

BIENNIAL MESSAGE

OF

Cyrus C. Carpenter,

GOVERNOR OF THE STATE OF IOWA,

TO THE

FIFTEENTH GENERAL ASSEMBLY,

JANUARY, 1874.

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BIENNIAL MESSAGE.

GENTLEMEN OF THE SENATE AND HOUSE OF REPRESENTATIVES:

At the threshold of your permanent organization it becomes my duty to communicate to you "the condition of the State," and to "recommend such matters" as I "may deem expedient." The past biennial period has been one of varied experience to the people of Iowa. Prior to the last four months it had been marked by all the evidences of progress and prosperity in the social, moral, and material enterprises which uniformly characterize an intelligent and ambitious people. But near the middle of last September financial disaster prostrated, for the time being, the commercial interests of the entire country. Iowa did not escape the influence of the panic, and is not now fully recovered from the business stagnation of which it was the precursor. It is with pleasure, however, that I refer to one fact which the late revulsion has made apparent, and that is, that the development of our great natural resources, and our growth as a State in every element of wealth, have reached a point which insures our people for the future from such entire prostration, helplessness, and distress as followed a like revulsion during the year 1857. This immunity from the worst effects of commercial disaster is largely attributable to the fact that Iowa is pre-eminently an agricultural State. In this connection it is also a cause of pride and congratulation to the citizens of Iowa that the finances of the State, as shown by the reports of the Auditor and Treasurer, are in a most favorable condition, and promise to supply every necessary demand upon the treasury without embarrassment to the people or recourse to new measures for an increase of revenue.

FINANCES.

The report of the Auditor of State shows that during the fiscal term there was paid into the general revenue fund of the State, the sum of \$2,129,577.51, and there was disbursed therefrom the sum of \$2,180,100.69; the expenditures thus exceeding the receipts \$50,523.18, which

amount deducted from the balance on hand, November 6th, 1871, viz.: \$81,740.84, leaves \$31,217.66 in the treasury to the credit of the general revenue at the end of the term. The total balance on hand of all funds was \$57,228.04. Last winter, for the first time in several years, the Treasurer of State was compelled to indorse warrants for want of funds, and before the moneys in the treasury allowed of their being called in, which was done as soon as practicable, interest had accrued to the amount of \$2,807.65, which has since been paid.

Special appropriations should be drawn as used.—Attention is invited to the paragraph in the Auditor's report recommending that, in special appropriations designed for enterprises extending over the biennial period, a provision be inserted preventing more than one-half of the money from being drawn the first year. The reasons given for this restriction are clear and unanswerable, and I not only indorse them, but my judgment would lead me to go a step farther, and to say that the money in such cases should be drawn, on vouchers, as necessary for use in the purpose to which it is applied, and that not more than one-half should be drawn the first year. Such a provision in our law in the past would have saved nearly if not quite all the interest paid on warrants during the last fiscal term.

Estimated receipts and expenditures.—The Auditor estimates the receipts of State revenue in the next two years at \$1,973,800, and the expenditures now provided for by law at \$1,474,000; which will leave a surplus of \$499,800 to be applied to such special purposes as the General Assembly may deem wise. In this connection I would heartily indorse his recommendations respecting reforms in the collection of the State revenue. I do this the more confidently and emphatically because his former suggestions respecting the management of the school-fund were a foundation for legislation which absolutely wrought a revolution in the treatment of this most important trust, to a considerable degree indemnifying the blunders of the past, and securing the future from the possibility of their recurrence. In addition to his recommendations in reference to changes in the management of the revenue, I will suggest whether it would not be well to collect the taxes semi-annually instead of annually, as now required by law. This would not only benefit the tax-payer by relieving him from the necessity of raising all the money at a single payment, but would leave one-half the amount of his taxes in his own hands for use six months in each year, whereas otherwise it would remain idle and non-productive in the treasury. Governor Chase suggested this reform to the Ohio legislature

during the stringency for money following the financial crisis of 1857, and it has been found to work so admirably that the practice has been continued.

How the money goes.—The interesting tables upon taxation, compiled by the Auditor, show that there was levied in the State for all purposes (except the municipal taxes in a few cities incorporated under special charters), in 1871, the sum of \$11,267,562.13, or 3.23 per cent. of the valuation, and in 1872, \$10,711,925.49, or 2.94 per cent. Of these amounts less than one-thirteenth, or, to be exact, \$1,606,716.94, was for State purposes. These are suggestive tables, and worthy of consideration by representatives of the people. They indicate with tolerable clearness "where the money goes," and prove that taxation is largely—almost entirely—local and self-imposed; and that, when it becomes burdensome, the remedy is at the source of the evil. Another feature of these tables calls for special comment: The "insane hospital" tax for the two years foots up \$435,037.86, levied in sixty-nine counties. Of the remaining counties, a few have no patients to support, but the larger part meet the necessary expenditures for this purpose out of their ordinary revenue. Yet the entire receipts of "insane dues" at the treasury, from the counties amount to only \$226,250.12. It is evident that taxes have in many cases been levied, ostensibly for the support of the insane, but really for other purposes. One county, for instance, levied nearly \$32,000 for this purpose, yet the entire charge upon the county for the care of its insane, including amount due in 1871, as I am informed by the Auditor of State, was less than \$3,100, and it still owes the State on this account \$900. Another levied over \$10,000 to meet obligations amounting to some \$150; a third over \$8,000 to pay less than \$650; and a fourth imposed taxes amounting to $3\frac{1}{2}$ mills in the two years to pay a little over \$50 of insane dues. On the other hand, Linn county finds a levy of three mills sufficient for county, poor, and insane funds. That the excessive amounts are diverted to ordinary county purposes is well understood, yet it is clearly unlawful, and should not be tolerated. If it be found that the maximum county levy is too small for the ordinary expenses of the county, let it be increased as much as may be needed; but there should be no taxes levied under fraudulent garbs, and especially when such wrongdoing mocks the State's liberality and pollutes her great charities. The proper remedy to be applied I leave to the wisdom of the General Assembly, with the remark, however, that a maximum levy for this purpose of half a mill is more than ample for the support of both hospitals.

TREASURER'S REPORT.

The report of the Treasurer of State is placed before you. It gives in a compact form the receipts and disbursements during the biennium closing November 1st, 1873, and shows clearly, and by well-classified arrangement, the condition of each fund at that date. A slight discrepancy will be observed between it and the Auditor's report in the receipts and disbursements of general revenue. This occurred from a balance found due the State, from Black Hawk county, by the adjustment of an old swamp-land claim, which the Auditor secured during the last year in office of the predecessor of the present Treasurer. By mistake this had been credited to the wrong fund. It, however, may be easily transferred, and even now does not affect the general balance, which will be found to compare.

PERMANENT SCHOOL FUND.

The amount of the permanent school-fund is put by the Auditor at \$3,294,742.83—an increase, since 1871, of \$133,259.82. The State holds \$243,056.15 of this fund, on which it pays interest at the rate of eight per cent. per annum. Under the law of 1872, the funds in the custody of the counties will hereafter pay the same rate, the State looking to the counties only for the interest, and leaving to the latter the whole matter of collection, for which they will receive one-fifth the interest, including what may be found uncollectable. This, I look upon as one

the most salutary changes made for many years in the management of this fund.

During the past two years, I have sold of the Eads lands 80 acres in Jackson county for \$2,000; and some city lots in Keokuk and Des Moines for \$2,350.

PUBLIC LANDS.

The report of the Register of the State Land-Office shows that there have been patented during the past two years, of school lands, 48,718.08 acres, 30½ lots, and half a block; of university lands, 2,320 acres; and of swamp lands, 11,643.43 acres. Swamp land indemnity certificates have been received, calling for 14,057.74 acres, but as there are no lands in Iowa on which these can be located they are at present of doubtful value. The Register adds to the valuable tables presented in his former report a list of the swamp and overflowed lands for which the federal government has allowed the State indemnity in either scrip or cash.

In March, 1872, Congress passed an act requiring the commissioner

of the general land-office to receive and examine selections of swamp-lands made in several counties of the State, which selections had been reported to the surveyor-general at Dubuque, but which, not having been reported by that officer to the commissioner of the general land-office, had been ignored by the latter. Mr. Cleghorn, the swamp-land commissioner of this State, in a report to the Register, states the amount of the claims thus reopened at 865,770.46 acres. From only a small part of these lands, however, will the counties receive any benefit, as most of them have passed into the hands of purchasers or been taken up under the homestead act, unless Congress should permit indemnity certificates issued therefor to be located outside of this State.

A few additional tracts of land certified directly or indirectly to the Burlington & Missouri River railroad company make the aggregate of all the grants for internal improvements in Iowa 4,898,668.88 acres.

On the 26th of July, 1872, upon satisfactory evidence, I certified to the Secretary of the Interior the completion of two sections of ten miles each, "from the south line of the State of Minnesota southerly in the "direction of Sioux City," of the Sioux City and St. Paul railroad. Upon similar evidence, on the 10th of August, I certified to the construction of another section; and on the 4th day of February, 1873, to the completion of two more sections, one prior to August 10, and another prior to September 10, 1872. On the 16th of October, 1872, the United States conveyed to the State 191,464.04 acres on account of this road, and on the 17th of June last 205,374.76 acres more. As no provision of law has yet been made for the conveyance of the lands of this grant to the company earning the same, I call your attention thereto, in order that you may take the necessary action to fulfill the obligations of the State to the company. Some of the lands are claimed by the McGregor & Missouri River Railroad Company, and I have been served with an injunction issued out of the circuit court of Osceola county restraining me from patenting those thus in dispute. The road is now completed from the State line to Lemars, whence the track of the Iowa Falls & Sioux City road is made use of into Sioux City. From the State line the road owned by the St. Paul & Sioux City Company is constructed through to St. Paul, furnishing Minnesota with its most direct route to the Pacific. The Iowa company has yet to build its road to Sioux City, a distance of some twenty-five miles.

But little progress has been made towards the completion of the McGregor and Missouri River railroad west of Algona. The act of Congress making the grant for this road says the initial point of the

road shall be "at or near the foot of Main street, South McGregor." The act of the General Assembly of 1868, regranteeing the lands, required, as a condition of such grant, that the road should be completed "as far west as to Chickasaw, in range fourteen, in Chickasaw county, by the first day of September, 1869." That point is, and was before that time, in railroad communication with the Mississippi river at North McGregor, some two miles north of the proximate initial point named in the act of Congress. Admitting, what is more than questionable, that the piece of road built from the Mississippi river to Calmar by another company is a part of the line contemplated in the act of the General Assembly, there is yet much room for doubt whether the requirement as to the initial point has been complied with. The designation, "at or near the foot of Main street, South McGregor," would hardly seem to cover a point not in South McGregor at all. The word "south," let it be observed, is no part of the corporate name of the city of McGregor, nor was it of the town of McGregor, the place contemplated in the act, and seems to have been made use of by Congress for the sole purpose of distinguishing it from the place platted and known as "North McGregor." The commencement of the road at the latter point, therefore, appears not only to be a non-compliance with the law, but to be an act in direct contravention of the legislative will. If this view be correct, then the grantee has not completed its road to Chickasaw, and the failure to do so gives the General Assembly an opportunity to take such action as may seem needed to bring about a compliance by the railroad company with all the conditions of the grant.

On page 195 of the report of the Register will be found his remarks upon a recent decision of the Supreme Court; immediately following which is the decision itself. If the lands referred to—in townships 89 and 90 of ranges 28 and 29—should, under this decision of the Supreme Court, be held as inuring to the Des Moines Valley Railroad company, it would unsettle the title to their homes of quite a number of families who now hold under the Dubuque and Sioux City Railroad company, to which these lands were certified under the act of May 15th, 1856. In view of the great hardships that will result to the settlers—who have cultivated these lands for years, believing their title to be perfect,—I would suggest whether it would not be well for the General Assembly to refer the matter to the Attorney-General, and, if in his opinion the Des Moines Valley company hold the title, then to adopt some measure by which the State may assume the *onus* of settling with the com-

pany and these families be saved from distress and, in many instances, ruin.

It has been suggested to me that the Register of the State Land Office would be able, if directed by law, to secure abstracts of original entries, copies of which are needed in every county, for such counties as have not obtained them, at comparatively small cost in the aggregate, as compared with the expense when obtained by a single county. The matter is submitted for consideration, and may perhaps be worthy your attention and some legislative action. It would also be well for the State to have a complete abstract of original entries at the capitol, as it would be important for reference at all times hereafter.

THE CENSUS.

The twelfth State census, taken last spring, and compiled by the Secretary of State in a pamphlet with much other useful information, is before you. It shows a population of 1,251,333—an increase since 1869, when the eleventh State census was taken, of 210,514, but of only 57,313 over the footings of the federal enumeration of 1870. The latter meager increase has led many to suppose the State census entirely unreliable. A comparison, however, of this and the previous enumerations taken by the assessors, with the returns of the school population, as ascertained by the district secretaries, shows such uniform proportions between the two classes of enumerations as to inspire confidence in the substantial correctness of the State census. Tried by a similar test, the federal enumeration shows a disproportionately large aggregate, as compared with the school population. That there was such a disproportion is probably true to some extent. The construction of railroads, so actively prosecuted in 1870, brought among us its attendant population, composed largely of men without families, whose numbers would help swell the aggregates of population, while their presence would be scarcely observable in the school census. This will doubtless account for part of the disproportion; the remainder would seem to be excessive enumeration. The difference between the modes adopted by the federal and state governments, respectively, for taking the census, I cannot but think favorable to the greater accuracy of the latter. The enumeration of every township, town, and city, by a local officer resident therein, who is often personally acquainted with much the greater part of the population, especially in the rural districts, is certainly more likely to be accurate than one taken by an official whose

range of duty covers several townships, and sometimes a number of counties.

In 1875, the population of the State will again be enumerated, as provided by the constitution. In order that such enumeration may be made as nearly accurate as is attainable, I would suggest that all the information sought for the United States census be called for, including the name, &c., of every inhabitant of the State, with full returns of the agricultural, manufacturing, and mining statistics. To this end, the census in cities and towns, at least, had better be taken by separate officers, or the assessors be allowed to appoint deputies for this special purpose, divesting the census, as much as possible, from every appearance of connection with taxation. Should the Federal Government determine, as is not improbable, to take a census in 1875, no action need be taken by the General Assembly, as everything we could desire in the way of statistics will undoubtedly be thereby supplied; although it is hoped Congress will improve the plan of the work so as to bespeak greater accuracy.

Diversified Industry.—The census of the present year shows, what has indeed been apparent to common observation, that the rapidity of growth which marked the history of Iowa from 1865 to 1870 has received a check. Immigration, except to the newer counties of the State, is nearly if not quite balanced by emigration to the cheaper but not better lands beyond the Missouri. From this, I deduce the fact that some parts of our State have reached a point beyond which no great growth may be anticipated until their industries shall have become more largely diversified: in other words, that, with agriculture alone as a basis of productive wealth, they have reached the period of their greatest comparative prosperity. If such be the case, it becomes the statesmen of to-day to look it in the face, and, if legislation can do anything towards bringing about the needed diversification, to apply such legislation. A few years ago, the desirability of encouraging the growth of timber, fruit-trees, shade-trees, and hedges induced the General Assembly to make liberal exemptions from taxation in favor of their cultivation. The effect has been to dot the prairies of the newer counties with groves of young timber, and to stimulate all over the State the growth of trees and hedges. That similar results would follow like liberality towards manufacturing industries, there can be no doubt. The propriety of such exemption I most earnestly recommend to the consideration of the General Assembly, in the hope that it will be found advisable to enact measures calculated to

stimulate those industries. The immense coal-fields underlying the soil of Iowa, renders it probable that such encouragement will not long be needed, and that a little aid at the incipency of manufacturing enterprises, sufficiently long extended to convince their projectors of the inviting field Iowa offers them, is all that is necessary to establish on a firm footing the most extensive manufactures. The exemption from taxation of the moneys invested therein above a certain amount, would, I am persuaded, bring into the State much capital, the unexempted part of which would itself in no small degree increase the amount of taxable property, and for which, without some such discrimination, we may wait for years.

THE MILITIA.

The militia law of the State needs revision. The present statute, enacted originally in a time of war, contemplated a thorough organization of the entire militia. The occasion that called forth such an enactment having passed away, there is now no disposition to enforce its stringent provisions. Hereupon I ask, for the suggestions of the Adjutant-General, whose attention has unavoidably been drawn to the inadequacy of the present law, the careful consideration of the General Assembly. An increase of compensation seems to be advisable in case of those who may be called on for active duty, as in the instance I shall presently mention. To be required to quit one's business, perhaps on peremptory notice, in order to do military duty for the protection of community, ought to command better pay than 44 cents a day and subsistence. Active militia under our law obtain no immunities by reason of service, as in some other States where a term of years in a military company exempts from jury duty and poll-tax; hence the more reason for a better compensation for active service.

The Adjutant-General reports a total amount of \$13,432.91 paid on account of the gray uniforms of the second and third Iowa infantry; and on the first Iowa cavalry claims \$31,499.58, of which amount there remains due by the United States \$3,753.16. He also paid on other claims \$908.91 during 1872 and 1873. The code making no provision for the expenses of the quartermaster department of the State, I recommend the passage of a statute similar to the former one upon the subject, or a permanent appropriation therefor. I also suggest an enlarged allowance to this officer for clerk-hire. I would commend to your attention other recommendations of the Adjutant-General in relation to his office.

On the morning of Monday, November 17th, 1873, I received a telegram from some of the most prominent men in Council Bluffs, informing me that a prize-fight was contemplated in that vicinity the next day; that several hundred "roughs" had congregated in that city and Omaha to witness the fight, and that the civil authorities were powerless before them; and they requested me to send a military force to prevent the disgrace to the State and their city. I replied that if the sheriff informed me officially of his inability to execute the law, I would feel it my duty to aid him to the extent of my power. The sheriff responded asking for aid to execute the law, saying that he was unable to do so with any force at his command in Pottawattamie county. In response to this, I issued orders to the Adjutant-General to forward a military company to his aid, ordering them to report to the sheriff. This order was executed. Late in the afternoon of the next day, the Adjutant-General forwarded me a telegram, saying that the train was about leaving for some point on the Council Bluffs and St. Joseph railroad, conveying several hundred roughs to witness the fight; that the two principals had gone on below in carriages; and that the sheriff was unwilling to take the responsibility of following them. General Baker, upon receiving this telegram, informed Colonel Olmsted, the commander of the company, that he was expected to obey the sheriff, which was in accordance with my order of the day before. But upon reading this dispatch I saw that the matter had taken a turn not anticipated when I made the order, and I therefore without hesitation wrote a dispatch telling Colonel Olmsted "to prevent the fight without regard to sheriff or anybody else," and sent my private secretary to the telegraph office with it, in order to be sure that it was sent without delay. Upon his arriving at the office, however, he found that the train had reached its destination near Pacific City, in Mills county, and that the fight was over. The cause of the failure to prevent this lawless encounter was not in any lack of discipline, or of readiness to obey orders on the part of the military company, but it grew in part out of the sheriff's confusion as to the law and the "overt act," owing to the difference of opinion which he heard among lawyers. But the ruling cause was the fact that Iowa has no law upon her statute-books to prevent prize-fighting. And if this experience results in giving us a law that will furnish full authority to prevent the re-enactment of scenes of this character within the State, it will in a measure compensate for the mortification felt from this unsuccessful attempt to perform what seemed a plain duty, and the State will be compensated for the unavailing expense. Such a

statute, owing to the nature of the offense, should be not only punitive, but directly preventive, clothing the authorities with extraordinary powers, if necessary, for its enforcement.

THE LIBRARY.

The State Librarian reports 12,004 volumes in the library, an increase of 2,075 since last report. The public property in this department is well managed by the present librarian, who, continuing the work so happily inaugurated by her predecessor, spares no effort to increase the usefulness of the collection. During the past term, she has been able to complete full sets of the laws of Iowa, the House journals, and the Senate journals, and all but one of the Council journals.

The State has of late years refrained from insuring its property; but the large amount of perishable property here concentrated in a small compass and in an insecure building gives weight to the suggestion of the trustees that the library be insured, and I commend the same to your consideration.

THE SCHOOLS.

The report of the Superintendent of Public Instruction presents the usual valuable statistics of that interesting department of the State government. The number of persons within the school age is 491,344, an increase during the biennial period of 29,862. The number of school-districts has increased 932, owing to the organization of independent districts under a law of 1872, there being only six more township-districts than in 1871. As each independent district has five officers, and the larger ones eight, the advance in the number of school functionaries is probably nearly as great as that in the enrollment of scholars above mentioned, viz.: 5,332. The creation of over 900 new secretaryships with no more records to keep, of over 900 new treasurerhips with no more funds to handle, and of thousands of new school-directorships with no more duties to perform, with the division and almost dissipation of responsibility thereby wrought, is of itself a forcible argument in support of the views of the superintendent in favor of a simple township organization. Indeed, the system of almost infinitesimal districts seems to be hardly defensible except upon the theory that the best government is that which comes nearest supplying every man with an office. The surprising mismanagement of school moneys revealed in the superintendent's report, in some of the counties, will not be improved by a multiplication of fiduciary officers.

The recommendations of the superintendent,—that annual reports be

required from both school secretaries and treasurers, and that these officers be chosen in September; for more effective county supervision; and in favor of providing for State teachers' certificates,—are the suggestions of an officer who has seen the practical need there exists for improvement in these respects, and I cordially indorse the spirit of those recommendations. I would also invite your attention to the superintendent's arguments in behalf of normal schools; and likewise to his suggestions for better provision for teachers' institutes. To my mind, if the General Assembly should not deem the occasion opportune for the establishment of normal schools, a tentative substitute, both cheap and effective, may be found in the encouragement of these institutes, by providing for terms of several weeks, and giving them competent instructors. Some have already been held in different parts of the State with very satisfactory results. Other States have tried the experiment, with apparent success. I entertain no doubt that such gatherings, with substantial recognition from the State, will be of benefit to all who attend, affording them measurably the advantages of the normal school. It becomes us to neglect no means calculated in any manner to advance the standard of the instructors of our youth, the fruits of whose labors are such large factors in whatever will be the developed characters of the future men and women of Iowa.

THE STATE UNIVERSITY.

No Iowa institution has developed into power for usefulness with greater rapidity than the State University. The report of the board of regents, embracing also the report of the president, the different members of the faculty, and the treasurer, is placed before you with the confident hope that the good results which they show will be regarded as an earnest of still greater achievements in the future, if the institution continues to be encouraged and fostered. The University still holds 7840 acres of the land-grant, valued at \$27,300. The income for the two years ending June 30, 1873, was \$122,041.29; which includes the appropriations of the 14th General Assembly. The actual income from July 1st to October 1st, 1873, was \$6,458.60, and the estimate for the next nine months, which will bring the institution to the close of another fiscal year, is \$23,150. The assets of the University are \$232,221.51; of which \$202,821.53 represents the working or productive capital of the institution. The expenses from June 21, 1871, to October 1, 1873, were \$103,415.93. An institution growing as this is, not only in the confidence of the people but in the number of its students, and

the constant enlargement of its enterprises, will necessarily more and more require the fostering care of the State in order to furnish accommodations to its new departments, its new professors, and the students that overflow its crowded apartments. To-day, more than ever before, those who are proud of the career of this institution, and who deeply appreciate its possibilities for usefulness, by elevating the intellectual standard in our State, and enlarging the domain of scholarship, are tempted to knock at the doors of your legislative halls for additional appropriations. New avenues requiring extraordinary expenditures are constantly presenting themselves to the board of regents, and they have no other alternative than to frankly lay the necessities of the institution with their own views before the General Assembly.

The University needs a study-hall; a cabinet of natural science; larger accommodations for the academical and professional departments; a wood-house; and a house for the janitor. The law-school should have separate apartments; the medical department, now located in a building formerly used for another purpose, would be greatly improved and its usefulness facilitated if given the control of apartments adapted to its work. With greater means at their command, the regents could devise methods which would largely increase the power of the institution for good. The dentists of Iowa, through their State Association, are moving with the hope and purpose of securing recognition in the University by the establishment of one or more chairs in connection with the medical department, in order to promote the usefulness and efficiency of their specialty, and to fix a standard of qualifications for its practitioners. The beneficent results of this profession have come to be so appreciated throughout the country that the value of such a department will hardly be controverted; and yet the regents have not felt that they have the means at their disposal, or the authority, to give encouragement to the petitioners.

Permit me to suggest for your consideration, whether it would not be well to fix an annual standing appropriation for this institution. Placing a fixed and determinate amount at the disposal of the board of regents, to be applied as they might regard as for the best interests of the University, would remove the necessity for their coming to each General Assembly to ask for the aid which has absolutely become a necessity in carrying forward the school; and it would put the regents upon their responsibility as citizens and officers, inspiring them to so husband and expend the trust as in the greatest degree to promote the welfare of the University.

THE AGRICULTURAL COLLEGE.

The report of the Iowa State Agricultural College shows that the usefulness and success of a collegiate institution, embodying in its curriculum the industrial idea, so far as Iowa is concerned, is no longer an experiment. The president's report is full and satisfactory upon the question of harmonizing mental and manual labor. Reading his report has but strengthened my own long entertained opinion, that those studies which will prepare the young for active industrial pursuits possess every element as mental disciplinarians for producing a well rounded and cultivated manhood. This college having now graduated two classes, the members of which have taken rank with the students of any other college in the country, its character and its management need no further indorsement in the way of theory.

The land agent, Mr. Bassett, has been authorized to lease lands for ten years from January 1st, 1872. The number of acres of lands unleased November, 1871, was 19,547; since which time 3,591 have been leased, and 6,809 acres have been forfeited; making a total of 22,765 acres of unleased lands at date of report.

An appropriation of \$25,000 is asked for to carry forward a necessary enlargement of the institution in order to meet its growing wants. It seems to me this institution should be dealt with liberally by this General Assembly. The public mind is alive to an unprecedented degree to the future of the farmer. Agriculture and its interests are being pushed to the front with a vigor and persistency which promise a wide and permanent increase in power and influence. As the farmer reaches out for more rights, the first consideration should be the means of educating his sons and daughters in those branches of a higher education which will prepare them for useful and successful lives. In this view, he cannot afford to neglect to foster an institution which not only illustrates the recognition due to his profession, but opens the way for the sons and daughters of agriculturists to attend a school where the best culture of the period is combined with those practical sciences necessary to increase the efficiency of labor.

Two years ago, an appropriation of \$38,500 was made for the purpose of building a laboratory and for other improvements at the college. Unfortunately it was intrusted to the custody of a treasurer who used a large portion of it in his private speculations, thus bringing ruin upon himself and seriously crippling the institution. The first intimation I had of this defalcation, was on the ninth day of December, 1872. I immediately communicated all the information I had in

reference to it to the board of trustees, then in session at the college. From an unfortunate oversight in the trustees—which doubtless grew out of the fact that the treasurer was also State Treasurer, and that most of the board were new members who, coming into their positions as trustees and finding him in custody of the funds, doubtless continued him in the position without suspicion, and probably with the idea that the two offices were in some way connected,—it turned out that there was no bond on file which is thought to cover any portion of the time to which the defalcation extended. A committee of the board, however, were authorized to secure such indemnity for the college losses as was then possible. In the prosecution of this object, although I had but recently become connected with the board as an *ex-officio* member, I gave them such aid as was in my power. I was fully cognizant of the transactions of this committee, and I thought then, and think now, that they acted with good judgment and with the single motive to secure the college from loss as far as possible. But, as this whole matter has been the subject of an elaborate investigation by the legislature, I will not enter further into details.

A portion of the property for which deeds were taken had been previously mortgaged, and this, together with the revulsion in the money market, has greatly embarrassed the committee, and prevented them from realizing a large amount upon the property. There has seemed to be a studied purpose in some quarters to *bear*, or depreciate the property in public estimation, and to embarrass the committee in their attempts to handle it, with the view of obstructing its sale, and with a hope in the end that it may sell for comparatively nothing. In view of this fact, would it not be well for the State, by appropriating a sufficient sum in addition to what they have already realized upon it, to enable the committee to lift these mortgages and thus clear the property of incumbrances which now embarrass its sale and diminish its productiveness? If this were done, I have no doubt it would make the college whole in due time.

In connection with other property, 1,600 acres of wild land in Lyon county was deeded to the college. It is at present unavailable, but I am told by Mr. Noble, the chairman of the committee of trustees, to whom the care of this property was assigned, that this land could be leased for six dollars per acre, upon the same terms as other college land, if the committee were authorized to do so. I would therefore suggest whether it would not be good policy to confer upon this committee such authority by special law.

Before leaving this subject I would call attention to two lessons in legislation which seem to me to be suggested by this occurrence:—
First: It will be observed that there is no provision of law directory

boards of trustees, if from any cause they deem it necessary to proceed against the treasurer of the funds of the institution. The law provides that in case the Governor believes the public interest requires an examination of the books and accounts of a State officer, including the State treasurer, he may appoint a commission of three competent accountants to examine and report, and if irregularities are shown to exist, by reason of which the State is liable to suffer loss, he has power to suspend the officer, and he is directed how to proceed by statute. It seems to me that the trustees of our educational and benevolent institutions should be directed specifically as to their duties in case one of their officers is found either derelict in duty or to be proceeding in violation of his trust. Second: In my judgment treasurers holding public funds should be restrained, by law, from accepting the trusteeship of any other institution, public or private. If the treasurer of the agricultural college had not at the same time been State treasurer, it is probable the temptation to use the college money in his own speculations would never have occurred to him. But the opportunity to count State funds in making his settlements with the board of trustees doubtless seemed to him so tempting, that, taken in connection with a natural desire to try his hand in speculations, it overcame the better impulses of his nature. I believe also that county treasurers should neither be given the custody of township or school-district funds, nor be allowed to disburse the revenues of our cities. In this connection it would seem to me wise to forbid directors and officers of savings banks, incorporated under the laws of the State, from accepting or holding like positions in other banking institutions. The connection of a savings bank with the Merchants' National Bank of Dubuque was doubtless one agency which enabled the officer who was engaged in the illegal use of the funds of the national bank to so long deceive the public and the agents of the government as to the true condition of that institution. In fact, such a law should apply to all officers holding trust funds in any capacity.

I call your attention also to the fact that the law which fixes the number entitled to admission to the college from the several counties is very defective. As it now stands, each county is entitled to send three. No account is taken of difference in population, and the aggregate of students which may legally claim admission is far beyond the capacity of the college building. Moreover, no plan by which applicants for

admission to the college may be selected in the counties has been fixed by law. No better method suggests itself to me than to give to each representative in the house whose district is not already represented in the college the power to select two students who shall be entitled to admission from his district. Any plan, however, by which the privileges of this school would be distributed according to population, giving the board of trustees discretion to make selections where districts have not availed themselves of the right thus accorded them, would be preferable to the method now in force.

COLLEGE FOR THE BLIND.

The college for the blind continues to maintain its high rank among institutions of kindred design throughout the land. The whole number of pupils in attendance is reported at 112, 31 having been admitted during the term. Since the foundation of the institution, 269 persons have enjoyed its benefits. The health of the students during the term has been excellent, with rare cases of illness of any kind. The north wing of the college building, the construction of which was provided for by the last General Assembly, has been erected and inclosed, and the remainder of the sum to which the law limited the cost of the structure will be more than sufficient to complete the building entire, including heating apparatus. This was \$100,000, of which \$70,000 was granted. An appropriation of the remainder is asked by the trustees, as also of \$12,000 for new engine-house and laundry (for reasons set forth in the report), of \$5,000 for furniture, and of \$2,000 for improvement of grounds. The principal asks for a law prohibiting the admission to the college, other than to the industrial school, of any person over 21. To this suggestion, and especially to that looking to a course of study so that pupils who have finished the same and learned trades may not return to crowd the institution, I ask your attention. The remarks of that officer upon the intermarriage of the blind, and especially of those who are dependent on the State's bounty, are worthy of thoughtful consideration.

THE INSTITUTION OF THE DEAF AND DUMB

Acceptably continues its work of educating those for whom it is intended. One hundred and nineteen students are enrolled, coming from fifty-one counties. One-third of the counties have never had pupils in this institution, although some of them appear to have within their borders several who need its instructions. The superintendent, in his report, points out some of the causes which prevent those having

the care of deaf and dumb youth from securing its privileges for their wards, and justly remarks that compulsory education, if desirable anywhere, would seem to be eminently proper in behalf of this unfortunate class.

The building, with the aid of the appropriation of last session, has been made quite comfortable, and the means of heating and lighting improved. For the present needs of this institution, some of them very pressing, I refer you to the reports of its superintendent and the board. Upon two points I would particularly enlarge. One of these is that in reference to a higher education at this school. The State has made ample provision for the instruction of those who can hear and speak, not forgetting the blind; and it is only right that this school should afford to its pupils an opportunity for attaining the highest culture of which they may be found capable. The suggestion that trades be established at the institution seems to be so reasonable, and instruction in such trades so desirable, that I deem it only necessary to call your especial attention thereto, believing that the propriety of the improvement proposed will be readily apparent to all.

The building commissioners present their report of expenditures made under their supervision. Of the appropriation of 1870, for completing the building, and making sundry improvements, they have expended, since last report, \$7,919.87. Of the appropriation of 1872, for barn, gas-works, reservoir, shrubbery, repair of carpenter work, &c., \$14,981.22 has been expended, and the work contemplated by the act making the appropriation has been completed.

The commissioners have been harassed for some years by a lawsuit brought against them by the contractor who put up the building, on account of alleged extra work, which suit is now pending in the United States circuit court. It is due to these officers, I think, that inquiry be made, or provided for, by the General Assembly into the nature of this claim, and, if it should be found baseless, that the State assume the defense of the suit; while if the claim be considered well founded, and the action of the commissioners to have been in entire good faith, it would seem proper that provision be made for the payment by the State of whatever amount may be found due the contractor.

SOLDIERS' ORPHANS' HOME.

The report of the trustees of the Soldiers' Orphans' Home, with those of the superintendents, will be laid before you. The number of children in the homes is 508, representing 55 counties. Of these, 256 are at Cedar

Falls, 154 at Davenport, and 98 at Glenwood. Two years ago, 718 children were in the homes; so that the present report shows a decrease of 210 in the number present. The support of the homes has cost during the year \$146,050; while \$12,000 was expended for improvements, and \$550 for libraries. A chapel has been erected at Cedar Falls (at a cost, including furniture and heating apparatus, of \$3,750), the barn tripled in size, and improvements made in the laundry, out of the savings of the general support fund. Other improvements, including adequate sewerage, have also been secured. The board asks for \$11,800 for furniture, repairs, etc., and \$550 for library, for the several homes.

The work of this great charity, as the children of the soldiers pass beyond need of its help, draws to a close. In view of this fact, and of the large investments made by the State at the several points, the board and the superintendents recommend that the homes be opened to all orphans; and if this be done that provision be made for instructing the children in trades.

An interesting statement is presented by the superintendent of the Cedar Falls home as the result of an effort to ascertain something of the history of the children after leaving the institution. Ninety-five in various occupations—farmers, mechanics, &c.—are more or less creditably performing their respective duties in life; while eighty-two have not been heard from. Could all have been accounted for, excellent data would doubtless have been furnished for judging of the success of the home in preparing the children for the work of life. The information, so far as received, reflects much credit upon the home and its beneficent influences.

THE REFORM SCHOOL.

The reports of the board of trustees, the superintendent, the assistant superintendent, and the treasurer of the Reform School are respectfully referred to your consideration. Iowa, in keeping with the advanced intelligence of her population, is moving abreast with the older of her sister States, in the number and character of her benevolent and reformatory institutions. Your immediate predecessors therefore provided for the permanent location of the reform school, and made an appropriation of \$45,000 with which to improve a farm, erect buildings, &c., &c., and of \$5,000 with which to continue the support of a girls' department in Lee county, (near Salem,) on the farm leased originally for the accommodation of the entire institution. The trustees at their

meeting in April, 1872, gave public notice that they would receive proposals from different localities of the donations their citizens would be willing to give to secure the location of the school. Des Moines, Ottumwa, Oskaloosa, Muscatine, and Eldora were the principal competitors, and were severally visited by the trustees. Eldora was finally selected. The citizens of that place donated to the State 440 acres of land—400 being prairie land, within a mile of the city, and 40 acres of timber in the vicinity. Last April, two buildings being nearly complete, and the third under contract, the trustees determined, in order to raise a crop and to utilize the labor of the boys in making the improvements, to move them to the new home. Accordingly the girls' school was organized at the farm in Lee county. It was placed under the immediate supervision of Mr. and Mrs. Lewelling, all being under the general superintendence of Prof. McCarty. There are now 145 boys in the school at Eldora, and 11 girls in the school at Salem. The progress of the reformatory work in both branches of this institution is creditable to those employed in the work, and is a vindication of the theory of coupling with the protection of community from juvenile offenders the purpose of their final restoration to society *reformed and useful citizens*.

The trustees ask for an appropriation of \$45,000 for future improvements and purchases, and this recommendation is emphasized and elaborated by the superintendent. Their statements respecting the necessities of the farm and school should be carefully read and considered. I visited the institution when the present improvements were near completion, and I desire to add my testimony to that of the board and the superintendent that it has been located with good judgment, and that the appropriation has been expended most economically and judiciously. It seems to me that no better piece of land could have been selected for a farm. In natural drainage, fertility of soil, and convenience to water and fuel it could hardly have been excelled in the State. That a larger area, to be used for the purposes of general farming, will be required in the near future, if it is not at the present time, there can be no doubt. Every appropriation that will increase the opportunity to render the labor of the boys productive in the very things which they consume, and which if not raised must be bought, would seem to me to be in the interest of economy. The barn should be finished. As to the necessity for two new family buildings the reports will furnish information in full. These, together with ice-house, coal-house, and meat-house, with a library and musical instruments, are all essential to

the usefulness of the institution, and should be provided for, if in your opinion the funds of the State will warrant the appropriation.

THE PENITENTIARY OF THE STATE.

Your earnest attention is invited to the report of the Warden of the Penitentiary. It is a document which will repay perusal even by persons who may not be called to legislate in reference to the management or support of convicts. In my visits to this institution during the past two years, and in my official relations with the warden, I have uniformly been pleased with his earnest efforts to meet the onerous requirements of his position. While he has labored to bring the management of the penitentiary into entire harmony with the humane tendencies of the age, he has neither relaxed the discipline of the convicts nor diminished their efficiency as laborers. It is to be hoped this institution will soon reach the point of self-support.

The number of convicts borne upon the books at the date of the report was 276; of which 213 are "State prisoners," to which may be added 20 sent to the additional penitentiary at Anamosa. November 6, 1871, there were 230 "State prisoners," showing, when the increase in our population is taken into account, an encouraging decrease in crime. The report shows a balance in the general support fund of \$14,448.04, notwithstanding repairs and cost of transportation had been taken out of this fund. You will learn through this report that the appropriation of the last General Assembly to enlarge the shop-room of the prison was judiciously expended, and that the additional shop room contemplated has been completed. That portion of the appropriation designed to light the prison with gas, instead of oil, was not used, as it was found to be insufficient for the purpose to which it was to be applied. The warden recommends an additional appropriation of \$1,500 for the purpose of supplying gas, and to this I add my hearty approval. With the small appropriation necessary to make this much needed improvement, it seems to me that the use of oil, with its explosive and dangerous properties, and the unhealthy gases generated by so large a number of lights as are found necessary for the purposes of this institution, makes it not only a cruel parsimony, but in reality an extravagance, to withhold the appropriation asked. A fire occurred April 24, 1872, destroying the roof of the boiler-house,—an old shingle-roof very much exposed; which was repaired, raised, and all covered with slate at a cost of \$411. Another fire occurred on the 29th of July, 1873, which destroyed two of the shops and necessitated an expenditure of \$5,290.60

out of the fund placed at the disposal of the executive council for emergencies of this nature. By this expenditure the shops were replaced in better and safer condition than before. Fire-walls were carried up between them, and between each of them and the other shops with which they were connected. It will be the duty of the General Assembly to consider the propriety of the other improvements recommended. I make no specific recommendations, but refer you to the report of the visiting committee authorized by the Fourteenth General Assembly for information as to the necessity for those improvements.

The warden has stated the fact of his appointment as a delegate to the National Prison Congress, and has detailed to some extent the proceedings of that convention, in which he was a participant. This convention was composed of gentlemen, many of whom had not only had valuable experience in the direction and control of convicts, but also of humane men, who had made the matter of prison discipline a subject of thought and study for years. It seemed to me that, when the public mind was awake to the question of how best to conduct prison discipline so as not only to protect society but to make it educational and reformatory as well as exemplary, Iowa should lend encouragement to this spirit of progress by proper representation in conventions called to promote it, and that she should have the benefit in her own prisons of all wise suggestions made at these conventions. It was therefore gratifying to me that Major Craig accepted the commission and attended the convention. It was a source of regret to me that there was no fund at my disposal out of which I felt authorized to pay his expenses, and it seems to me the General Assembly should make the small appropriation necessary for his reimbursement.

I must be permitted to reiterate and emphasize the warden's recommendation for a prison-school. Having visited the penitentiary Sabbath-school, I have seen the anxious and eager efforts these poor convicts made to improve the hour or two devoted to religious exercises and instruction, to which the good people who live in the vicinity contribute their presence and their voluntary teachings. It should be the object of the law, and the discipline to which the convict is subject, to so temper his punishment with mercy as to make him a better and wiser man when he goes out again into the world. I believe half the crimes which were committed by the convicts now in the penitentiary were solely the result of a vicious education of these persons in their youth. A large proportion of these convicts are young men who have grown up in that slovenly, indolent manner, the inevitable result of which is

to produce a manhood in which there is neither self-reliance nor the power of self-direction. Such an education is the next door to crime itself. I had intended to recommend a prison-school if the warden had not done so, and I had intended to recommend the building of a school-house within the prison-yard; but I am gratified that he has suggested the use of the chapel, which will save this expense, and leave scarcely an excuse for the neglect of an improvement so beneficent. I have frequently observed convicts in the different shops, who had finished their task by the middle of the afternoon, but who necessarily must sit in listless silence until the hour came for marching to the cell. As it has been suggested that to be denied the privilege of attending the Sabbath-school is a penalty dreaded more than any other by the convict, it has occurred to me that attendance upon this secular school might not only be made an incentive to good behavior, but also to a defter and more active and energetic performance of prison tasks.

If the General Assembly resolve to continue the system of contract labor, which I believe is generally conceded to be the best mode of giving employment to the convicts, it will become your duty to provide for advertising and letting the contract. It is to be hoped that the next lease may be for a better price than we have heretofore obtained. Labor in the Illinois penitentiary sold for a price nearly double that of ours under the present contract. This difference could be neither in the more fortunate location of the prison nor in better facilities to secure effective work. In compliance with joint resolution number 23, approved April 23, 1872, I appointed Robert S. Finkbine, a competent builder, "to examine and estimate the value of material furnished and work done by the contractors for the convict labor at "the penitentiary," in building two shops, upon which they claim money is due them. As the General Assembly also made provision to raise these shops another story, I thought it proper to have this work done before they were disturbed preparatory to this improvement. Accordingly Mr. Finkbine visited the penitentiary, made the estimate as required, and his report is on file in the executive office for the use of the General Assembly.

THE ADDITIONAL PENITENTIARY.

Herewith there will be transmitted to you the report of the commissioners of the additional penitentiary. It gives in detail the transactions of the commissioners in the performance of their duties. It appears from the accompanying pamphlet that there were differences

of opinion in the commission, which led to the preparation of two separate reports, both of which were ordered printed, and will be found in a single pamphlet. I have not thought it necessary or profitable to summarize these documents. In the details going to make up the history of the transactions of the commissioners, there is no substantial difference; the differences of opinion being in matters of policy more than in matters of detail.

The reports show that the commissioners obtained one tract of land for farming purposes, and another of fifteen acres, ten of which was donated by the citizens of Jones county. The other five acres are to be paid for, and the commissioners ask that the General Assembly appropriate \$2,500 for this purpose. Near this fifteen acres, upon which the penitentiary is located, there is an everliving spring so much higher than the prospective walls of the prison that it will afford abundance of water, which can be conveyed to every part of the prison-yard with very little expense. The quarry, which was purchased for \$15,000, is two and one-half miles from the penitentiary. So far as developed, it is an excellent quarry, and is believed to be fully worth the money paid for it. The expenses thus far, as shown, exceed the appropriation by \$1,232.35. The prison is in debt \$6,000 for general support. Thirty prisoners have been confined therein, of which twenty-five remained at the date of the report. I call attention to the appropriations asked for by the commissioners. The visiting committee having examined the work of the commissioners and considered the propriety of further large expenditures, I will defer expressing an opinion here, as I believe that committee has acted upon information which makes their report worthy of full faith and credit.

There are two things in connection with this matter, however, which seem to me to be dictated by sound policy and business economy. One is, that the outstanding obligations of the institution should be paid. This is also demanded by good faith. And the other is, that the work now commenced should be carried forward to a point at which it will not only secure the property from waste and deterioration, but utilize it, and as far as possible render it productive. That this can be done with a little additional expense, the experiments already had with the stone-quarry, though under great disadvantages, seem to demonstrate.

THE VISITING COMMITTEE.

In accordance with joint resolution number six of the 14th General Assembly, 1873, I appointed Hugh M. Thomson of Scott co., P. Gad

Bryan of Warren, Sylvester L. Carey of Howard, and Albert W. Swalm of Greene, as the committee to visit the two penitentiaries and report upon the points named in the resolution. When notifying these gentlemen of their appointment, I informed them that no appropriation had been made by the General Assembly which provided for the payment of the committee, but, as I deemed the information contemplated in the resolution important, I asked them to do the work and await your action for pay. They did so, with what result you will learn by an examination of the report which they submit to you. These gentlemen performed their duties, in my judgment, with the sole view of promoting the interests of the State. They spent their own money in going and coming, besides taking the time from their own business; and I hope the General Assembly will provide at an early day for their compensation. Their itemized bill is on file in the executive office.

MT. PLEASANT HOSPITAL FOR THE INSANE.

The Hospital for the Insane at Mt. Pleasant is shown by the accompanying report of its board of trustees to have been skillfully and economically managed, and to have met the requirements of such an institution during the past two years as efficiently as at any former period of its history. At the close of the biennial period, there were 495 patients in its wards. Of the number of patients treated during this time 28.16 per cent. recovered; 21.65 per cent. improved, and 27.64 per cent. remained stationary; which, by comparison with other institutions of the character, is a record that does honor to the persons having it in charge.

There has been received from all sources belonging to the current expense fund \$235,795.33; of which there has been expended \$229,441.25. The appropriation by the Fourteenth General Assembly of \$1800 for a bath-room in the basement of the west wing was thought insufficient for the purpose, and therefore remains undrawn. An addition of \$600 to cover this improvement is recommended, and to this I add my indorsement. An appropriation of \$3000 is recommended to build a carpenter shop, at a greater distance from the boiler-house than the building now occupied for that purpose, as the proximity of these two buildings greatly increases the danger of fire. Being convinced of the urgent need of this improvement by personal observation, not only as a matter of ordinary prudence, but as embodying the first principles of economy, I desire to enforce this recommendation to the extent of my earnest approval. The trustees also ask for \$3000 to improve the

grounds; \$500 for renewing steam-pipe; \$4000 for contingencies; and \$650 for iron doors. In the reports of the trustees and superintendent are given at length the reasons which seem to demand these expenditures, to which your attention is invited.

THE INDEPENDENCE HOSPITAL FOR THE INSANE.

The reports of the building commissioners and superintendent of construction of the Hospital for the Insane at Independence, together with the reports of the board of trustees and medical superintendent, constitute a complete and interesting history of the construction, the organization of the supervisory force, the opening to receive patients, the progress of the hospital work, and the present condition of that institution. As frequently as my other duties would permit, I have attended the meetings of these boards and assisted and encouraged the building commissioners and trustees in their joint duties of forwarding the work so that every room which it was possible to complete with the funds at command could be utilized; and it gives me pleasure to say that the conscientious devotion of the members of these boards to the public interests, and their patient efforts to do all that was possible in presence of great difficulties, have been to me a source of satisfaction. The commissioners, as is generally the case in the prosecution of a great enterprise, met with unexpected obstacles; and from circumstances beyond the forecast of human wisdom, when the time came for an expenditure to be made, they frequently found their estimates much below the actual demand. Notwithstanding every discouragement, however, they pushed forward the work, and on the first day of May last the hospital was opened for the reception of patients. Up to the date of the accompanying report of Dr. Reynolds, 178 patients had been received, and 26 discharged, leaving then in the hospital 152.

It must be understood that the main central building, and the first section of the north wing, are not entirely complete, as was anticipated when the last appropriation was made. The causes which prevented the commissioners from accomplishing as much with the appropriation as was expected are fully explained and accounted for in their report, to which special attention is invited. It will be apparent to the reader of these reports that the State will sustain serious loss if the central building, and the first longitudinal section in the north wing adjoining it,—now far advanced towards completion, large expenditures upon them having already been made, and the room they will furnish being almost indispensable, not only to accommodate the insane of the State, but to

make the occupancy of the entire building at all convenient or suitable to the permanent accommodation of any number of patients,—are not completed at as early a day as possible. In addition to this, the superintendent of construction reports that the building already completed will be seriously injured unless this central building is also finished. He estimates that \$76,900 will complete it, and in my judgment humanity and sound economy alike dictate that the appropriation should be made. The trustees also regard it as important that an appropriation of \$20,000 should be made for the purpose of buying furniture, building a barn, grading and improving the grounds, fencing and breaking prairie, and purchasing stock, and for contingencies. All these things are important; some of them are indispensable. It will therefore remain for the General Assembly, when considering what may be done with the means at its disposal to promote in each State institution the greatest degree of efficiency, to determine how this hospital for the insane can be brought to a maximum of usefulness.

VISITING COMMITTEE TO INSANE HOSPITALS.

The Fourteenth General Assembly passed a law requiring the Governor to appoint a committee of three persons to visit at regular intervals the insane hospitals, and perform certain duties in connection with the administration of affairs in these institutions. At the time this act was before the legislature it elicited a lively discussion, and when finally passed into law it was with some reluctance I gave it my approval; but finally did so, believing that if its effects were damaging to the usefulness of the hospitals it could be repealed at an early day. I believe, however, the report of the committee will vindicate the wisdom of the law. They enter into details, and have considered questions not properly within the province of the trustees; and I believe, so long as men are not infallible, the more safeguards you throw around the unfortunate who may be brought within their control, the more they will guard themselves from the appearance of an abuse of power. One of the officers, whose report is printed with that of the board of trustees of the Mt. Pleasant hospital, attacks the law with great force, and in my judgment speaks of the General Assembly which passed it with unseemly temper; especially in view of his official relations at that time to the State and its people. Without entering into any argument upon the questions which he discusses, there is one thing said in the report which demands a single word. In my judgment, whenever the law-making power of a State deems it wise or

proper to increase or strengthen the safeguards by which any of its unfortunate citizens may be protected from anything that approaches, in the remotest degree, an abuse of the power under which they are temporarily placed; or if, in the wisdom of the legislature, new checks and safeguards are thrown around the administration of the finances of the State; no officer or agent of the State, from the highest to the lowest, has a right to assume that there was implied in this legislative discretion a personal reflection upon himself. I am gratified that this committee were able, after searching investigations, to report that they found the affairs of our hospitals administered with so much faithfulness, fidelity, and professional skill. By this report they have added to the professional reputation even of the official who in his report treats them so cavalierly. But the fact that the superintendents and employees of our hospitals are above reproach does not prove that among all those who have to do with the insane in the different hospitals of this country there may not be now and then one who would, if left unwatched, abuse his power. This was shown in the gross abuses of the Bloomingdale hospital in New York, which were brought to light by the tact and enterprise of a newspaper correspondent. That the evils which were anticipated as an effect of this law have not followed, so far as the experiment has been tried, is proven by the fact that the percentage of cures and of cases improved in the Mt. Pleasant hospital has been as large during the past two years as ever before in the history of this or other hospitals. It is not strange that a convention composed entirely of superintendents, jealous of their powers, and engaged in the innocent amusement of "mutual admiration," should have flattered the professional vanity of each other by criticising with coarse epithets a law and a legislature that constituted a tribunal with the powers and duties of this committee; but that one of these gentlemen should, months after the ebullition of this occasion might be supposed to have cooled to a better reason, introduce epithets which were thrown out in extemporaneous and self-glorifying speeches into a grave report to a legislature, is another evidence of the evil effects of many years of unrestrained power over those incapable of self-direction, even upon a cultivated mind. This committee will have proved itself of great utility if it accomplish no other good than to rid the State for the future of such arrogance.

THE NEW CAPITOL.

There has been expended during the past two years, on the new capitol building, \$254,828.26; the entire expenditures, thus far, upon this

work, have been \$374,825.88. For all the details in reference to the progress of the work, and the itemized expenses thereof, I refer you to the accompanying report of the commissioners, which will afford to the reader the fullest information. I will add to the recommendations made therein the following considerations, which I regard as suggested by the first principles of economy. Up to the present time the appropriations for carrying forward this work have been as large, perhaps, as could be economically used. The commissioners have had a work upon their hands of a different character, and of greater magnitude, than other building commissioners in this State have had to deal with heretofore. Quarries and quarry-stone were to be examined and considered. There are doubtless many quarries in Iowa that, in the opinion of the unprofessional and casual visitor, would afford the material for a dozen capitol buildings, but which, upon trial, would scarcely turn out a single dimension-stone answering the requirements of a building of this character. Under such circumstances, the commissioners were disposed to move slowly and be able, if one experiment failed, to try another without involving the State in serious loss. Now, however, the building has reached a point of advancement where quite large sums of money will necessarily have to be expended for other material than stone. Quantities of iron will be required in the near future, and whether this work is pressed vigorously, and driven toward completion with such speed as would be possible and feasible with a large force of hands, or whether it lingers, and the energies of the commissioners are hampered by limited appropriations, the expense of superintendence will be about the same in either case. We must necessarily have an architect, a superintendent of construction, a board of building commissioners, and a secretary of the board. These officers could just as well, and just as judiciously and wisely, spend \$400,000 a year, and thus the sooner complete the work and stop their salaries, as spend \$125,000. It therefore seems to me, in view of the fact that our treasury is in a condition to afford it, that it will be true economy to increase the appropriation for the work by at least \$100,000 a year.

Before leaving this subject I would do discredit to my own sense of fair-dealing, if I did not say that the gentlemen who were chosen to serve as commissioners by the Fourteenth General Assembly have, in my judgment, performed their duties with conscientious fidelity to the public interests and with admirable ability. Four men with more aptitude for their duties could scarcely have been found. General Ed Wright, who has performed the duties of secretary, has also, without

any increase in the limited salary of that position, acted as assistant superintendent of construction, which position is, ordinarily, in works of this character, a distinct salaried office.

And, while I say this of my colleagues, it is fair to say that we took up the work where our predecessors of the old board left off, having the full advantage of their experience. When the first board entered upon their duties they had no precedents to guide them, and the entire State, so far as furnishing material for a work of this character was concerned, was undeveloped and experimental. That men should have fallen into some errors, under such circumstances, was but a natural result of the difficulties of the situation. They were anxious to get the material cheap; to get it in Iowa, if possible; and thus they were driven to try the experiment of using stone from undeveloped quarries. I think, therefore, they have sometimes been too harshly criticised. If a farmer in laying the foundation of his barn or house falls into error in the material he uses, and finds it necessary to tear out a part of his foundation, at some expense, his neighbors do not ordinarily regard him as more short-sighted than themselves, as they reason that under similar circumstances they might have made the same mistake.

THE STATE HISTORICAL SOCIETY.

The report of the historical society is herewith transmitted. It will be found interesting and valuable. This society, under the law for its reorganization passed by the 14th General Assembly, has entered upon a new career, promising greater usefulness than ever before in its history. The transactions of its board of curators and of its local officers are set forth at length in the accompanying report, and will be found worthy the attention of all who feel an interest and pride in the history and development of Iowa. The board of curators re-enumerate and indorse the recommendations for appropriations made by the visiting committee of the 14th General Assembly, and I would invite especial attention to the reasons given in this report for the recognition and aid which is asked from the State through the action of the General Assembly.

BOARD OF IMMIGRATION.

Immediately after the act making an appropriation "to encourage and promote immigration to the State" became a law, the board was reorganized by the appointment of S. F. Spofford, M. J. Rohlf, Marcus Tuttle, and Chas. V. Gardner as commissioners. They organized, and elected Judge A. R. Fulton secretary. During the time the board

continued in existence, which was up to September last, they distributed 20,000 copies of a pamphlet, the publication of which was conducted under the supervision of Judge Fulton, setting forth the manufacturing and agricultural resources of Iowa. This publication was largely distributed through the Middle and New England States. They also distributed in Europe 10,000 copies of an edition of a German pamphlet prepared by Mr. Rohlf, besides a large number of other documents, papers, and circulars directing attention to Iowa. These documents were commented upon, and liberally extracted from, by a large number of Eastern papers.

Although the effects of a work of this character may not be immediately perceptible, still I believe the board has accomplished much good; results of which I have myself seen, through the correspondence of persons and agents of colonies whose attention has been turned Westward through the instrumentality of this board. Among those who have acted as agents for the board, Danford Eddy, Hon. Asa C. Call, John Brennan, and L. S. Coffin have been conspicuously active and successful.

It expended \$9,464.98, leaving a balance of \$535.02 undrawn at the termination of its existence. In carrying forward this work many of the railroad companies, and especially those having land-grants, have rendered invaluable service by granting transportation to agents and otherwise giving encouragement to the board.

THE NEW CODE.

On the first day of last September the new Code, which had been in preparation for some years, and was finally carried into law at the adjourned session of the 14th General Assembly, took effect throughout the State. The code commissioners having the revision in charge performed their duties faithfully and with marked ability. The legislature thoroughly and carefully reviewed, and to some extent revised, their report, and gave it the character of law by passing upon each title in the ordinary method of statutory enactment. After all the precautions, however, which were taken to make it as nearly perfect as the nature of such a work would admit, it will be found to contain imperfections, oversights, and errors, and will doubtless require amendments and corrections in many particulars by this General Assembly. So long as the people are required to know what the law is, and are not excused from penalties for its violation when they are ignorant of its provisions, it should be plain, compact, and accessible to all. It is often necessary,

after a statute has been amended and perhaps reamended, to have so keen a scent in searching the intricate mazes of an index as to be able to detect by a faint and shadowy allusion the connection between an amendment and the original act, in order to determine what the law is. If this is so in respect to those who are practiced in the investigations of law questions, it is not difficult to see that one unaccustomed to such investigations will be left entirely in the dark after a law has passed the ordeal of two or three amendments. I would therefore recommend, as matter of justice and convenience to the people, that when a law requires amendment the section amended be written in full, with the amendment introduced and occupying its proper place. Experts frequently become confused in matters of law, when amendments are enacted reading as follows: "Section — of chapter — of title — is 'amended by adding the words '— — —' after the word '—' 'in the fifth line of the section.'" This could all be made plain, and remove every excuse for lack of knowledge with regard to the existing law, by inserting the words in their proper place, and re-enacting the entire section.

A difficulty which I may here mention occurs in the construction of section 799, which permits boards of supervisors to allow exemptions on account of trees, hedges, &c.; and in which occurs this language: "But no person shall have any personal property more than one-half his 'real estate exempted' (from taxation on this account). The design seems to have been to provide that neither personal property *nor* more than one-half the realty should be exempted; and this I suggest the General Assembly to declare by proper amendment of the section, which indeed needs revision throughout, an amendment adopted while it was under consideration having made that part contemplating "proportionate" exemption surplusage.

NOTARIES PUBLIC.

Section 258 of the code uses this language: "The commissions of 'all notaries public heretofore, or hereafter, issued prior to the fourth 'day of July, A. D. 1876, shall expire on that day.'" This would seem to continue all commissions which would expire by their own limitation, subsequent to the taking effect of the code, until July 4, 1876. Yet, as no provision is anywhere made for renewal of official bond for such extended commission, it is doubtful whether the extension was really intended. In view of this want of penal obligation for the proper performance of the duties of the notarial office, I have decided to vacate

all commissions at the end of the three years for which they were originally issued, until the legislature should have an opportunity for revising the statute, and making provision, if it so desire, for the filing of new bonds.

JURORS.

The code, aiming to rid our tribunals of professional jurors, provides that, if there be not the required number of trial jurors in attendance at any term of court, the deficient number shall be drawn the same as the first, and not selected at the discretion of the sheriff, as formerly. The immediate effect of this enactment has been to delay the business of the courts, sometimes for several days, before the newly drawn jurors could report; thus of course much increasing the cost to the county. I would suggest that this be remedied, perhaps by providing that a larger number than will be needed shall be drawn and summoned, so as to cover those who from any cause do not respond. It does not appear advisable to return to the practice heretofore prevalent of summoning jurors from bystanders. Indeed, it would seem proper that the grand jury should also be completed from the jury list, if the difficulty which has attended the application of the rule to trial jurors should be obviated.

THE INSURANCE LAW.

In the Auditor's report several suggestions are made respecting our insurance law, which demand early attention. Many provisions of the law in its present form are irreconcilable with each other, while some of its most important sections are so confused and obscure as to render them difficult of interpretation even by persons learned in the law. While there are so many acknowledged defects in the law itself, coupled with the fact that even the greatest limit of time allowed to companies in which to file the statements required of them is evidently too short, it seems to me that the legislature should at an early day so amend and simplify this law as to make it intelligible in all its parts, and reconcilable with the end sought to be attained. The design of the law was to protect the insured and their heirs, but some of its features are entirely inconsistent with the object sought. Speaking in behalf of those whose interest in insurance companies is that of policyholders, and not for the managing officers and stockholders, my convictions are strong, and I believe they are founded upon the true theory of public policy, that the supervision of these companies should be solely and entirely in the hands of the State Auditor, with power, in special cases, to call to his aid the Attorney-General, or otherwise to

obtain proper legal advice. I cannot but regard any law which may be distorted into an instrument for putting money into the pocket of a private informer, without reference to the benefits society is to receive therefrom, and with no pretense of a design to punish a willful defiance of its provisions, as pernicious in its effects and oppressive in its character. I believe, therefore, as the Auditor is the best judge of the nature of an offense against a law of which he is the supervisor, that he should have the power to determine when the law is willfully disobeyed, and whether the protection of the community and the interests of the State demand its enforcement in the courts. It would, therefore, seem to me to be wise to empower him, when he is satisfied there is no intentional violation of law on the part of any one, to remit penalties which may be supposed to have been incurred under the sections in question.

There is a bald inconsistency in prosecuting and fining the guardians of trust-funds for technical violations of the statute in respect to their trust; as there can be no principle in financial economy clearer than that the penalty in the end comes from the widows and orphans of those for whom the trust is held. Our laws would hardly tolerate the prosecution of a guardian for a violation of a law of merely a technical nature, when in his character as guardian the expense of his defense and the amount of the fine would by so much diminish the funds of his ward. This seems to me to fairly illustrate the effect of prosecutions of insurance companies for technical violations of our present insurance law. And this argument is strengthened in a case where the law is so irreconcilable in many of its provisions as to render it impossible to meet all its requirements.

SAVINGS BANKS.

The Auditor calls attention to the law which provides for the organization and control of local banking associations. Without recapitulating what he has so well said, permit me to direct your special attention to his suggestions; and to add thereto a few thoughts which occur to me in this connection. That the law requires thorough revision there is no manner of doubt. It seems to me that our State has arrived at a position, in the business habits and varied enterprises of its people, where we should have savings banks organized upon the theory which has uniformly prevailed respecting the character and objects of these institutions. A savings bank is not designed as a place for the deposits of business men, nor as an institution for the negotiation of call

loans; but is supposed to be constituted of a directory empowered to receive the limited savings of those in moderate circumstances, but prevented by the exacting demands of daily labor from making investments for themselves, who therefore depute these institutions to invest their money for them. In this view it can readily be seen that a savings bank, whose directory pursues the legitimate business of such an institution, is in a great measure relieved, under the pressure of a financial crisis, from the vicissitudes of an ordinary bank. The safety of these institutions is the principal object which should inspire legislation in regard to them. If they are subject to correct and stringent rules as to the securities which they are permitted to accept, and are prevented by proper penalties from speculations not legitimately within the sphere of a well-conducted bank; if they are divorced by rigid law from other moneyed institutions; if their directors and officers are required to file an oath annually with some proper officer (say the State Auditor) to perform the duties of their offices faithfully, and strictly to obey the law; and if the State Auditor, who for this purpose performs the duties of bank controller, is authorized and paid to visit and investigate their affairs, either in person or by the employment of an expert, at frequent intervals, they may be made institutions that will deserve the confidence of the public, and will become stimulants and accessories to the industry of the people. In order to give them a character which will make them useful auxiliaries of thrift and economy in the people, the duties of their directory must be defined by plain and unmistakable provisions of law. That this cannot be said of our present statute in relation to them is shown by the recent experience of the district court in Dubuque county. The code provides that banking associations, organized under the laws of the State, shall file quarterly a statement with the Auditor, verified by the oath of the president or vice-president, of the cashier or secretary, and two of the directors, showing the condition of the bank; and that failure to do so works a forfeiture of the rights and privileges of the association, and is also a misdemeanor punishable in law. When, however, a grand jury comes to inquire who is to be punished, it is difficult to select the two directors who are guilty for not having verified a statement, or to determine whether the president or vice-president is most guilty for the neglect. It is provided that the officers or stockholders of any such institution shall not have the right to commence business until they have furnished to the Auditor a sworn statement of their capital, which, in towns of over 3,000 inhabitants, must be \$50,000, and of less, \$25,000; and, if

the Auditor is satisfied it is his duty, he shall issue a certificate authorizing the association to commence business; yet if the bank does not furnish this statement, but commences business without the Auditor's certificate, and without capital, no penalty is provided. It should be enacted that, when the Auditor is furnished with a verified statement of the assets upon which an association proposes to commence the business of banking, he may, if he choose, visit the bank and inspect the nature of these assets. There is no doubt that property which in no sense can be regarded as legitimate assets of a banking association is frequently listed as such in order to meet the requirements of the law. Section 1573 (in reference to the neglect or failure of the *proper* officers to comply with the requirements of the entire law) is lame, in that it does not state whether such neglect or failure shall work an absolute and immediate forfeiture, or whether such forfeiture may be worked by proper proceedings in court. There are other points to which your attention might be directed; but I refrain from presenting them, feeling assured that, with the experience of the past few months fresh in your minds, which has so thoroughly demonstrated the weak points in the present statute, you will take up the matter and give it such thought, discussion, and research as will produce a better and safer law—one that is up to the demands of the times, and that will protect the interests of the people.

RAILROADS.

On the 31st day of December, 1870, there were 2,783 miles of railroad in the State. One year later, the amount of mileage which had been added was 312, and at the close of 1872 the whole number of miles was 3,643. At present it is about 3,800. I have before spoken of the completion of a part of the Sioux City and St. Paul railroad. Within the past two years the Burlington, Cedar Rapids & Minnesota R. R. Co. has extended its line so as to make direct connections into Minnesota, and has built a branch from Cedar Rapids to Postville, in Allamakee county, there connecting with the Milwaukee & St. Paul and another from Vinton westward into Tama county, and has constructed the Muscatine Western from Muscatine to the Iowa river. The Davavenport and St. Paul road is now in operation to Fayette. The Chicago Clinton & Dubuque R. R., (formerly the Dubuque, Bellevue & Mississippi,) is in operation from Clinton to Dubuque, whence the line is continued northward into Minnesota by the Chicago, Dubuque & Minnesota, with a branch up the Turkey river to Elkport. The Burlington & South-

western road has been extended through Appanoose county to Unionville, Mo. The Des Moines, Winterset & Southwestern railroad is completed from Summerset, on the Des Moines, Indianola & Missouri, to Winterset. The Brownsville & Nodaway road has been built from Villisca to Clarinda, and the Burlington & Missouri from Chariton to Leon; both of these are operated by the Burlington & Missouri River R. R. Co. The Sabula, Ackley & Dakota has been finished to Marion, and has passed under the control of the Western Union R. R. Co. The Missouri, Iowa & Nebraska Co., building from Alexandria, Mo., on the Mississippi, and entering Iowa in the southeastern part of Appanoose county, has completed its track to Centerville. A short branch has been built from Newton, on the C. R. I. & P. R. R., as well as one from Toledo, on the Cedar Rapids & Missouri River R. R. A road, nine miles long, has been constructed from Stanwood, on the Chicago, Iowa & Nebraska, to Tipton, in Cedar county. The narrow gauge has been introduced into the State, and applied to a short road running from Beulah Junction to Elkader, in Clayton county; and it is expected that another road of this character will soon be built from Des Moines to the Northwestern railroad.

At the adjourned session of the 14th General Assembly, a joint resolution was adopted authorizing the Governor to spend such sum as might be deemed necessary, not exceeding one thousand dollars, to procure statistics showing the actual cost of railways in this State and throughout the United States, the cost of operating the same, including all necessary repairs of rolling stock and track, the actual cost of transportation in this State by railway and river, and in the United States by canal, lake, and river, and the cost of ocean freights for the past five years from the United States to the ports of western Europe, and from the same ports to the ports of the Baltic and Black seas, and such other facts and statistics as would give light on the subject of transportation, and thus enable the General Assembly to enact wise laws in relation to that subject, and that he report the same to the next General Assembly. An effort in the direction indicated by this resolution was sufficient to convince me that it would be impossible for me to go over this wide and important field of inquiry without a greater clerical force than my office afforded, and much more extended powers than any existing law seemed to confer upon me. I was unable to procure facts outside of the published railway reports, and other commercial documents of this country and Europe, except such as transportation companies were willing to volunteer or such as were obtainable from other sources and

to a considerable degree conjectural. The obstacles that would intervene in my pathway in attempting to carry out the spirit of the resolution will be apparent, when it is considered that the Senate of the United States adopted a resolution of similar import at its last session, appointing a committee from its own body to conduct the inquiry, with power to call and swear witnesses, to travel from city to city, from state to state, and from ocean to ocean, and with leisure to devote the entire season to the investigation.

As I found that, with my limited leisure, and limited authority in the matter of compelling testimony from railway officials, most of what I was able to procure would be more or less colored with the railroad view of the question, I have procured such statistical works upon transportation as were to be obtained,—one of which is a very full report to both houses of the British Parliament, in the compilation of which a Parliamentary committee was engaged several years; and all of which will be placed at your disposal. With the aid of my private secretary, I have classified and arranged some of these tables and other matters which seemed to be the salient points in the issue, and combining them with a few original communications which were obtained from practical, disinterested, and intelligent gentlemen who volunteered their assistance, it will be submitted for such action as you may deem proper. It is to be hoped that you may procure such a number of copies of the report of the senatorial committee as will furnish one to each member of the General Assembly; as it has cost great labor and will doubtless contain valuable information.

In my judgment the time has arrived when a limit to freight charges on our Iowa railroads should be fixed by law. During the past two years the construction of railroads in this state has largely fallen off, as compared with the biennium immediately preceding; and during the year just closed enterprises of this character have practically ceased. So long as this remains true, the hope of diminishing railway rates through the effects of increasing competition will be futile. It is believed by many that the cessation of railway building, prior to the recent financial disturbances, was due, more than to any other cause, to threatened restrictive legislation. And this no doubt is in part true. It would, therefore, seem to me to add force to the arguments favoring early action upon this subject. Besides the necessity which producers feel for legislation of this character, it is equally necessary as a means of restoring confidence to capitalists who have ceased to invest in Western railway enterprises. So long as the proposition for legislative

restriction is a vague and undefined threat, capital will shrink from taking the risk of subjecting itself to what it fears may be a capricious ebullition of unreasoning anger; but let this public sentiment once crystallize into sensible, conservative, wholesome law, and there will be a reaction in favor of investments in western railways. It is human nature to exaggerate the effect of a blow which is threatened by an uplifted arm, the blow as it falls being generally tempered by the power which directs it, lest the concussion be as serious to the force that gives as to the force that receives it.

I will make no attempt to indicate the details of the law required. From the consideration I have given the subject, my mind has been led to the conclusion, that a law fixing maximum charges, thus affording opportunity for the effects of competition below the limit established, is the true theory of restriction.

The railways of the State should also be classified, so that those which run through regions of country furnishing a paying business, having profitable through connections, and which were the original recipients of large subsidies, shall be fairly restricted, while those which are poor and weak are treated accordingly. If this is done there can be no complaint of injustice on the part of either the railways or the people. How to fix the point above which charges shall not be made is the great question to be decided. While the fact remains that railways are dependent for life upon the prosperity of the country, and the future of productive industry is equally dependent upon the successful management of railways: in short, that they are two interdependent interests, side by side, which must stand or fall together: it seems to me that a common ground, where the interests of both will be secured upon the old theory of "live and let live," may be reached, and will be mutually beneficial. While railways, with honest and fair management, should pay a fair per cent. on the real money invested in them, it must be borne in mind that common carriers exist for the sake of trade, and not trade for the sake of common carriers. I know that railroad men will say that they are doing work at minimum rates now; but that such is not the case is shown by the fact, that the moment lake and canal transport is brought in competition with them, freights go down, while so soon as these competing channels are closed rates are increased. Railroad officials should also consider, when they estimate the cost of their lines, and then plead the justice of a ten per cent. dividend upon these investments, that the producer should not be required to pay interest upon that portion of the cost of railways which the public furnished in the way of subsidy. Nor

should the public be required to pay such rates as will afford profits upon stocks that in no sense represent capital. Before closing upon this subject, I cannot but express the hope that our railway legislation will be so wisely adjusted to the interests of the various sections of the State that capital will be encouraged to carry forward projected railroads in those localities which do not now enjoy their advantages, and are sorely in need of the facilities they will afford.

THE DES MOINES RIVER.

Joint resolution number VII. of the adjourned session of the 14th General Assembly authorized and requested the Governor to ascertain what amount of money would be necessary to remove or modify the dams in the Des Moines river so as to permit the passage of flat-boats. With the view of complying with this resolution, I consulted a competent professional engineer respecting the time and expense necessary to effect the object desired. I found from this consultation that the cost would be so considerable that, as the General Assembly had made no appropriation to cover it, I did not feel myself authorized to incur the expense without further legislation.

THE RIVER-LAND TROUBLE.

In compliance with the authority vested in me by chapter seven of the local and temporary laws of the Fourteenth General Assembly, I appointed Norman H. Hart, John A. Hull, and Charles Aldrich a commission to examine and report upon the losses, by reason of failure of title, of settlers and claimants upon the Des Moines river lands. Immediately after their appointment these gentlemen entered upon the performance of their duties. They found that to do justice to the matter in hand would require time, patience, and labor; but they pressed the work with commendable industry, and in due time submitted a comprehensive and full report as contemplated by law. At the last session of Congress, upon the information which this report furnished and the personal representations of the justice of the case by Messrs. Hull and Aldrich, whom I deputed to spend a portion of the winter in Washington to aid our delegation in securing attention to this matter, a bill was passed authorizing the President to appoint a commission to go over the entire question and make a report to Congress. That commission was appointed by the President, and have submitted their report. I have felt deeply interested in the progress of this attempt to secure indemnity to these settlers. Many of them were my neighbors, whom I had known for from fifteen to twenty years. I was personally cognizant

of the hardships they had endured in opening up the farms to which the titles have proved invalid. If personal sacrifice or effort would bring justice to these people no appeal would be made to the General Assembly for aid in pushing this matter to an issue before Congress. But the magnitude of the interests at stake, and the unquestioned justice of the cause of these citizens of Iowa, demand the interference of the State in a legislative capacity.

And here it may be well to call attention to the School River Lands. These lands were a portion of the 500,000-acres grant which were selected within the limits of the Des Moines river grant prior to its being reserved for the river improvement. Consequently there are one or two legal questions respecting the title to these lands which were not considered or decided when the title to the remainder was determined as being in the River Company. It therefore seems to me the State, as it has disposed of a large portion of them to innocent purchasers, should assume the *onus* and expense of any future litigation that may arise concerning them; and if finally beaten should make these titles good in the grantees by purchasing of the company. All that now saves these poor settlers from being rudely ejected from farms upon which many of them have in good faith devoted twenty years of toil, and in the improvement of which they have spent a moderate fortune, is the "occupying claimant" law of the Code of Iowa. The present owners have generally come into possession of these lands in virtue of their connection with the Des Moines River Company, and are as heartless and conscienceless as might be expected of the heirs of such a corporation. They have no sympathy with the poor, and are enraged at anything which interposes to defeat or delay the purposes of their avarice. It is hoped that if the legislature can throw around the settler any additional safeguards by an amendment to our present occupying claimant law, it will be done without hesitancy. It has occurred to me one amendment might be made which would give it additional protective power. At present, when the settler finds it impossible to pay the enormous price which the company asks for the lands to which his labor has given all the value they have at all, and he proposes to go into the courts to secure pay for his improvements, attempts are made, and with too much success, to prove large offsets for rent. It is not difficult to estimate what the *rent* should be for raw prairie lands, which have been broken, fenced, and cultivated by a settler whose title is afterwards declared invalid by the courts; and it is an absurdity, which will be at once apparent to any one who has had

the experience of a pioneer, for a land-owner of this character, when ejecting a pre-emptor or purchaser from a farm to which his toil has given all the real value it possesses, even to *name* the word *rent*. If, therefore, the legislature can amend the occupying claimant law, by providing that no offset for rents should be allowed, making the law retroactive, if at all admissible, it will be but an act of simple justice.

Cases are arising every day where men who have bought and settled on what the United States land-officers supposed to be government land, have been reduced to poverty after spending years of toil in bringing their farms into cultivation, as they are found to fall within some of the numerous grants which shingle the Western States and territories. Would it not therefore be well to petition our delegation in Congress to secure the passage of a federal law something like the one designed to protect occupying claimants in Iowa? This would make it applicable, without question, in the federal courts, and secure a beneficent law for our whole country. I drafted a bill of this character a few years ago, which was introduced by Hon. Charles Pomeroy, and, upon barely calling the attention of our delegation in Congress to its necessity, they secured its passage. It did not, however, reach the President until the expiring hours of the session, and from some unaccountable oversight it failed to receive his signature. I believe the indorsement of this legislature would insure another measure of a similar character a better fate. And in my judgment, to serve the ends of strict justice, Congress should go further even than to give the settler the benefit of such an occupying claimant law. To determine the equity of losses growing out of the necessities of war, a court of claims was organized to take proof under the strict forms of legal evidence, upon which Congress could afterwards act with full knowledge of all the facts. If the government does this for the class of semi-loyal claimants which come before that commission, how much more does it behoove Congress to organize a similar tribunal before which the claims of the poor pre-emptor or possessor of a homestead, who perhaps has served in the armies of his country in the hour of its peril, may present the proof of his compliance with law and the good faith of his settlement, when without any fault of his own he has fallen within the boundaries of a land-grant. By this means the government could be furnished with all the facts in the case and learn the amount for which he is entitled to reimbursement.

THE FIVE PER CENT. FUND.

In accordance with joint resolution number V. of the 14th General Assembly, I appointed Hon. Ralph P. Lowe, of Lee county, "an agent in behalf of this State to prosecute" its claim against the United States for the five per cent. due from the latter "upon the lands in this State disposed of under military warrants issued" as bounty to volunteers of the Mexican war. That gentleman immediately entered upon his duties under a contract made in accordance with the resolution, and, although nothing has yet been obtained upon the claim, he still continues his labors with much hope of final success.

Under the modification of this resolution, made by number XIII. of the joint resolutions of the adjourned session of last winter, Governor Lowe has succeeded beyond expectation in obtaining the percentage upon the value of the lands in the half-breed tract in Lee county, the amount of which—\$5,672.21—has been paid into the treasury on account of the permanent school-fund.

THE CONSTITUTION.

Two amendments to the constitution proposed by the last General Assembly require your approval before submission to the people. One contemplates the removal of all restrictions as to the number of judicial districts the General Assembly may create; the other has in view the abolition of the office of district-attorney and the revival of that of prosecuting attorney for each county.

COUNTIES AND CITIES.

The Supreme Court has recently decided that taxes to pay judgments founded upon warrants for ordinary county expenditures cannot be levied so as to increase the county tax beyond the maximum fixed by law for such expenditures. In the correctness of this legal determination the people will generally acquiesce. The object of the law, in fixing a rate of taxation beyond which the county authorities may not go, is evidently to limit expenditures to an amount equal to the proceeds of such taxation. Some of our counties, however, and I may add cities, towns, and school-districts also, I regret to say, seem to have no regard in their outlay to this limitation, but contract debts and issue warrants often with reckless prodigality. That these warrants may and do pass into innocent hands, notwithstanding their unnegotiable character, is well known; and, as, when issued in such large quantities, they become nearly if not quite uncollectable, they bring upon the counties the charge of repudiation, which measurably attaches to the

whole State. I submit then to the General Assembly whether it would not be well to place a positive limit upon the expenditures any local board may incur, which will bear some relation to the limit already set to their respective revenues; and to make officers pecuniarily liable who transcend their lawful authority in contracting municipal debts. Something of this character I cannot but think would be of great benefit to the people immediately affected, and to be needed for the credit of the State. I would further suggest that all issues of bonds of counties, cities, and school-districts be submitted before issuance to the scrutiny of some State officer, who should be empowered and required to ascertain whether they in all respects conform to the law, and whose certificate to that effect, executed upon such bonds, would be essential to their validity. This plan has been adopted in one or more other States, with the effect to enhance the value of municipal securities in the financial markets.

THE ROAD LAW.

The suggestion has been made, and I cannot but regard it as the correct theory under our form of government, that if our road laws were so amended as to bring the responsibility for the economy and efficiency with which they are administered, as well as for the condition of the roads, more directly home to the great mass of the people, we would have better roads at less expense. I suggest for consideration whether it would not be well to make each road-district independent, and provide that the people may come together and levy a tax to build highways as the law provides they may do to build school-houses. This is the practice in some States, and the result proves its wisdom. If one enterprising district, for the honor of the neighborhood, secures good roads, the adjoining district is stimulated to like enterprise. Contracts let to competitors among neighbors, whose reputation in the neighborhood depends upon faithful performance, are not only usually done well but economically.

SUFFERING IN THE NORTHWEST.

During the last two years there has been a constant stream of immigration pouring into the counties in the northwestern portion of the State. So rapid has been this influx, that in counties where three years ago there was scarcely a human habitation there are to-day from two to three thousand inhabitants. When it is considered that a large proportion of these settlers went into this country with very limited means, in order to take advantage of the homestead law, and that under the

most favorable circumstances they must have undergone severe deprivations and hardships, it is scarcely a matter of surprise that, when there is added to these facts an unusual shortness of crops, there should be great want and distress. There was a general belief, when these people settled in these sparsely timbered counties, that the McGregor & Sioux City railway would be completed in the year 1872, or at the farthest in 1873. This has been delayed, from causes beyond the control of the settlers, rendering it much more difficult and expensive to procure fuel than they had reason to expect. This, combined with the other causes of destitution mentioned above, has made the case of these people one of extreme hardship. In a country overflowing with agricultural products it would be a shame to allow any of our citizens who, from local or temporary causes have been brought to want, to suffer for the necessities of life. Would it not be well for the General Assembly to appoint a committee from its own body to inquire into the real condition and needs of these people, and, if found necessary, to devise and present to you for consideration some practical mode of relief?

FISH CULTURE.

The propagation of brook-trout and fresh-water salmon has been commenced in Winneshiek, Clayton, and Jackson counties. It has been demonstrated, by experiments extending over the last four years, that the spring waters of our State are suited to the culture of fish, and that the business can be made successful and profitable. I have been told that during the last year over one thousand dollars' worth of fish, raised in artificial ponds, were marketed from Clayton county. The legislature should therefore provide adequate punishment for trespass upon the premises devoted to this industry, and give capital invested therein such other protection as may be just and wise. This industry has for years received encouragement from legislative action in the Eastern States. The fish-ways of the whole State, whether for artificial culture or for the native fish, should be regulated by law; and if in the future our people expect to enjoy this great luxury, caught from the streams and lakes of Iowa, there are certain seasons of the year when fish should not be taken by either hook or seine.

THE CENTENNIAL EXHIBITION.

My predecessor appointed Hon. Robert Lowry, and Hon. C. F. Clarkson, commissioner and alternate, to represent Iowa in the United States Centennial Commission. They have performed their duties with credit to the State; and as the time approaches for this grand exhibition

in commemoration of the hundredth anniversary of our national independence, the greatness of the undertaking, and the responsibility of those having it in charge, become more and more apparent. In connection with this subject several documents have been forwarded to this office, making suggestions as to the steps which it seems necessary each State should take for itself in order to secure a proper representation in the exposition. I regard it as highly important that Iowa should make a creditable exhibition of the products of her soil, art, and industry in this great world's fair, and will, therefore, at an early day lay the documents which have been transmitted to me before the General Assembly with such other suggestions as may occur to me as of importance at the time.

THE CONTINGENT FUND.

Of the appropriation of 1870, for contingent expenses of the executive office, I have disbursed \$180.70; and of the appropriation of 1872, for similar purposes, I have expended \$1,303.68; in all, \$1,484.38; vouchers for all of which are on file in the executive office.

CONCLUSION.

In closing, it may not be improper to say that this message has reached a greater length than was intended. But as Iowa has greatly increased in population; in her material interests and enterprises; and in the number and size of her various educational, charitable, and penal institutions, all of which, in complying with the constitutional direction, "to give information of the condition of the State," *must be noticed*; and, if noticed at all, must necessarily be considered at sufficient length to cover the salient points of their condition and wants; I have found it impossible to compress the facts presented into less space than has been occupied. If this information shall aid you in the duties you are met to perform, it will meet the only purpose that gives me any anxiety. And now, wishing for you a harmonious session, and hoping that your care and efforts to promote all the great interests of our State may be of such character as to deserve and receive the blessings of Heaven, I beg to assure you a cordial co-operation in the important work to which you have been called.

CYRUS C. CARPENTER.

INAUGURAL ADDRESS

OF

Cyrus C. Carpenter,

EIGHTH GOVERNOR OF THE STATE OF IOWA,

DELIVERED

AT HIS SECOND INAUGURATION,

JANUARY, 1874.

DES MOINES:

R. P. CLARKSON, STATE PRINTER.
1874.

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