **Watch**

#### Judiciary, 2.30 pm

- AB 444 Burton. Real Estate licensee discrimination. **Good**  
AB 1336 Bruce Allen. Secret payments, rebates and privileges. **Watch**  
AB 1337 Bruce Allen. Unfair competition. **Watch**  
AB 1338 Bruce Allen. Sales below cost. **Watch**  
AB 2352 Bruce Allen. Unfair trade. **Bad**  
AB 2353 Bruce Allen. Damages resulting from violation of Unfair Practices Act. **Bad**  
AB 2399 Bruce Allen. Unfair trade practices. **Bad**  
AB 2404 MacBride. Holdover grand jurors. **Bad**  
AB 1476 Bruce Allen. Unfair Trade practice. **Watch**  
AB 1146 Williamson. Time off for jury duty. **Good**  
AB 1609 Burton. Exemptions from attachments and executions. **Good**

#### Public Health, 1.30 pm

- AB 1253 Hegland. Frozen locker plants. **Watch**

#### Public Utilities & Corporations, 3.45 pm

- SB 865 Holmdahl. Fluoridation of water. **Watch**

### May 14th

#### Industrial Relations, 3.45 pm

- SB 209 Teale. Governor's so-called "union democracy" bill. **Good**  
SB 971 Teale. Exempt X-ray technicians from 8-hour law. **Watch**

#### Municipal and County Government, 1.30 and 8.00 pm

- AB 1354 Rees. Redevelopment displacement housing. **Watch**  
\*AB 232 Dills. Disability retirement allowances. **Good**  
\*AB 233 and 256 Dills. County employee retirement. **Good**  
AB 1341 Dills. Safety members of county retirement systems. **Good**  
AB 1058 MacBride. Safety member county pension formula. **Watch**  
AB's 1230 and 1231 Ralph M. Brown CASDI integration with county systems. **Bad**  
AB 1962 MacBride. OASDI for firefighters. **Bad**  
AB's 1892-95 George E. Brown. County retirement liberalization. **Good**  
Transportation and Commerce, 1.30 pm  
AB 413 Chapel. Transp. of radioactive materials. **Good**

### May 18th

#### Education

- AB 2487 Williamson. X-ray of public school employees. **Watch**  
AB 2493 Waldie. School district printing contracts. **Good**  
AB 2455 Hanna. Attendance of public schools. **Good**  
AB 2460 Porter. Probationary state college teachers. **Bad**  
AB 2534 Hanna. State college faculty. **Watch**  
AB 2485-86 Donahoe. Non-certificated and classified school employees. **Watch**

## HEARINGS Senate

### May 11th

#### Revenue and Taxation, 1.15 pm

- AB 1177 MacBride. Governor's income tax bill. **Bad**  
AB 1172 MacBride. Governor's cigarette tax bill (subcommittee report). **Bad**  
Labor, 1 pm  
SB 1034 Hollister. Picketing restrictions. **Bad**

- \*AB 142 Davis. Lunch period in lumber industry. **Bad**  
AB 419 Miller. Governor's labor representation bill. **Watch**  
\*AB 317 Z'berg. Includes health and welfare in prevailing rates. **Good**

#### Public Utilities, 10 am

- SB 904 Short. Caboose lighting. **Good**  
SB 1143 Collier. Common carrier safety. **Watch**

### May 12th

#### Elections, 10 am

- AB 1455 and 1456 Lunardi. Absentee voting. **Good**

#### Business and Professions, 1.15 pm

- SB 564 Shaw. TV advertising. **Good**

#### Transportation, 9 am

- SB 576 McCarthy. Golden Gate Authority. **Watch**  
SB 729 Dolwig. SF-Oak. Bridge tolls. **Watch**  
SB 1078 Dolwig. Southern crossing. **Watch**  
Fish and Game, 1 pm  
AJR 1 Pattee. Closing of fishing areas. **Good**

### May 13th

#### Education, 10 am

- SB 1031 Miller. Teacher credentials. **Good**

#### Governmental Efficiency, 9.30 am

- SB 1093 McAteer. Liquor sale near institutions. **Watch**  
SB 1128 Collier. Construction at juvenile camps. **Bad**  
AB 1459 Hanna. Registration of state college employees. **Good**  
AB 885 Unruh. Artist's managers. **Watch**  
Judiciary, 10 am  
\*AB 380 Bane. Employer pension payments. **Good**

#### Local Government, 1 pm

- SB 1174 Sieren. School district employee retirement. **Watch**  
SB 1130 Murdy. Employment by county of persons over retirement age. **Watch**  
AB 1111 Geo. E. Brown. Replacement of damaged property of public employees. **Good**  
AB 1113 Geo. E. Brown. Replacement of property of school district employees. **Good**  
AB 1820 Hegland. Construction contracts of local hospital districts. **Bad**

### May 14th

#### Finance, 9 am

- SB 75 McCarthy. Outdoor advertising on highways. **Bad**

#### Public Health and Safety

- AB 1787 Chapel. Food warehouse sanitation. **Good**

### May 18th

#### Labor, 1 pm

- AB 419 Miller. Governor's labor representation bill. **Watch**

#### Public Utilities, 1 pm

- SB 1173 Dolwig. Public Utility rate increases. **Bad**  
SB 1195, 1196 and 1207 Holmdahl. Telegraph and telephone company city franchises. **Watch**

#### Revenue and Taxation, 1.15 pm

- AB 487 MacBride. Possessory interests. **Good**  
SB 1017 and 1023. Privilege taxes on falling water used for power and on public power agencies. **Watch**

# DIGEST OF BILLS †

D-40

## ASSEMBLY BILLS

**AB 2630 Hawkins** (Education) Requires governing board of school district to classify an employee as a probationary employee when he has served as a substitute employee in a position requiring certification qualifications for 75 per cent of the number of days the regular schools of the district were maintained in one semester. April 27. **Good**

**AB 2642 McCollister** (Finance and Insurance) Provides that restriction on the maximum amount of insurance on any one life where the number of employees covered by the group policy is less than 25 does not apply where the group life insurance is not term and is a part of an employer's pension plan qualifying for deduction under the state income tax laws. April 27. **Good**

**AB 2643 Petris** (Revenue and Taxation) Extends privilege tax on designated species for support of Marine Research Committee for two years. April 27. **Watch**

**AB 2644 Petris** (Revenue and Taxation) Provides for refunds of privileges taxes on fish packers and processors. April 27. **Watch**

**AB 2654 Cunningham** (Public Health) Authorizes State Board of Barber Examiners to adopt rules and regulations regulating advertising, except newspaper advertising, by barbers. Provides that such rules and regulations to include the kind and size of the lettering on signs and the type of such signs, but not to in any manner prohibit price advertising. April 28. **Watch**

**AB 2655 Waldie** (Finance and Insurance) Specifies that an individual whose employment is terminated under the compulsory retirement provisions of a collective bargaining agreement to which the employer is a party shall not be deemed to have left his work without good cause for unemployment compensation benefit purposes and for purposes of rulings to last and base period employers. April 28. **Good**

**AB 2662 Rees** (Public Health) Prohibits the registration of new vehicles after January 1, 1961, and other vehicles after January 1, 1962, in the name of any person residing in an air pollution control district unless there is filed with the Department of Motor Vehicles a certification that the exhaust system and muffler comply with standards of the Department of Public Health.

Establishes a Motor Vehicle Exhaust Laboratory to perform tests on motor vehicle exhaust air pollution control devices and to make recommendations to the Director of Motor Vehicles with respect to the certification of such devices. Establishes the procedure for certifying such devices. Prohibits, after July 1, 1961, the replacement or sale of any motor vehicle exhaust or muffler device unless of an approved type.

Provides for the establishment of inspection stations in air pollution control districts to inspect vehicle exhaust systems and to issue inspection certificates to the owners of vehicle. April 28. **Watch**

**AB 2671 Hawkins** (Revenue and Taxation) Changes state income tax rates from a minimum of 1 per cent on taxable income up to \$5,000, to a minimum of 1 per cent on taxable income up to \$2,500; and from a maximum of 6 per cent on the excess over \$25,000, to a maximum of 15 per cent on the excess over \$35,000.

Reduces the personal exemption from \$2,000 to \$1,500 in the case of a single person, and from \$3,500 to \$3,000 in the cases of a married couple and an unmarried head of a household.

Increases the credit for dependents from \$400 to \$600. Increases the standard deduction from 6 per cent to 10 per cent of adjusted gross income, and the maximum amount of such deduction from \$600 to \$1,000.

Makes provisions on the deduction of depreciation and on capital gains and losses conform with those of the federal income tax law as set forth in the Internal Revenue Code of 1954, as amended.

Also in conformance with federal law, as amended by Small Business Tax Revision Act of 1958, permits treating as an ordinary loss up to \$25,000 per year (\$50,000 on a joint return), rather than as a capital loss, a loss sustained by the holder of stock in a small business on a sale or exchange of the stock or on its becoming worthless. Provides that loss sustained on sale of stock in small business investment company operating under the Federal Small Business Investment Act of 1958 shall be treated as noncapital loss. Provides for similar treatment in case of convertible debenture loss sustained by such a company. April 29. **Good**

**AB 2672 Hawkins** (Rules) Creates commission to study state and local taxation and related matters. Provides for the appointment of members, including Members of Legislature. Prescribes powers and calls for report to Governor and Legislature. Appropriates unspecified sum. April 29. **Good**

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

\*Sponsored by the California Labor Federation, A.F.L.-C.I.O.

**AB 2675 Sumner** (Governmental Efficiency and Economy) At present, it is provided that juvenile forestry camps and homes are not subject to the requirements of Art. 5, (commencing with Sec. 25450) of Ch. 5, Pt. 2, Div. 2, Title 3, Gov. C. generally requiring that the work on a county public work exceeding a specified value be done pursuant to contract, if the home or camp is operated jointly by two or more counties and if the cost of construction including the cost of materials, does not exceed \$10,000. This bill provides that the exemption applies to juvenile ranches and camps as well as juvenile, forestry camps and homes, that it applies if the institution is operated by a single county, as well as when operated by two or more counties jointly, and that the exemption applies when the cost of construction does not exceed \$30,000, rather than \$10,000. It also deletes the provision specifying that the cost of materials used in the construction shall be included in the "cost of construction" for purposes of this provision. April 29. **Bad**

**AB 2679 Samuel R. Geddes** (Municipal and County Government) Provides that the legislative bodies and planning commissions of cities and counties wherein land is located that has been approved as a site for the construction of housing projects for the elderly by a nonprofit corporation, shall expedite applications for rezoning permits and street abandonment proceedings and shall cause no unnecessary delay or impose undue restrictions. April 29. **Good**

**AB 2681 DeLotto** (Revenue and Taxation) Requires State Board of Equalization to prepare and issue to each retailer a "sales tax collection schedule" showing the total amount that may be collected by a retailer from a consumer in reimbursement of the sales tax on amounts up to \$100, at both 3 and 4 per cent rates.

Requires a retailer to use such schedule in computing such reimbursement and base such computation on the aggregate sales prices of the items sold, where more than one item is sold. April 29. **Good**

**AB 2682 Ernest R. Geddes** (Education) Provides that any certificated employee who has acquired permanent status in a school district shall not have to serve as a probationary employee for more than one year when employed by another school district, if immediately prior to such employment there has not been a lapse of three successive years of employment as a certificated employee.

Eliminates requirement of any probationary period if the subsequent employing district has the same governing board as the prior employing district, and repeals section which accomplishes the same result. April 29. **Good**

**AB 2686 Z'berg** (Public Utilities & Corporations) Requires rail track motor cars to be equipped with a canopy or top of such construction as to adequately protect the occupants thereof from the rays of the sun, rain, snow, or other inclement weather. April 30. **Good**

**AB 2696 Frew** (Public Health) Adds provision that an otherwise qualified barber college instructor, or person whose service in public office prevents his continuous practice as a barber, may be appointed as member of the board. April 30. **Watch**

**AB 2699 S. R. Geddes** (Civil Service & State Personnel) Provides for the establishment of a program of medical and hospital care benefits for state employees commencing July 1, 1960, to be administered by a Division of State Employees' Medical and Hospital Care within the Department of Finance.

Authorizes the chief of the division, after consultation with the advisory council established by the bill, to approve and contract for plans providing medical and hospital and hospital care benefits for state employees, including full or partial indemnity plans offered by specified types of carriers, and direct medical and hospital services offered by specified persons and organizations. Sets forth the specifications for such plans and the procedure for choosing carriers. Gives employees option to select coverage under any approved plan and provides for payroll deductions to cover any payments due from employees under such plan. Permits employees to transfer between plans annually, and to appeal to the State Personnel Board with respect to action or failure to act on the part of the chief of the division.

Establishes the State Employees' Hospital and Medical Care Advisory Council, consisting of five persons appointed by the Governor, to consult with and otherwise assist the chief of the division.

Creates the State Employees' Medical and Hospital Care Fund to be used for payment of premiums and other costs and to serve as the receptacle for state and employee contributions and other increments. To become operative October 1, 1959. May 1. **Good**

## ASSEMBLY BILLS (Continued)

**AB 2706 MacBride** (Transportation & Commerce) Provides for the Commissioner of the Department of the California Highway Patrol to require inspections of commercial vehicles at least twice a year. Provides for the issuance and display of an official inspection sticker. Authorizes the commissioner to make necessary rules and regulations and to establish permanent or temporary inspection stations. Requires the commissioner to prescribe an inspection fee. Prohibits departmental employees from correcting deficiencies for compensation. Prohibits use of false stickers.

Requires the giving of a notice to correct a vehicle mechanical or equipment deficiency which must be returned with the signature of an inspecting officer within 10 days, rather than permitting the issuance of a notice requiring an appearance in court with satisfactory evidence that the vehicle has been made to conform to law. May 1. **Watch**

**AB 2708 Luckel** (Industrial Relations) Specifies that in any action by the Labor Commissioner on the behalf of any employee for wages, penalties or other demands, the written certificate of the commissioner that he has reviewed the employee's claim and found it valid shall be prima facie evidence that the claim is valid. May 1. **Good**

**AB 2718 Unruh** (Finance & Insurance) Provides for the licensing of workmen's compensation insurance advisers by the Insurance Commissioner. May 1. **Watch**

**AB 2723 Petris** (Finance & Insurance) Provides that no life insurance policy, non-cancellable disability insurance contract, hospital expense or hospital and surgical expense contract shall terminate or lapse by reason of default in payment of any premium, installment or interest during the period of a strike of insurance agents.

Permits insured or premium payer a grace period of 31 days immediately following the termination of the strike within which payment of premium, installment or interest may be made.

Provides for deduction of overdue premium or installment from amount payable under the policy or contract in settlement where claim arises during strike or grace period.

To take effect immediately, urgency measure. May 1.

**Watch**

**ACA 44 Reagan** (Constitutional Amendments) Exempts all real property from taxation for state purposes. April 27. **Bad**

**ACA 49 Meyers** (Constitutional Amendments) Authorizes the Legislature to create the California Farm and Home Authority for the purpose of establishing standards for home construction and guaranteeing loans made for such construction, when made by recognized lending institutions.

Permits the giving or lending of the funds or credit of the State for this purpose. May 4. **Watch**

**ACA 54 Burton** (Constitutional Amendments) Provides that in the case of municipal improvement bonds and school bonds, the necessary vote of approval, where indebtedness or liability would exceed income and revenue for the year, must be given by 60 per cent, rather than two-thirds, of the qualified electors. May 4. **Good**

**ACA 56 Kilpatrick** (Constitutional Amendments) Authorizes the Legislature to vest in a county, city and county, city or district the power to exempt all improvements to real property and personal property from taxation and to limit the rate of taxation thereon. May 4. **Watch**

## SENATE BILLS

**SB 1323 Richards** (Transportation) Same as AB 2662 (Rees)

**SB 1324 Dolwig** (Business and Professions) Provides that whenever a general contractor has obtained a building permit from a city or county for a particular project therein, no other contractor on such project is to be required by such city or county to obtain any permit or license therefor. April 28. **Bad**

**SB 1328 Stiern** (Governmental Efficiency) Requires the county superintendent of schools to divide each retirement system composed of employees of school districts and of a county superintendent of schools who are members of the State Employees' Retirement System under a contract between the system and the county superintendent into those members who do, and who do not, desire coverage under the federal program of old age and survivors insurance without an election of such members. Requires such determination to be made not later than December 31, 1959. Provides for modification of federal agreement to include the members who desire federal coverage.

Provides for modification of the contribution rate and benefits under the state retirement system of certain employees of school districts and county superintendents of schools who are contract members of the state system and employees of other public agencies who are contract members of the state system and who are also covered by the federal program.

Defines various terms for purposes of provisions relating to the inclusion of members of the state system in the federal program, and provides for procedure for modification of contracts between the state system and other public agencies when contract members are covered by the federal program and the effect of such coverage. Suspends compulsory retirement provisions of the state system for certain compulsory contract members of the state system who are employees of school district or a county superintendent of schools until not later than December 31, 1959.

Repeals provision providing for the integration of the State Employees' Retirement System with the federal program of old age and survivors insurance. April 29. **Watch**

**SB 1329 Stiern** (Governmental Efficiency) Provides for modification of the normal rate of contribution and amount of pension payable under the State Employees' Retirement System for certain members who are also covered by the federal old age, survivors and disability insurance program. Makes such provisions applicable to certain employees of school districts and county superintendents of schools who are contract members, or compulsory contract members, of the state system. Makes such provisions applicable to employees of other contracting agencies who are included in the federal system, by contract amendment without an election among employees.

Makes school districts which are contracting agencies of the state system subject to the provision which automatically makes such agencies subject to amendments to the State Employees' Retirement Law (commencing at Section 20000, Gov. C.) without a contract amend-

ment but requiring an election among the employees if the amendments increase contributions or reduce benefits, rather than requiring a contract amendment to make such provision applicable to the district.

In effect immediately, urgency measure. April 29.

**Watch**

**SB 1351 Richards** (Transportation) Requires the Commissioner of the Department of the California Highway Patrol to require inspections of motor vehicles registered in this State twice a year. Provides for the issuance and display of an official inspection sticker.

Provides for the licensing of inspection stations to be under the supervision of the commissioner. Provides for a fee, not to exceed 50 cents, for the inspection. Prohibits use of false stickers.

Repeals existing provisions providing for the licensing of lamp and brake testing stations. April 30. **Good**

**SB 1364 Fisher** (Labor) Specifies that collective bargaining contracts containing provisions for the arbitration of disputes shall not apply to individual claims of unpaid wages and employees shall have a personal right of action to collect unpaid wages. Specifies that the arbitration provisions of Section 1280 of the Code of Civil Procedure shall not apply thereto. April 30. **Good**

**SB 1365 Fisher** (Labor) Specifies that actions to enforce the provisions of the Labor Code relating to the payment of wages in general occupations may be maintained without regard to the existence of any private agreement to arbitrate. April 30. **Good**

**SB 1370 O'Sullivan** (Revenue and Taxation) Increases maximum tax rates per \$100 of assessed valuation which school district may levy, as follows: Elementary district—from \$0.80 to \$1.15; elementary with kindergarten—\$0.90 to \$1.25; high school—\$0.75 to \$1.15; high school with junior college—\$1.10 to \$1.50; junior college—\$0.35 to \$0.45; unified with kindergarten—\$1.65 to \$2.40; unified with kindergarten and junior college—\$2 to \$2.95. May 1. **Good**

**SB 1373 Beard** (Governmental Efficiency) Requires proof beyond a reasonable doubt to establish offense by an on-sale licensee or his employee of selling or furnishing alcoholic beverages to a minor, or permitting consumption of such beverages by a minor, and provides that a determination in any criminal proceedings involving such offense is conclusive proof as to the department and an on-sale licensee and his employee. Makes certified copies of court records in the criminal proceedings admissible in proceedings before the department. May 1. **Watch**

**SJR 18 Berry** (Revenue & Taxation) Declares that present rates of federal income tax are oppressive and curtail incentive.

Requests the Congress to consider increasing income tax exemptions and to submit an amendment to the Federal Constitution to limit the power of Congress with respect to the federal taxing power, except in time of national emergency. April 27. **Bad**

**SJR 19 Farr** (Labor) Memorializes Congress to enact a minimum wage law for agricultural workers of the Nation. April 28. **Good**

## GOVERNOR GETS CONSUMER COUNSEL BILL

The lower house of the state legislature, this Wednesday, blocked a last-minute effort to scuttle Governor Brown's proposal to give consumers a voice in government, and sent SB 33 (Richards) to the Governor for signature by roll call vote of 47 to 25.

The measure was passed last Friday by a vote of 48 to 26, but was reconsidered when Republican party opponents to the measure protested that they were not given ample opportunity to argue against the measure.

Immediately on passage of the bill, Governor Brown announced that he would fill the \$15,000 job of Consumer Counsel provided for in the measure by the appointment of a female economist or lawyer who is a Democrat.

SB 33, supported by organized labor, charges the office of Consumer Counsel with the responsibility of advising the Governor on all matters affecting the interests of consumers and recommending to him and the legislature the enactment of necessary legislation to protect and promote the interests of people as consumers.

These duties include (a) representing consumers before governmental bodies, (b) cooperating and contracting with public and private agencies for obtaining surveys, economic information and other necessary services, and (c) performance of all other acts incidental to the office of Consumer Counsel.

Provision is also made in the new law for the Governor to appoint advisory committees to assist the Consumer Counsel in carrying out her duties.

Experience with a similar office in the state of New York under former Governor Harriman's administration produced an impressive list of laws and administrative actions for the protection of consumers.

## LEGISLATIVE NOTES

*(Continued from Page 1)*

who are going to fatten at the public trough.

The O'Connell measures would place a limit on the enrichment to be derived through state water deliveries, and would require preference distribution of electric power developed at state dam sites.

**Fishermen.** The Governor has on his desk for signature SB 136 (Farr), which continues the payment of partial unemployment insurance benefits to commercial fishermen. The partial benefits program was enacted at the

*(Continued on Page 6)*

# Disability and Unemployment Insurance Measures Win Assembly Committee Approval

The Assembly Committee on Finance and Insurance this Monday gave approval to AB 590 (Munnell) and AB 494 (Unruh), which would increase payments under California's unemployment insurance and unemployment disability insurance programs, respectively.

Both measures increase the maximum weekly benefit payment to covered workers. AB 590 would establish a new maximum benefit of \$55 in place of the present ceiling of \$40 for unemployment insurance. AB 494 would provide a new ceiling of \$65 on compensation for lost wages due to illness or accident not connected with an individual's work.

Other features of the unemployment insurance measure, endorsed by employers and Governor Edmund G. Brown, would (1) extend full coverage to state, county and municipal employees, and compensated employees of nonprofit organizations; (2) increase from \$3 to \$12 exempt wages in the computation of partial benefits; and (3) revise employer contribution schedules and increase the taxable wage base to provide additional funds to finance the liberalization provisions of the bill.

The unemployment disability insurance bill, also endorsed by insurance carriers and Governor Brown, contains provisions which would eliminate the deficit in the so-called extended liability account from which payments are made to workers who become disabled after being unemployed. The new provisions in this regard provide for a pay-as-you-go distribution of extended liability charges between voluntary plan disability insurance carriers and the state disability fund.

In presenting the package proposals to the Assembly Committee this Monday, Charles P. Scully, General Counsel of the California Labor Federation, said that the bills would increase unemployment disability insurance benefits by approximately 6.5 million dollars a year, and unemployment insurance benefits by approximately 50.5 million dollars in a year like 1959, based on Department of Employment figures.

The major point of contention in the liberalization measures before the Assembly Committee was the extension of unemployment and disability insurance coverage to public employment and nonprofit organizations. In both instances a long line of representatives filed before the committee to register opposition to the long overdue extension features of the bill.

Included among those opposed to public employment extension were representatives of the County Supervisors Association, League of California Cities, County of Los Angeles, Irrigation Districts Association, California Municipal

Utilities Districts Association, and the California State Employees Association. Primary opposition to the nonprofit coverage provisions was recorded by the Association of Independent Colleges and Universities, nonprofit hospital groups, and representatives of Stanford, University of Southern California, and religious educational institutions.

In the course of debate, the lower house committee adopted amendments, presented by Assemblyman Cameron to permit nonprofit organizations to choose between making contributions to the program based on the actual cost of benefits paid to nonprofit employees, or to contribute in accordance with the merit rating provisions of the law. Several nonprofit spokesmen indicated that they would be able to "live" under such an amendment.

Extension of coverage to state, county and municipal employees would be financed by public agencies at cost of actual benefits paid to covered public employees.

In a related action the Assembly Committee on Finance and Insurance sent to the Senate floor AB 1543 (Nisbet) which would permit payment of negotiated supplemental unemployment insurance benefits simultaneously with state unemployment insurance payments. A recent Superior Court decision in California has placed such payments in jeopardy.

## FACTORY WAGES

*(Continued from Page 1)*

power of these earnings amounted to about 5 per cent for the average factory worker after his state and federal taxes were deducted and adjustments were made for the rise in consumer prices. March 1959 spendable earnings for the average factory worker with 3 dependents amounted to \$71.23 in 1947-49 dollars, compared with \$72.06 in December 1958 (all-time peak) and \$67.95 in March 1958.

In the L.A. area comparable spendable earnings in March 1959 amounted to \$70, in contrast with \$71.02 in December 1958 and \$67.31 in March 1958 (all amounts in 1947-49 dollars). The over the year increase of 6 per cent in weekly earnings in the southern area amounted to a 4 per cent increase in purchasing power.

FORM 3547 REQUESTED

Industrial Relations Librarian  
Institute of Industrial Relations  
214 California Hall  
University of California  
Berkeley 4, Calif.

## FARM LABOR COMMITTEE

*(Continued from Page 1)*

mended by the President's Commission on Migratory Labor in 1951, and also by former Governor Warren's Committee to Survey the Agricultural Resources of the San Joaquin Valley in 1950.

SB 1469 would create a 13-man committee appointed by the Governor with an executive officer and staff from the following areas of interest: Growers, education, health and medical care, welfare, labor and churches. Not less than two nor more than three members could be appointed from any one area of interest. Provision is also made for two legislators on the committee, and appointment of a five-man committee of consultants by Directors of the State Departments of Education, Health, Employment, Industrial Relations, Social Welfare and Agriculture.

Members of the committee, appointed for a four-year period, would be required to report annually their findings and recommendations to the Governor, who in turn would be required to pass on the recommendations to the general sessions of the legislature.

One of the specific functions of the proposed committee includes developing recommendations for maximizing the utilization and employment opportunities of domestic farm workers, with particular attention to the plight of migratory workers and families.

Large growers generally are currently using increasing numbers of imported Mexican nationals to hold down wage rates and drive domestics from the fields.

Senator Fisher's bill is backed by the recently formed Citizen's Committee for Agricultural Labor, composed primarily of prominent religious,

civic and minority group leaders along with several representatives of organized labor.

## WORKMEN'S COMPENSATION LIBERALIZATION

*(Continued from Page 1)*

up to \$65 a week for a period of about 6 years, and approximately 5 years in the case of a spouse without any dependent children.

The death benefit for partial dependencies would also be increased from a maximum of \$12,000 to \$15,000.

### Choice of Doctor

Long needed improvements in the area of medical care are included in the package bill.

Where an injured employee requests a change in physicians, the employer would be given 14 days to nominate three additional doctors from which the worker may choose one. If the employer does not advance this choice within the time limit, the injured would be given free choice of doctor at the expense of the employer. In any event, in a serious case, the injured worker would have the right to select his own consulting physician at the expense of the employer.

### Other Provisions

Numerous other features of the overall liberalization measure include the following:

1. Increase the ceiling on the amount by which benefits may be increased in the event of serious and wilful misconduct on the part of the employers.

2. Provide substantial increases in the life payments to permanently disabled workers with disabilities of 70 per cent or more.

3. Boost the burial benefit from \$400 to \$600.

4. Eliminate the present waiting period when the industrial injury requires hospitalization.

5. Permit the IAC, upon denial of a petition to reduce a final permanent disability award, to order payment to an injured employee of all costs for the furnishing of X-ray, laboratory services, medical reports, and medical testimony, incurred by the injured employee in connection with the petition to reduce his award.

6. Provide for reimbursement to an injured employee of expenses reasonably, actually, and necessarily incurred for medical testimony to prove a contested claim, in addition to X-rays, and laboratory fees, and medical reports; provide also that injured employee shall be given reasonable expenses for transportation, meals, lodging, together with one day of temporary disability benefit for each day of lost wages, when requested to submit to a physical examination.

## LEGISLATIVE NOTES

*(Continued from Page 5)*

1957 general session on a trial basis with a two-year limit.

**Workmen's Compensation for Farm Workers.** Federation-sponsored AB 734 (Crown) is also on the Governor's desk for signature. It extends workmen's compensation to agriculture on a compulsory basis. Present law allows farmers to reject coverage by posting notice to that effect, but few farmers have been so foolish as to pass up coverage.

Farmers supported the measure, which accounts for its passage in a legislature which to date has exempted agriculture from virtually all legislation—that is social legislation; not subsidies and service programs.