

tion, business, and commercial interests of the cities and towns that by their support and patronage have builded and created the M. and St. L. railway systems, and

WHEREAS, The loaning of this \$7,200,000 to a reorganization group, headed by those now in charge of said railway will give it a permanent future as an independent, unified and profitable railway system, and conserve the interests and growth of the cities and towns along the lines of said railway, and the welfare of the employees of said railway, as well as promote the adjustment and payment of the debts of said railway, therefore,

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES, AND THE SENATE CONCURRING: That we memorialize the Interstate Commerce Commission, The RFC, the Minnesota Railway Commission, and any other authority that has any power in this matter to oppose and prevent the dismemberment of the M. and St. L. railway and to put forth every legitimate effort to reorganize said railway under its present management as a permanent, unified and independent railway system upon such terms as will promote the adjustment and payment of its debts and conserve the best interests of its thousands of employees, its stockholders, the cities and towns located along its lines and the territory tributary thereto from which it obtains its patronage.

BE IT FURTHER RESOLVED: That copies of this resolution be transmitted to the Interstate Commerce Commission, the RFC and the Minnesota Railway Commission.

Approved April 20, 1935.

RESOLUTION No. 22 (H. F. No. 645)

A joint resolution authorizing and directing the Railroad and Warehouse Commission of the State of Minnesota to investigate and report on the American Telephone and Telegraph Company, Northwestern Bell Telephone Company, Electrical Research Products, Inc., and all other companies engaged directly or indirectly in telephone communications and in furnishing communication facilities in intra-state commerce, including all companies related to any of these companies through a holding company structure, or otherwise.

RESOLVED, by the Senate and House of Representatives of the State of Minnesota, in Legislative session assembly, that

it is necessary in the aid of Legislation by the Legislature of the State of Minnesota, and for the use of Governmental agencies, including Municipal and other regulatory bodies, for the information of the general public, as an aid in providing more effective rate regulation, and for the purpose of obtaining information for aiding Municipalities in acquisition of telephone communication service, and for the purpose of determining labor conditions in the telephone industry and its related fields, and for the purpose of clarifying the duties and powers of the Railroad and Warehouse Commission with reference to the protection of local industry and for determining the scope of co-operation with the Federal Communications Commission of the United States, and for other purposes in the public interest; that accurate and comprehensive information be procured and compiled regarding the American Telephone and Telegraph Company, Western Electric Company, Northwestern Bell Telephone Company, Northwestern Telephone Exchange Company, and Electrical Research Products, Inc., and other related Companies doing business within the State.

Section 2. The Railroad and Warehouse Commission is hereby authorized and directed to investigate and to make recommendations to the Legislature on the following matters with respect to the American Telephone and Telegraph Company, Northwestern Bell Telephone Company, Western Electric Company, Electrical Research Products, Inc.

Section 3. The extent of inter-service contracts of transactions between the American Telephone and Telegraph Company, and its subsidiary, affiliated, associated, or Holding Companies, and also the sale prices of telephone equipment, material, or devices to the Northwestern Bell Telephone Company and Northwestern Telephone Exchange Company, and the profit upon such sales and the effect of such contracts, services, and sales upon the rate base borne by the Telephone users throughout the State of Minnesota.

Section 4. The effect upon the rate base structure of the Company's expansion into fields unrelated to telephone communication, particularly the exploitation of the motion picture, and other industries, and the failure to give telephone users in Minnesota the benefits of profits derived from these unrelated activities, and the reasons for the failure generally to properly allocate profits derived from exploitation of patents and devices in private fields; to reduce telephone rates and charges, costs of which patents and devices have been borne by the telephone users.

Section 5. The methods of competition with other companies or industries with reference to equality of service, reasonableness of rates, discriminatory practices in the furnishing of facilities, and all services, suppression of patents, sale and refusal to sell equipment to competing companies, maintenance of price by means of monopolistic control, and particularly the relationship of the various companies and their relationship and effect upon local industry. The effect upon the social welfare, amusement, education, and culture of the people of the State of Minnesota by the Company's control of the motion picture, and other industries.

Section 6. The extent to which telephone users in the State of Minnesota have borne the cost of the research development for long distance appliances, radio, motion picture, and other inventions unrelated to the improvement of local service, and the extent to which the telephone users of the State of Minnesota will have to bear the cost of liabilities arising out of transaction in fields not related to telephone communication.

Section 7. The probability of obtaining refunds for telephone users in Minnesota upon the revaluation of the Company's properties and operating costs in connection with the so-called licensing agreements between the American Telephone and Telegraph Company, Northwestern Bell Telephone Company, and the Northwestern Telephone Exchange Company, in accordance with the decision of the Supreme Court of the United States in the case of Illinois Bell Telephone Company vs. Illinois Railroad and Warehouse Commission and the City of Chicago, Intervenor.

Section 8. The inquiry into certain practices of telephone carriers subject to the Communications Act of 1934, of the United States of America, recently instituted by the Federal Communications Commission pursuant to its telephone division Order No. 11, and statement of November 14, 1934, may be participated in by the Railroad and Warehouse Commission in pursuance to the Statutes of the State of Minnesota with reference to co-operation and co-ordination between the Railroad and Warehouse Commission and the Federal Government Commission as applied to common carriers, and such participation may be consolidated with the investigation required by this Joint Resolution in the manner and to the extent deemed desirable by the Commission.

Section 9. The methods whereby the Companies, or their subsidiaries, officers, directors, or agents have sought through propaganda or the expenditure of money, or the control of the

channels of publicity, to influence or control public opinion or elections.

Section 10. For the purpose of this Resolution, the Railroad and Warehouse Commission is hereby authorized and directed to hold hearings, utilize its regular personnel, facilities, and powers, insofar as practicable.

Approved April 29, 1935.

RESOLUTION No. 23 (H. F. No. 1759)

A resolution accepting the federal national employment act and designating the Minnesota Industrial Commission as the state agency to cooperate with the United States employment service in the administration of such act.

WHEREAS, the Congress of the United States has passed an Act approved by the President on June 6, 1933, entitled "An Act to provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system, and for other purposes"; and

WHEREAS, it is provided in Section 4 of the Act aforesaid that the grants of money authorized by this Act shall be paid to each State which shall, by action of its Legislature, consent to the provisions of this Act.

NOW, THEREFORE, BE IT RESOLVED, by the House of Representatives of the State of Minnesota, and by the Senate of the State of Minnesota, that the legislature of the State of Minnesota does hereby accept the provisions and requirements of said Act, conditioned on the terms of an agreement to be entered into by and between the United States Employment Service and the Minnesota Industrial Commission, and that the said Minnesota Industrial Commission is hereby designated as the State Agency to cooperate with the United States Employment Service in accordance with the terms and conditions expressed in said Act, conditioned on the terms of an agreement to be entered into by and between the United States Employment Service and the Minnesota Industrial Commission, and that the treasurer of the State of Minnesota be and he is hereby authorized and empowered to receive the grants of money appropriated under said Act.

Approved April 29, 1935.