

## WEEKLY LEGISLATIVE SUMMARY

This is the eighteenth of a series of weekly summaries prepared by the legislative staff of the Institute of Government on the work of the North Carolina General Assembly of 1955. It is confined to discussion of matters of general interest and major importance.

Without question the General Assembly is driving toward adjournment. The House began on Monday with two sessions a day, and kept up the pace for the entire week. The smaller Senate was able to keep up with its calendar, and did not find it necessary to hold more than one session per day until Friday; but when the occasion arose, as it did yesterday, the Senate also doubled its efforts. Committees in both houses have been reporting bills out in a manner indicating a cleaning-out before adjournment, with many bills receiving unfavorable reports. Whether there can be an adjournment by the end of next week depends entirely upon one question—can the Senate and House get together quickly on a tax bill?

**Taxes**  
The House and Senate finance subcommittees were back in Raleigh early Monday, and by Monday evening, each group had agreed on a revenue bill—the House to raise some \$9.7 million a year and the Senate about \$9.8 million. The House proposal would raise privilege license taxes by 25%; the Senate proposal rejected this and had instead an additional tax on beer, equivalent to 2¢ per can of bottle. Wednesday, the House committee proposal was reported to the floor of the House; Thursday, it passed the all-important second reading; and Friday, it cleared the House on the required third reading, with efforts to change it in any material particular beaten down by top-sided votes. It reached the Senate early Friday afternoon, amid talk the Senate would not go along with the House. The Senate recessed for an hour and a half to give its finance committee opportunity to meet and set upon the House bill. The Senate committee reported the bill out on the same afternoon, amended in important respects. Thus, this legislative week ended with the prospect of a deadlock between the two houses.

The revenue bill passed by the House calls for these major new taxes: (1) increase of privilege license fees by 25%; (2) 3% sales tax on building materials; (3) 3% gross rentals tax on hotels and motels; (4) 1% tax, with \$90 limit, on sales of motor vehicles; (5) repeal of \$15 single article sales tax limitation; (6) increase of liquor tax from 8½% to 10%; (7) increase of gross premiums tax on domestic insurance companies from 1% to 1½%; (8) elimination of motor ve-

hicle fleet owners exemption; (9) increase of fortified wine tax from 80¢ to 70¢ per gal.; (10) extension of 3% sales tax to all coal purchases except that used for industry; (11) increase in insurance agents' license fees; (12) application of license and franchise taxes to cooperatives; and (13) 3% tax on retail sale of newspapers. The Senate amendments (adopted, but still to pass second and third readings) delete: (1) the provision imposing 25% additional privilege license taxes; (2) the provision imposing a sales tax on newspapers; (3) the provision raising franchise taxes on certain hospital and medical service corporations; and (4) the provision allowing a wife a \$2,000 income tax exemption when her husband makes less than \$1,000 (leaving the exemption when the husband makes less than \$500). Substituted in lieu of these deletions was the increased tax on beer.

**Appropriations**  
With ratification of the big appropriations bill, containing about \$637 million for State spending during the coming biennium, the bulk of the work of the Appropriations Committee is over. However, there remains just over a million dollars which is considered "available" by Assembly leaders, to be distributed through supplemental appropriations bills. There is no lack of takers. New bills introduced this week would appropriate additional funds to the State Board of Education for home economics and vocational agricultural instruction; and for locating and mapping swamp lands which are owned by the Board; to N. C. State College for an industrial experiment program; to Appalachian State Teachers College for construction of a residence for its president; to the S.B.I. for employment of two additional special agents; to the State Department of Archives and History for acquisition of the Zebulon Baird Vance birthplace; to the Revenue Department to secure more effective compliance with revenue laws and to administer the special fuels tax act; and to the SH&PWC for construction of a chapel at Central Prison. Another new bill would appropriate supplemental funds for maintenance of indigent patients in TB hospitals operated by Forsyth, Guilford, Mecklenburg and Wake Counties. The bill providing for construction of a new state office building to house the Motor Vehicles Department and certain other state departments has passed the House.

**Motor Vehicles**  
On April 28 a bill passed the Senate requiring all Highway Patrol cars to be painted black and silver. The House had already passed a bill requiring, with few exceptions, all state-owned cars to be so painted, but this bill has since languished in a Senate committee.

So the House, when the Senate bill came before it, put its provisions into the Senate bill by amendment. The Senate refused to go along with the House amendments, and now a conference committee will try to get the senators and the representatives agreed on the color of state-owned automobiles.

**Education**  
The House has passed and sent to the Senate a bill to revise and streamline the public school law. This bill implements a measure passed earlier which returned to local school boards complete authority over assignment and enrollment of school pupils. Continuing this trend, the bill would return the title to school buses to local school boards and permit local officials to manage the transportation system, designate bus routes, and assign pupils to buses. The State would continue to foot the bill by allocating school bus funds to local administrative units on a formula based on the number of buses and bus miles operated. Another significant change would permit teachers to be paid in nine equal installments and on the same day each month. A proposal to permit local boards of education to determine how much of a supplemental school tax (voted by the district) should be levied was soundly beaten on the floor, and the boards of county committees and city governing bodies were left as the final tax levying authorities. Reported unfavorable were bills to (1) provide four year terms for county superinten-

dents, (2) permit counties to establish capital outlay reserve funds, and (3) provide teachers with five days of sick leave each year. In lieu of appropriations for badly needed dormitories at major state supported colleges, Representative Doughton introduced a bill to permit U.N.C., East Carolina, Western Carolina, and Appalachian to issue revenue bonds for dormitories and use the rentals to retire the bonds. Bills to establish new state supported colleges at Charlotte, Wil-

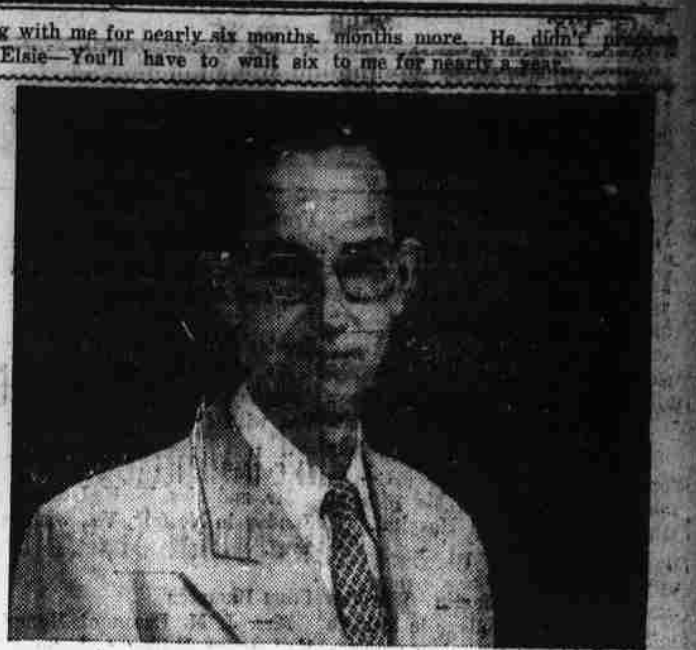
ilmington, and Asheville were given favorable reports by the House Appropriations Committee.

**Miscellaneous**  
New introductions call for: (1) a constitutional amendment to change the Legislature's convening date to February, and to make the legislative term four years; (2) business development corporations to promote N. C. economic welfare; (3) a commission to study problems caused by excessive use of alcoholic beverages; (4) limiting

to one quart the amount of liquor one may legally possess or transport in the State; and (5) regulating the sale of vaccines used in prevention of human diseases. Killed this week were the municipal and county home rule bills, the bill to establish a medical research center, and the bill licensing assistant pharmacists.

**She Knew**

Ruth—I wonder when Arthur is going to propose? He's been go-



JOHNNY MILLER, popular radio star of WTOB says, "My wife has always used light Karo for cooking... and on the table—it's

**dark Karo for me, the best-tasting eating syrup of 'em all'**



Yes, indeed... biscuits go like hot cakes when you pour on plenty of delicious dark Karo... there's nothing like it for good eating. Satisfyin' flavor. So rich it stands right up on top of biscuits (keeps 'em light and fluffy). Keep Karo on your table morning, noon and night... it tops anything!

Ask your grocer for DARK Karo, in pint and quart bottles

# NOTICE!

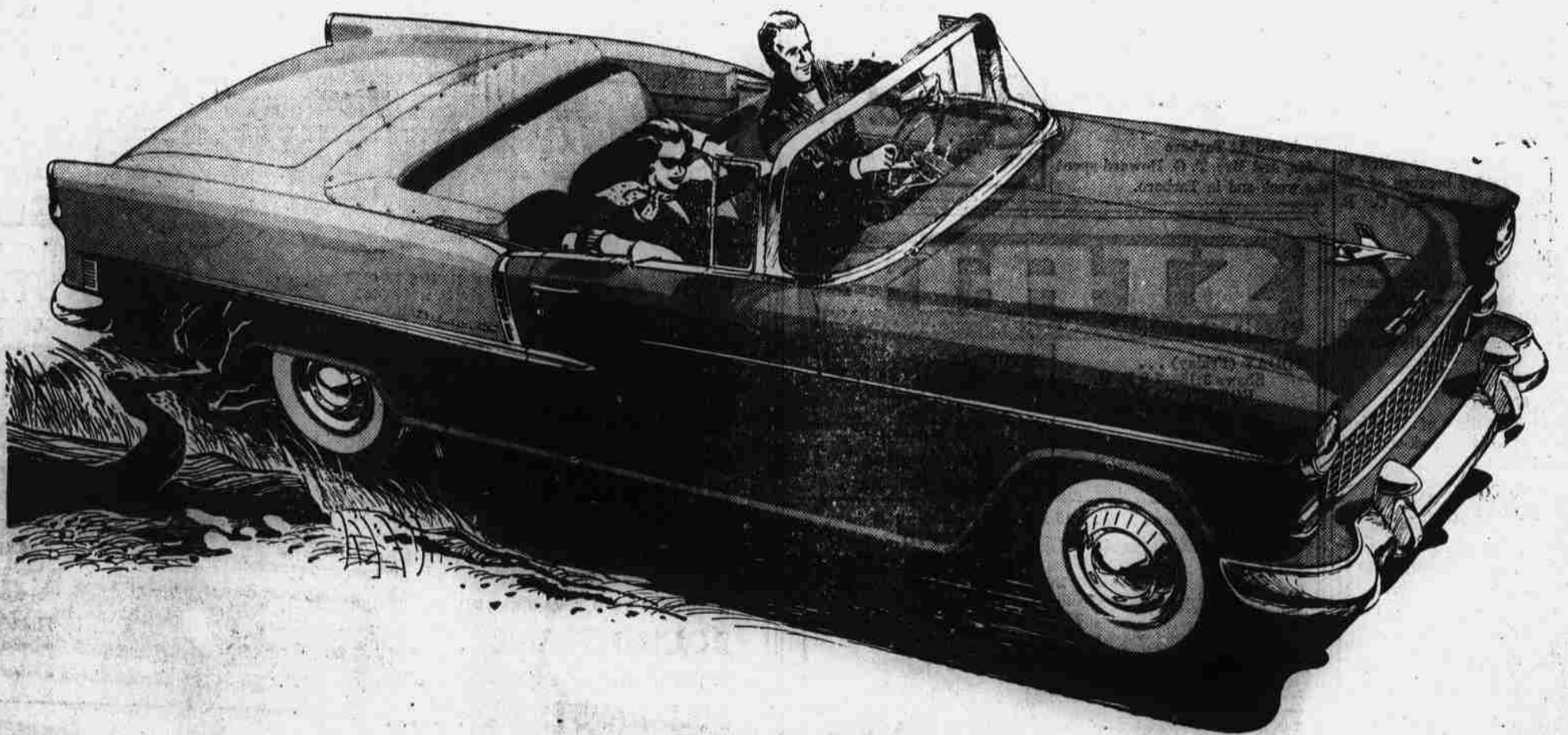
By order of the Town Council, in regular meeting, 1954 delinquent taxes in Hertford will be advertised on June 10, 1955.

The sale of the same will be held on Monday, July 11th, 1955. Please make settlement now and save yourself additional costs of advertising.

## W. G. NEWBY

CLERK TOWN OF HERTFORD

# Magnificently alive!



### Alive in looks

Only car in its field with Body by Fisher

You can't get any more life in automobile styling than Chevrolet's "Body by Fisher." These three words say all the nice, reassuring things that can be said about automobile bodies. This year's hood-high ventilation, which means cleaner, fresher air, is an important and exclusive feature.

### Alive in power

A new V8 and two new Sixes reach new highs in horsepower and performance

You certainly want life in your engine. And with the choice of power-thrillers that Chevrolet offers you this year, you've got what it takes to carry you into a whole new world of motoring confidence and pleasure. How about trying one of our V8's soon? We warn you—it's a date that leads to love!

### Alive in features

Never found on a car of Chevrolet's price before

Anti-dive braking that means heads-up stopping—your Chevrolet doesn't curtsy when you put on the brakes. 12-volt electrical system delivers twice the punch. Ball-Race steering makes steering and parking easier. But try these things for yourself. Let us arrange a demonstration soon.

# Chevrolet

SALES LEADER FOR 19 STRAIGHT YEARS



Combine your new Chevrolet purchase with your vacation plans! Order a new Chevrolet through us, then pick it up at the plant in Flint, Michigan, on Chevrolet's built, if you like, and drive your home. Chances are, you'll save a substantial share of your vacation travel costs!

# Hollowell Chevrolet Company

Phone 2151

Hertford, N. C.

**NORTH CAROLINA UNLIMITED**



**BUT Records Show We DON'T Vote!**

Ordinarily, less than 50% of North Carolina's eligible citizens exercise the right and privilege of suffrage. In the record jump 1952 Presidential election, Terhels cast 1,210,910 votes—or only 52% of the State's adult citizens. It should be the unfulfilling duty of everyone to vote—the result would certainly contribute greatly in helping to make North Carolina and our country a better place in which to work, play and live.

Another contribution to more pleasant living for North Carolinians is the brewing industry's self-regulation program where brewers, wholesalers and retailers—in a state where malt beverages are permitted under State control—cooperate to maintain wholesome conditions for the legal sale of beer and ale.

North Carolina Division UNITED STATES BREWERS FOUNDATION, INC.