

BIENNIAL MESSAGE

OF

GOV. JOSHUA G. NEWBOLD,

TO THE

Seventeenth General Assembly

OF THE

STATE OF IOWA

JANUARY, 1878.

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BIENNIAL MESSAGE.

GENTLEMEN OF THE SENATE AND HOUSE OF REPRESENTATIVES:

The general assembly having at its last session elected the distinguished citizen who then occupied the office of governor to the senate of the United States, that gentleman resigned the office to take effect February 1st, 1877, whereupon its powers and duties devolved upon myself as the Lieutenant Governor. It therefore becomes my duty on this occasion to communicate "to the General Assembly the condition of the state, and to recommend such matters as I may deem expedient."

You assemble under circumstances rather more auspicious than those which greeted your predecessors, although the biennial term has had its deep shadows as well as its bright side. The state has been freer during the term from the insect scourge which had wrought so much devastation formerly than for several previous years, and during the year just closed it has almost entirely disappeared, let us hope permanently. Except in some parts of southeastern Iowa, the past year has been one of bountiful crops and wealth-bringing harvests.

FINANCES.

The reports of the auditor and treasurer of state make, I regret to say, a very unsatisfactory showing of the financial condition of the State. The fiscal term began with a balance in the general revenue of \$3,114.66. The receipts into the treasury during the term were \$1,983,470.65, and the expenditures \$1,986,559.75. Deducting the excess from the balance of two years previous, we have \$25.56 cash in the general revenue. In the last biennial message of the governor, he stated, on the auditor's authority, that there might reasonably be expected, during the term, \$1,962,000 of receipts, to meet \$1,553,927 of expenditures already provided for by law, leaving \$408,073 to be used for special purposes. The appropriations made by the Sixteenth General Assembly overstepped this margin to the extent of nearly \$300,000. The result was that at the close of the fiscal term there were \$267,776.31 of

outstanding warrants. Deducting therefrom the cash on hand, we find the state with a floating debt of \$267,750.75, which has since been increased until it reached, on the 5th instant, the enormous amount of \$340,826.56, more than \$90,000 in excess of the constitutional limitation of indebtedness, to say nothing of the funded debt. This is a condition of affairs without a parallel in the history of the state. At the close of the previous term, the net floating debt was \$20,890.87. The commonwealth ought not to set an example of dilatoriness in meeting its obligations. Of all forms of indebtedness, that of a floating character is the most objectionable. The uncertainty as to its amount will invariably enter into any computation made by persons contracting with the state for supplies, material, or labor. To remove the present difficulty, and to avert its recurrence, I look upon as the most important work that will demand your attention.

The funded debt of the state is comprised of \$300,000 war and defense bonds, due July, 1881, and \$243,056.15 owing to the school fund, together drawing during the term, \$83,541.16 interest. The interest paid on the floating debt for the same time was \$10,524.71, and from the 1st of October last to the 7th inst., inclusive, \$2,253.85 more was paid. Several thousand dollars should also be added to the state's expenditures by reason of discount, paid by the various institutions, on state warrants.

The auditor estimates the receipts of the term now begun at \$2,092,000, and the expenditures for purposes contemplated by existing statutes at \$1,745,660, the excess of receipts being \$346,340—only a trifle more than the sum of the outstanding warrants. The legislature, at almost every session, finds it necessary to increase to a greater or less extent the ordinary expenditures of the state; and it is not improbable you also will find such action necessary. The amounts thus voted will doubtless absorb all the surplus to be derived from the present tax-levy. Of course, if the general assembly shall deem it wise that no new public buildings be commenced, nor greater acceleration be given to the completion of those now in process of erection, the anticipated revenues of the present term will perhaps be sufficient for all the ordinary and established purposes of the state government, as well as to meet its present unfunded liabilities, although interest on warrants must continue to be paid for several months to come. But I am of the opinion the general assembly will not be satisfied that the state's interests are to be subserved by a failure to make suitable appropriations for the erection and completion of needed public buildings, and for the

maintenance of our charitable and educational institutions. If such be the case, means must be provided to meet the enhanced expenditure that may be authorized, and this can only be done by an increased levy, or by borrowing money. The latter would seem to be out of the question until at least the debt shall have been brought within the constitutional limitation. In my judgment experience has shown that the reduction of the maximum amount of the state levy to two mills, made by the code, was an error. The receipts from the tax-levy at this rate, with interest on taxes, will fall at least fifty thousand dollars short of meeting the ordinary expenses of the state, including the annual appropriation for the new capitol, leaving the other sources of revenue—the insurance, the taxes, the insane dues, the fees, &c.,—to make up the balance, and meet additional expenditures the State may undertake. The receipts from these items, during the past two years, aggregated \$323,421.73. The general assembly has for several years appropriated from \$100,000 to \$500,000 in excess of this sum. Prior to the adoption of the code, the two and a half mills did not much more than meet all demands after the expenses of the war had been reimbursed to the state. I am clearly of the opinion that the maximum rate should be increased; and that it ought also to be sufficiently high to permit of at least half a mill more for the levy immediately preceding the legislative session, than for the other of the biennial period. I observe that our sister state of Illinois adjusts its levies so as to raise one-third more revenue for the legislative year than for the other year of the term. In our own state, the expenses of the legislative session, including the additional printing and binding, and the special appropriations made to be paid immediately, would absorb almost if not quite all of such additional rate.

Another suggestion has been made towards closing the financial chasm before us, which is to increase the gross valuation by legislative act. That the present is far below the real valuation is manifest. Were it doubled it would represent not more than the truth, taking the state throughout. But, on the other hand, there are parts of the state where the assessed and true valuations are alike or nearly so. Of course these could not be raised without injustice, and it would seem difficult to make the increase by law except uniformly. Again, it has been suggested that, immediately after the adjournment of the general assembly, the executive council be required to apportion among the counties, according to their respective valuations, the sum necessary to support the state government during the two years, based upon the

amounts authorized by the general assembly, and that each county shall make proportionate payments at set times. This plan has undoubted merit. The amount to be raised would be known with reasonable certainty, and there would be no unusually large accumulation of funds in the state treasury at one time. Whatever the general assembly may determine to do, to my mind it is indispensable to the State's credit that the entire surplus of the present year be devoted to paying off the floating debt. In no other way can that incumbrance be removed. For such extraordinary appropriations as shall be deemed necessary, an additional levy may be authorized to be collected in 1879.

The suggestions made by the auditor, in relation to the assessment of property, both real and personal, to the taxation of telegraph and transportation companies, to charging the counties the full amount of tax-levies, and to insurance and banking organizations, I fully concur in. That the counties should be charged the whole amount of the state levy has been repeatedly recommended in the messages of my predecessors, and I renew the same, firmly persuaded as I am that every year's experience continuously demonstrates the unbusiness-like character of the present mode of keeping the revenue accounts with the counties.

The inequalities of the personal property valuations of the several counties suggest to my mind the propriety of so adjusting the state's levy as to require the counties to pay into the state treasury only the tax on realty, leaving the corresponding tax on personalty in the county treasury. This would rest with each county the adjustment of its personal property valuations, without fear that they might be so high as to work injustice to itself in comparison with other counties.

The recommendation of the auditor for semi-annual payments of taxes meets my hearty approval. Annual payments accumulate large sums of money in the county or other local treasuries, to the detriment of business generally where the law which forbids its use by treasurers is observed, and to the general disregard of law and the debauching of official morality where it is not.

The transmission of funds to the state treasury is a source of constant perplexity to the financial officers of the state. In my judgment matters would be very much simplified if the state had a depository at some financial center, to which all drafts might be sent for collection, and drafts upon which would always be at par. The state should be at no expense on account of transmitting funds to the treasury; each county can make the transfer on better terms than the state can.

I commend to your consideration the suggestion of the treasurer of state, that the small amount of the swamp-land indemnity-fund, which has been retained from some of the counties towards reimbursing the state on account of its outlay in securing the adjustment of these claims, be turned over to the counties severally. Many of the counties have received their full amount of this money; and of those which have not, it is difficult to say how much the state agents furthered the adjustment of their claims.

PUBLIC LANDS.

The report of the register of the state land-office gives a concise and valuable history of the various land-grants to the state for all purposes, to which I invite your attention, as well as to that officer's recommendations, in which I unite, that provision be made for confirmation of title where lands are conveyed to persons who are subsequently ascertained to be deceased at the time of conveyance; and that tracts held as swamp-lands, but ascertained to be not such, may be certified to railroad companies entitled to them. Such lands have, in many cases, been sold by the companies to settlers who have improvements thereon, and are anxious to have their titles completed.

Chapter 96, of the acts of 1876, which contemplated the completion of the McGregor & Missouri railway to a junction with the Sioux City & St. Paul R. R., has proved entirely ineffectual towards accomplishing its object. The lands thereby granted are, therefore, again subject to the disposal of the general assembly. The Sioux City & St. Paul railroad remains uncompleted. The company has earned five hundred sections of land, which amount has been recently certified to it. The time for the completion of this road has expired. I suggest that steps be taken by this general assembly to secure its construction for the full length contemplated by the act of congress.

PUBLIC SCHOOLS.

The school system of the state, as ever, demands your attention and fostering care. The report of the superintendent of public instruction exhibits its steady advancement equally with the growth of the state. I heartily agree with that officer in his able advocacy of a state board of examination, so as to give the occupation of teaching what would practically be a legal recognition as a profession; and in his recommendations in regard to text-books. Boards of directors only should

be permitted to adopt or change text-books, and it should not be left to individual directors or teachers; and I am well satisfied it would be wise to authorize boards of directors to make purchase of school-books for sale to pupils, or for loan to those unable to purchase. I invite particular attention to the superintendent's comments upon the looseness, not to use any stronger term, with which the financial business of many of the districts is managed. In one year, the large sum of \$142,259.22 seems to have disappeared in the hands of district-treasurers. This I believe to be largely attributable to the incompetency of persons chosen to that office, rather than to any other cause. The superintendent's recommendation that there be only one treasurer for each township is one I deem calculated to some extent to remedy the evil. The several treasurers should be also required to adjust their accounts every year. It would be well, too, I think, if the bonds of these officers were security bonds, as the superintendent suggests, rather than penal bonds. One needless source of expenditure of school-funds is to be found in the increase of school-districts, the consequent multiplication of school-officers, and the enhanced amounts paid for compensation of secretaries and treasurers. I know of one township, which, now divided into independent districts, pays for the services of these officers more than five times as much as it did when it comprised only one district. I am inclined to think this to be very frequently the case.

MILITARY.

The present militia law, originally enacted during the war, contemplates the organization of the entire militia of the state. This was found impracticable, even under the pressure of war, and is of no utility whatever now. I recommend its repeal, and the enactment in its stead of a law that will encourage those so disposed to organize themselves into companies, regiments, and, if thought best, brigades and divisions. We have some very good military companies at present, but they have a constant struggle for existence, because of the small encouragement they receive from the state. They are even required to pay transportation on arms and ammunition received from the quartermaster-general, because of the inadequacy of the amount allowed that officer for expenses of his department. In many states, a term of service in the active militia forever relieves one from jury and road duty. At least this much should, I think, be done here, and such other inducements held out as would facilitate the formation of military companies. I invite your attention to the suggestions of the

adjutant-general upon this and other topics, and would respectfully recommend a large increase of the appropriation for the quartermaster department.

During the past summer, the country was greatly excited because of formidable attempts, originating with persons in the employ of a railroad company in West Virginia, to arrest railroad traffic until certain demands had been complied with. These attempts spread until they assumed almost the character of a general uprising. In many of the states, it was found necessary to call out the military to suppress outbreaks, and in some even to invoke the assistance of the federal government. In our own state, on some of the roads, trains were prevented from moving, and traffic impeded. I deemed it my duty to issue a proclamation warning the disaffected of the consequences of unlawful action, and advising peaceable adjustment of all difficulties. I was repeatedly called upon, unofficially, to call out military to suppress lawlessness, but in no case did the local authorities admit their inability to maintain quiet in their own jurisdiction. To the end, however, that there might be as little delay as possible in mobilizing our small military force, I directed an order to issue to commandants throughout the state to notify the members of their commands to be prepared to receive orders for active service. Fortunately, as I have indicated, nothing further was necessary.

On the 14th day of September, 1876, Brigadier-General Nathaniel Bradley Baker, for fifteen years Adjutant and Inspector General of the State, departed this life. This event, closing as it did a career of exceeding usefulness, both as a public officer and private citizen, excited profound regret throughout the state. Possessed of great executive ability, of immense industry, of peculiar aptitude for public affairs, he had rendered notable service to the state in the war of the rebellion, and at a later period the same characteristics enabled him to do a great work for the relief of the destitution caused by the grasshopper invasions in the northwestern part of the state. Should the commonwealth again need the services of one of its citizens in similar capacities, it will be fortunate indeed if it shall be able to secure those of a man at once so able, so devoted, and so self-sacrificing.

I am reminded here of the suggestion made by the present adjutant-general that some of the invaluable records which Gen. Baker caused to be made of the history of Iowa soldiers will need recopying, in order that they may be preserved for future use. I earnestly commend action hereon.

STATE LIBRARY.

The state library has received additions, during the term, of 1736 volumes, making an aggregate of 15,836, exclusive of pamphlets and duplicates. The additions are valuable; and the law library is now considered one of the most complete in the United States. It gives me great pleasure to bear tribute to the fidelity and ability with which the librarian discharges her responsible duties.

PUBLIC INSTITUTIONS.

The fiscal term closing one month earlier than heretofore enabled the state printer to get a much larger number of the institution reports in type, than heretofore; and some of them have been transmitted to the members elect of the general assembly at their homes. To these reports you are respectfully referred for a statement of the condition and needs of the various institutions. I deem it proper, however, to call attention to some matters of special interest connected therewith.

THE UNIVERSITY.

The time has fully come, in my judgment, when this, our first educational institution, should have a permanent annual allowance to supplement its revenue from investments and other sources. This, it is estimated, will amount to \$28,095.62 for the year ending June 20, 1878. The appropriations made by the board of regents for the same period amount to \$50,800, the deficiency being met by moneys heretofore appropriated, but yet to come from the state treasury. The report of the board of regents states for what objects the appropriations are made, and an inspection of the amounts allowed will not, I think, show more than is necessary for the proper maintenance of such an institution as a state university should be. It would, in my opinion, be an act of sound policy to appropriate a proportionate amount of the State revenue, or of the tax-levy, to the uses of this institution. This might be made applicable to future levies, so as not to increase the immediate burdens of our depleted treasury. The presidency of the university having become vacant, it is temporarily filled to great satisfaction by Hon. C. W. Slagle, for several years one of the regents. As he will not accept of the position permanently, the board has the matter of the successorship under consideration. An enlargement of the income of the institution would be of service to the board in the selection of such successor, because

of the uncertainty at present attending the amount of compensation which can be allowed those engaged in the work of the institution. The needs of the university, the work it is accomplishing, and the manner of doing that work, are set forth with such clearness in the able report of the acting president, that I cannot do better than to invite your attention directly to that document, and ask its careful perusal.

The valuable series of weather observations, conducted by one of the professors of the university, with as yet no official recognition, commends itself to public favor. The devoted originator continues his labor of love with no little expense to himself, and with the most painstaking assiduity. An appropriation, sufficient at least to reimburse him for his outlay, might, in my opinion, be judiciously made in aid of Prof. Hinrichs' work.

NORMAL SCHOOL.

The last general assembly having failed to elect directors for the "school for the instruction and training of teachers of common schools," my predecessor appointed a full board. An organization was promptly effected, a corps of instructors chosen, and regulations adopted for the government of the institution. The school opened in September, 1876, with twenty-seven students; the second year began with 167, from forty-seven counties. This indicates that the magnitude of the demand for an institution of this character has not been overestimated. It would therefore seem a matter of importance that suitable steps be taken towards enlarging the facilities, and as soon as may be the capacity, of this school.

AGRICULTURAL COLLEGE.

Though the state has dealt liberally with the agricultural college, it still has a few pressing necessities which are worthy the attention of the general assembly, and can only be supplied by an appropriation out of the state treasury. The graded road which runs through the bottom land of the college farm, consists of low wet land, and is often in such a condition as to render access to the college from the railroad station difficult. The estimated cost of thoroughly grading and graveling is \$2,000. The trustees strongly urge the erection of a horticultural laboratory and a propagating house. The estimated cost of both

structures is \$6,000. I think they are much needed, and if the horticultural department is ever made useful in the way of valuable instruction, the necessary buildings must be provided.

To preserve the health of the students, the officers of the college were under the necessity of borrowing money and constructing new sewers to drain the college-building, for which they ask an appropriation of \$1,472.25, for reimbursement. All the amounts asked for appear to be limited and necessary, and I think ought to be made in the interest of the institution, and also of agriculture and horticulture generally.

THE ORPHANS' HOME.

Pursuant to the action of the last general assembly, the home for the soldiers' orphans, at Cedar Falls, was closed in June, 1876. Most of the property was turned over to the new normal school, and the children were removed to Davenport.

The number enrolled at the institution, of those for whom it was originally intended, in the two years fell from 298 to 139, and this falling off will continue until, had not the institution been opened for others than soldiers' orphans, it must soon have been finally closed. This extension of the advantages of the home having been ordained by the legislature, it began to receive the state's new wards in July, 1876, and at the close of the term there were forty-one of them in attendance. A fire last July destroyed the building, used as a laundry, and one house occupied for school purposes. A new and better building took the place of the laundry.

The board asks for additional land and more buildings, both of which are desirable, and ought to be secured so soon as the condition of the treasury will permit.

COLLEGE FOR THE BLIND.

A complete change of instructors has taken place at the college for the blind, and, the trustees think, with good effect. The good done by this institution is so great, in almost furnishing eyes to the blind, and making them self-dependent, that I do not think I can too strongly commend it to your care. The trustees ask for an additional annual allowance of \$8,000 to pay salaries, and to meet other ordinary expenses of the institution, including maps, printing, and books for pupils. The present appropriation of \$8,000 is one-third less than

that granted to the institution for the deaf and dumb. If the allowance for the latter is not too large, that for the former is too small.

INSTITUTION OF THE DEAF AND DUMB.

The building occupied by the institution for the support and education of the deaf and dumb was destroyed by fire on the twenty-fifth day of February last. This calamity was fortunately, almost miraculously, unattended with injury to life or person; but otherwise it was one of the most serious character. Temporary shelter had to be obtained for the pupils, and half of them were sent to their homes; and, the school being incapacitated for doing its work, this deserving class of unfortunates is to a great extent deprived of the opportunity for education the state has heretofore so liberally afforded them. The erection of the west wing, authorized by the last general assembly, enables the institution to care for a limited number of those for whom it was intended. But this is insufficient for the uses of the school, and I respectfully recommend that steps be taken for the erection of a commodious building at an early day. The fire was not the only disaster to visit the institution during the year. A tornado, on the sixth of August last, unroofed the new west wing, and partially demolished its walls. The work was still in the hands of the contractors; consequently the state suffered no pecuniary loss thereby; but the trustees ask the general assembly, in behalf of the state, to assume the loss, and assign therefor what I deem weighty reasons.

Steps have been taken to provide for instruction in articulation. This has been practiced, with apparently great success, both in Europe and America, for some years, and it is well it should be given a trial in Iowa.

The appropriation made for the west wing was not sufficient to put therein heating apparatus. As this wing, owing to the fire, had to be occupied sooner than was contemplated, the Haxtun Steam Heater Co., of Kewanee, Ill., volunteered to put in the necessary apparatus, the company agreeing to wait for pay until the general assembly could make an appropriation. The work was done, and to all appearances satisfactorily, at a cost of \$2,100. I recommend that an appropriation be made to meet this expenditure.

FEEBLE-MINDED CHILDREN.

The last general assembly made long-needed provision for the "care, support, training, and instruction" of feeble-minded children. A board was selected by the general assembly, one of whose members, however, Dr. James M. Robertson, declined the position, and my predecessor appointed Dr. William S. Robertson to the vacancy. The board found the preparation of the building for the use of the institution a very formidable undertaking, because of the dilapidation it had fallen into after the removal of the orphans. But the difficulties do not seem to have prevented the school from being promptly opened for the reception of pupils. With the liberal aid of the press, this fact was widely announced; but there were only five pupils at the organization. This number, however, was increased to eighty-seven. The year's experiment has been, I am persuaded, eminently satisfactory, and has demonstrated that this institution was not opened a day too soon. I have heard, from other sources than the authorities of the school, of surprising results in individual cases; and I am more than pleased at the prospects opening before this hitherto neglected class of our state's unfortunates, by reason of this asylum. I feel that I cannot too strongly commend it to your care. I especially would urge that the *per capita* allowed for support be increased from ten to sixteen dollars a month. The present appropriation is less than that provided for the blind and the deaf and dumb, and only the same as that for the inmates of the orphans' homes and the reform school; and assuredly none need more care than the pupils at Glenwood, ranging, as they do, from children of a low order of mentality to those of utter helplessness.

THE REFORM SCHOOL.

The protracted investigation into the affairs of the reform school, had in 1875, with its attendant excitement and irritation, left an effect on the school, from which it can hardly yet be said to have fully recovered. A second change has recently been made in the superintendency. The \$40,000 for the new building authorized by the last general assembly fell \$15,000 short of putting up the house, and an additional appropriation is asked of that amount. A debt of \$8,000 is also to be removed. The lease of the buildings occupied by the girls' department of the school will expire the present year, and cannot be renewed for a longer term than one year. A building for the use of

this department can therefore be no longer delayed. I recommend that steps be taken for its erection, and, believing it not advisable to locate it near the school for boys, suggest that a new site be selected at or near the seat of government.

One hundred and forty-one boys and fifty-three girls were at the school October 31st, five more boys and twenty-three more girls than at the close of the previous term.

The last general assembly fixed sixteen years as the age over which no one could be sent to the reform school. The prior law made eighteen the maximum. Nevertheless, during the two years, eleven persons, seventeen years of age and upwards, were sent to the boys' department of the reform school, one of them being twenty-one, and one even twenty-two years old. To send criminals of this age to the reform school is not calculated to be of any benefit to those for whom the institution is intended. I do not know whether anything further can be done by legislation to put a stop to this practice, but it is so pernicious in its tendency that I think it proper to advert to it thus formally.

THE PENITENTIARIES.

The condition of the penitentiary at Ft. Madison will demand your careful attention. The enlargement in the number of cells, provided for by the last general assembly, has been effected, but the increased accommodation thus obtained is already exhausted; indeed, the new cells were hardly completed before they were filled; so that there is again a demand for greater accommodations at this prison. To this end, the warden recommends that the roof of the cell-room be raised, and another tier of cells built. I know of no better way to make the needed enlargement. It is less expensive than the extension of the grounds would be, involving as this would the erection of a new wall for such extension. The shop-room is also becoming meager for the number who ought to be employed therein. This penitentiary gives every evidence of having been planned originally for a state of comparatively small population; while the immediate site is not a fortunate one to permit of the enlargement of the prison. Consequently much has been done, and much will continue to be done, in the nature of make shifts, than which nothing can be more undesirable in public edifices. If some comprehensive plan for the enlargement, either immediate or progressive, of this penitentiary were to be devised, it would, I

believe, be a matter of ultimate economy to adopt it and carry it into effect.

The expenses of the prison were quite heavy during the term, \$40,447.01 having been drawn from the treasury to meet deficiencies in the support fund. The allowance for this fund, at Fort Madison, is eight and a third dollars per convict per month; that for the prison at Anamosa is ten dollars. The rate at Fort Madison was fixed at a period when high prices universally prevailed, and supplies of almost all kinds would cost much more than to-day. Nor can I think such price was inadequate when first fixed. But the prison has been subjected to some expenses within the last few years that are exceptional, and perhaps no longer necessary. The labor commission provided for by the 15th general assembly has accomplished its work, to the extent of leasing all the present available labor of the prison. I therefore recommend its discontinuance. Any further labor-letting that shall be found necessary can be done by the warden, with the approval of the executive council.

The appropriations made in 1876 for the additional penitentiary were used for the purposes contemplated so far as needed. The railroad track has been extended, a warden's house built, an apartment fixed up for hospital purposes, and the work of construction continued. The executive council, acting under authority conferred by chapter 40, of the acts of last general assembly, directed that prisoners sentenced to the penitentiary by the courts of the eighth, ninth, tenth, and twelfth judicial districts, and the seventh except the county of Muscatine, should be taken to the additional penitentiary. The number of convicts increased in the two years from 67 to 148. This increase will continue, and emphasizes the request made by the warden that the new cell-house, of which the foundation has been laid, and for which a large quantity of stone has been prepared, be hastened to completion; and the warden's suggestion that the roof be made of iron and slate instead of wood, as at present planned, should be adopted. Indeed, I believe it would be well that shingle roofs be not permitted on any structures belonging to the state. The prison wall is another object of prime importance, and cannot be too soon completed. The quarry now owned by the state appears to be comparatively valueless, and the warden suggests the purchase of another one, at which the convicts have already done some work, and the construction of a railroad thereto. The latter I cannot recommend until more is known of the quarry. A wagon road will do for present purposes, and if the de-

sired stone be found present in sufficient quantities the railroad can be constructed afterwards.

The statute allowing commutation to prisoners at this penitentiary needs revision. At present, diminution of time is earned by value of labor performed. In the condition the prison has necessarily been in since it opened, it has been difficult for any convict, however well disposed, to do \$400 worth of work within a year on any reasonable estimate of the value of a day's labor. For the present, at least, I think it would be well to permit prisoners at Anamosa to earn diminution by good conduct the same as at Fort Madison. The provision allowing them pay for a part of their labor might, however, be retained with advantage. The rule of the code was at one time thought applicable to this prison, and convicts were credited with the same diminution as at Fort Madison, and discharged at the end of their shortened terms. Doubting the legality of this practice, I obtained the opinion of the attorney-general thereon, which entirely coincided with my own views, that the commutation law of the older penitentiary was not applicable here. I therefore notified the warden, on the 5th of May last, that no further discharges should be made from the additional penitentiary except upon executive order; but I would grant such discharges to all prisoners for diminution earned prior to that date, and for full time to all transferred from Fort Madison. I have accordingly issued pardons to sixty-eight of the prisoners at Anamosa, to take effect at the end of their respective terms, as thus diminished.

During the two years, three investigations were had into the management of this prison, two of them having reference to the term of the former warden and one to that of the present head of the institution. None of these developed any dishonest or corrupt practices in either of the administrations. A further and very rigid examination was made by the grand jury of Jones county, as my predecessor was advised, of Mr. Warden Heisey's management, resulting in that gentleman's complete exoneration. The investigation into the present management demonstrated the necessity of a change in one of the subordinate offices of the prison, which change was accordingly made, with salutary effect.

I deem it my duty to recommend a few amendments in the statutes governing the penitentiaries. I see no reason why the wardens should have a fixed term of office any more than the head of any other institution. The periodical scramble for the position should be avoided. No one would think of applying the rule of periodic service to the

presidents of the university and the agricultural college, or the superintendents of the orphans' home and the reform school. It may be said these offices require of their incumbents a peculiar kind of experience for their special work, a thing not at all indispensable in a warden. If we look upon the latter only as a jailor, this reasoning is correct; but not otherwise. I can think of nothing that would aid so much in making our penitentiaries what they should be—reformatory as well as self-supporting institutions—than to keep them in charge of men who manifest an aptitude for their work, and to make changes in the incumbency only when the public interests require it. Another suggestion I feel compelled to make, is that the warden be appointed by the governor, with or without the approval of the senate, as may be deemed most advisable, to hold office until a change shall seem to be demanded. I am aware of the delicate ground on which I tread in making such a suggestion, but I do so with the more freedom because on the one hand I have sat in the general assembly for several years, and in that capacity repeatedly participated in the election of warden; and on the other, being about to leave the office of governor, I can have no personal wish to gratify in making the recommendation. I am persuaded, from my observation and experience in both positions, that a proper selection of the person required for the responsible office of warden can better be made by the executive, enabled as he is by his position to realize what is required of such an officer, than by a large number of persons coming together for a short time, and knowing of what is needed only by the prison reports and by what they may incidentally learn otherwise. I would also recommend that the salary of the warden be increased, and that all allowances and perquisites other than a residence be cut off; and further, that nothing purchased for the use of the prisons shall at any time furnish perquisites or profits for any person connected therewith.

THE INSANE.

The appropriations made at the last session of the general assembly for improvements at the Mt. Pleasant hospital were partially used for the purposes directly contemplated in the act making the same. The \$5,000 voted for sub-basement was not used, the amount being insufficient to accomplish the object, and it was thought better to delay the commencement of the work rather than its completion after it had been once begun. A fire in April, 1876, destroyed one of the buildings, within which were the boilers, pumps, engine, fan, washing and

ironing rooms, engineer's fitting rooms, storage room for coal, and paint shop, and its immediate re erection was determined on, which was accomplished at a cost of \$32,046.46. Such of the special appropriations of last session as could properly be so used were drawn and expended in such rebuilding. The providential contingent fund supplied a similar amount—\$5,000,—and the remainder was taken from the support fund. The daily average number of patients at this hospital during the term was 581.18. This is nearly twice the number the building is intended for, a fact that again presses upon the general assembly the necessity for increased provision for the care of the insane. The superintendent presents some very cogent arguments in favor of enlarging the capacity of the present hospitals in preference to establishing any new ones. The adoption of this course, to the full extent of the number that one superintendent should have under his charge, I feel justified in recommending.

The report of the board of trustees for the insane at Independence, shows that, since their last biennial report, two more wards in the fourth and fifth stories of the main center building have been completed, furnished, and occupied, and that another section of the south wing is now inclosed consisting of four wards, and will be ready for occupancy about the first of May next, which will increase the total capacity to nearly four hundred. The report of the board of building commissioners shows that the appropriation made by the Sixteenth General Assembly for furnishing and finishing the main center building has been expended for that purpose. The \$93,000 appropriated for building the south wing has not been all used, as will be shown by the treasurer's report. The commissioners are of the opinion that the balance undrawn will complete that portion of the south wing commenced. The \$5,000 appropriated for the erection of gas-works and furnishing gas fixtures remains undrawn, as the commissioners did not decide, until late in the fall of 1877, what kind of works to erect.

The commissioners ask for \$16,900 for furnishing the four new wards, opening an avenue to the Burlington, Cedar Rapids and Northern railroad, constructing a reservoir for an additional supply of water, a main sewer, etc., all of which I heartily concur in. They also ask for \$140,000 with which to complete the south wing, as contemplated in the original plan of the hospital; considering the crowded condition of our hospitals, I think it would be wisdom on the part of the general assembly to make the appropriation as soon as the condition of the treasury will permit. I would here recommend that the general

assembly fix the amount this addition will cost, and meet the same by annual appropriations until the work is done.

It has been repeatedly my duty to order the removal of insane convicts from the penitentiaries to the hospitals for treatment; yet I have felt that the latter were illy fitted to care for this class of cases. They are violent when actually insane, and nearly always vicious; while in not a few cases their insanity is simulated; and the provision for guarding the ordinary inmates of the hospital does not contemplate any serious effort at escape; but this class of patients requires as much watching as if they were at the penitentiary. To place them in a separate ward at one of the hospitals, under the control of the authorities of the institution, I consider the best disposition that can now be made of these persons.

The visiting committee continues its quiet but effective supervision, and during the past year has had occasion to do important service in clearing one of the hospitals from some very unjust but widely believed charges of the gravest character, involving if true the grossest turpitude on the part of those connected with the institution. The good effect of this committee's labors, in rectifying improprieties, allaying unfounded suspicions, and inspiring deserved confidence in the management of our hospitals, induces me to recommend that its jurisdiction be extended to all the benevolent and reformatory institutions, or that a board be created for that purpose.

STATE HISTORICAL SOCIETY.

The state historical society continues its efforts to perpetuate the history of Iowa; but the feeble assistance it receives from the state hardly keeps it alive; and it takes no little self-sacrifice on the part of one or two devoted persons to accomplish even that much. The valuable accumulations of the society deserve better protection from fire; while the constant care of them demands greater liberality. Some of the neighboring states are doing vastly more to perpetuate their history than is Iowa. The pioneers are rapidly passing away, and with them will perish much of incident, illustrative of our early history, that might now be gathered and put into shape for preservation. As soon as the condition of the finances will permit, a just state pride ought to induce a liberal appropriation in aid of the society's work.

THE FISH COMMISSION.

The marked success which has attended the efforts at fish-culture in other states, and the promise of similar success indicated by the work done in Iowa, encourages the hope that all feasible encouragement be given to the project of filling our streams with food fishes. The report of the commissioner shows much progress made during the biennial period in this direction. It must not be forgotten that the discontinuance of the commission at the present time will render nugatory nearly everything heretofore done.

THE NEW STATE-HOUSE.

The report of the board of capitol commissioners comprises a brief history of the work upon the state-house from the first, as also a detailed statement of the expenditures for the entire building to the present time. The last general assembly authorized the capitol commissioners to construct the capitals of columns and the cornice, of stone instead of iron, as modified by the present board of commissioners in order to bring the expense within the limit fixed by law. The former board had left off the original plan the great dome in the center, and four small ones on the pavilions, with the same object in view. The work on the edifice has now reached such a stage that if the building is to have a dome the legislative will should be so expressed. The estimated cost of the dome and turrets is \$461,190.24. If the erection of the dome be determined on, the work can all go on together; or if it be so determined, but temporarily deferred, the commissioners think the turrets should be put up as the work progresses. Some increased cost over the estimates has been made in order to give greater strength and security to the building. Additional columns have been put in, granite substituted for limestone in some of the columns, and a thoroughly fire-proof roof determined on, and the south wing partially covered with it.

Your attention is respectfully directed to the reports of the board of commissioners, the architects, the overseers, and the superintendent of finance. I am persuaded that the path of true economy lies in the direction of the most vigorous prosecution of the work upon this edifice, and its completion at the earliest day the state's financial condition will permit.

Following the example of my predecessors, I present a summary of amounts asked by the boards, &c., of different State institutions for improvements and to meet other special expenses.

STATE UNIVERSITY—

Deficiencies in expenses.....	\$ 40,000.00
One new building.....	30,000.00
Libraries.....	7,000.00
Insurance.....	1,500.00
Repairs and repainting.....	5,000.00
Stone walks about buildings.....	1,500.00
Fencing observatory lots and west side of campus.....	2,000.00
Support of lady professors for two years.....	3,400.00
Observatory, and equipment of the various chairs and departments.....	9,000.00—\$ 99,400.00

NORMAL SCHOOL—

Repairs and improvement of buildings.....	\$ 2,500.00
Library and apparatus.....	1,000.00
Contingent expenses	2,500.00
Teachers	14,000.00—\$ 20,000.00

AGRICULTURAL COLLEGE—

Repairing public road	\$ 2,000.00
Horticultural laboratory.....	3,500.00
Propagating house.....	2,500.00
New sewer.....	1,472.25—\$ 9,472.25

SOLDIERS' ORPHANS' HOME—

Industrial pursuits	\$ 1,500.00
Lumber, hardware, and general repairs	2,500.00
Furniture	1,500.00
Library	200.00
Purchase of land for farming	4,000.00
Seven new cottages and outbuildings.....	15,000.00
Amount due on laundry	2,225.00—\$ 26,925.00

COLLEGE FOR THE BLIND—

Ordinary running expenses, for two years, additional..	\$ 16,000.00
Furniture, bedding, &c.....	3,000.00
Iron and other fences.....	4,000.00
Cattle-barn and piggery.....	1,000.00
General repairs to grounds.....	1,000.00
Contingent expenses.....	700.00—\$ 25,700.00

INSTITUTION FOR THE DEAF AND DUMB—

For heating apparatus.....	\$ 2,100.00
Restoring main building and east wing	66,500.00
Reimbursing contractors.....	2,344.50
Extra work on west wing.....	617.00—\$ 71,561.50

ASYLUM FOR FEEBLE-MINDED CHILDREN—

Salaries.....	\$ 10 000.00
Furnishing fund.....	3,500.00
School apparatus.....	800.00
Outbuildings.....	1,700.00
Water-supply	500.00—\$ 16,500.00

REFORM SCHOOL—

Main building.....	\$ 15,000.00
Girls' department, new building.....	30,000.00
Indebtedness.....	8,000.00
Water supply.....	2,500.00
Contingent fund.....	2,000.00—\$ 57,500.00

PENITENTIARY OF THE STATE—

Raising cell-room wall, and 36 grated windows.....	\$ 6,500.00
New fireproof-roof on cell-room.....	9,500.00
Fourth tier of cells.....	16,500.00
Unpaid liabilities.....	10,000.00—\$ 42,500.00

ADDITIONAL PENITENTIARY—

Cell-room and prison-wall, sewerage, office, store-room, and armory.....	\$139,000.00
New railroad and equipments.....	20,050.57
Purchase of new quarry.....	1,000.00
Additional guards, say.....	7,200.00
	—\$167,250.57

HOSPITAL FOR THE INSANE—

At Mt. Pleasant.

Completion of new building	\$ 5,500.00
Balance to complete sub-basement	11,237.50
Protection ag'nt fire by reconstruction of rear center.	10,000.00
Replacing wooden partition with brick walls	8,500.00
Water-pipes.....	1,000.00
Additional boiler.....	2,000.00
Addition to heating apparatus for utilizing exhaust steam	1,200.00
Improvements of grounds and new fences.....	1,500.00
New kitchen furniture.....	1,200.00
Contingencies.....	2,000.00—\$ 44,137.50

At Independence.

Furnishing four new wards.....	\$ 5,500 00
Opening an avenue to B., C. R. & N. R.....	1,500.00
Main sewer under or beside road	6,000.00
Plastering ceiling in basement and attic north wing.	1,500.00
Construction of reservoir.....	2,400.00
Completion of south wing.....	140,000.00—\$156,900.00
STATE HORTICULTURAL SOCIETY—	
Permanent additional appropriation.....	1,000.00
FISH COMMISSION—	
Say	10,000.00
NEW CAPITOL—	
.....	250,000.00
Total	\$998,846.82

Among the items appearing above, for which appropriations are asked, there are, doubtless, many which should be carefully scrutinized, not to say disallowed. It is asked, in one instance, that a sum be appropriated for insurance. It is now many years since the state ceased insuring its public edifices; in other words, became its own insurer. Whether this course is the more judicious I do not propose to discuss; but it is well that the step should be fully considered before any money is voted for this purpose. No other property the state has, anywhere, so much requires insurance as its library at the capital. Here a valuable collection of books has been gathered into a small space, and its destruction by fire would involve a loss as great as would be entailed by the destruction of many times the same extent of property in any other of the state's edifices. If money is to be appropriated for insurance, the library should be first considered; and if anything further be determined on, it ought to be general, and applicable to all the state's buildings. The cheapest insurance, however, is to be found in the erection of fire-proof buildings. It is poor economy which sacrifices this consideration for any apparent cheapness.

Another item of expense for which appropriation is asked suggests a question as to the proper uses to which the support-fund of an institution may be put. For instance, there is a doubt in reference to the extent to which that fund may be used in making repairs. It is conceded that for such repairs as are necessitated by ordinary wear and tear, and even those extraordinary ones entailed by the destruction by fire, or otherwise, of part of an edifice, the fund may be used. But whether the rebuilding of a structure entirely destroyed by fire can be properly

considered as coming within the designation of repairs, so as to warrant the use of this fund for that purpose, is open to very serious question, so much so, that I think it would be well that the legislative will be expressed in regard to it. Beyond this, there can be no doubt that the support-fund cannot be employed, and every use of it for permanent improvement is a diversion not only unauthorized by law, but a virtual violation of the constitution, which declares that "no money" "shall be drawn from the treasury but in consequence of appropriations" "made by law." To use the state's money for an object altogether different from that for which it was drawn from the treasury is as much a violation of this constitutional provision as if it were so drawn without any appropriation at all. I think it well for the general assembly to make inquiry as to the extent this diversion of public funds is practiced, and at the same to ascertain whether the amount of support-fund now allowed the various institutions is needed or sufficient in all cases. The present rates of allowance were mostly made during the period of high prices immediately following the war, and if enough then they must, in some cases at least, be too much now. It might be well to adopt both minimum and maximum rates, the former only to be transcended upon the approval of the executive council, upon proper showing of its necessity.

I have before stated that after the payment of outstanding warrants there will be nothing left for new public buildings, or for improvements in existing ones, without an increase in the rate of tax levy; and as such increase cannot be productive until 1879, there will be no funds whatever to pay for such improvements the present year. This is especially to be regretted for several reasons: first, the absolute necessity that exists for these improvements. For instance, the building for the deaf and dumb must be re-erected. The needs of this class of unfortunates make this imperative. The insane hospitals should be enlarged, and the new capitol hastened to completion. Second, the comparative cheapness of labor and materials at the present time. This I deem an important consideration. To my mind, the time when, as now, private enterprise is comparatively stagnant, is the state's opportunity for making needed improvements. It can then get for its outlay the maximum of material and labor, it can give employment to many who would otherwise be idle, and it will be under the necessity of competing with private enterprise to only the most limited extent, while such action on its part would be calculated to restore public confidence, and reawaken private enterprise. It is too commonly the case, when financial calam-

ity overtakes the people, and panic ensues with general loss of confidence, that the authorities—national, state and local—help to precipitate business crises by stopping all or most of the public works in process of construction, and those engaged on them are thrown out of employment, and go to reinforce the already great army of idle people. Conversely, when confidence is restored, business revives, and enterprise is buoyant, the authorities engage largely in the erection of buildings, and entering into competition with private undertakings assist in running up prices to unhealthy figures, to be followed by collapse and the same rotation. In my judgment, when private enterprise is vigorous and employment is plentiful for all who wish it, the public should undertake as little new work as possible, reserving its great undertakings for seasons when it will least compete with individual enterprise. If it be objected that this would entail additional taxation at a time when people are least able to bear it, I answer, the results, in the amount of work done for the money invested, the enhanced value of property, the employment given to persons who might otherwise require public support, and the inspiration it would impart to individual effort, would amply compensate for the additional burdens. Again, it would be better to borrow money for the prosecution of needed improvements, at a time like the present, than to forego the advantages for doing the work afforded by the occasion. Never before, in the history of the state, has the state and municipal credit stood higher, nor could money be borrowed at lower rates. I cannot say that I favor borrowing money by the state, with our present rate of taxation. Less than half a dozen of our sister states have so low a rate as has Iowa, the average being not far from twice as great as ours. A moderate increase of the state levy is, therefore, in my opinion, preferable to issuing bonds; particularly as the latter would not bring in the needed funds much sooner than would the increased levy, because of the fact that the question of borrowing must be voted on by the people at the general election. But I deem the present, and probably the future for a few years, so opportune for the erection of needed public edifices, that I believe it well to consider every plan for accomplishing the object that may have any feasibility.

RAILWAYS.

The right of the lawmaking power to regulate railroad tariffs has been sustained by the highest judicial tribunal of the land, and sustained too not merely because of the ample reservations made in the land-grant and other acts of our legislatures, but on broader principles, such indeed, as are essential to well-ordered governments; and I cannot but think that corporate rights are more securely guarded to-day by reason of this decision than if the determination of the disputed question had been otherwise. In bringing about this result, the state of Iowa has had, as it were, the leadership, the masterly argument of its late attorney-general apparently pointing the way to the decision. The matter of authority having been divested of doubt, the consideration of the tariff question may now be had freed from much of the acrimony attending previous discussions of the subject. I see no good reason for the entire repeal of the law. I am aware that it is argued that its retention has the effect to deter capital from investing in railroads in Iowa. This may be, but I do not find that the absence of such a statute has had the effect to hasten more rapidly the construction of railroads in neighboring states. I find that, during the years 1874, 1875, and 1876, the increase of railroad mileage in Iowa was greater, both absolutely and relatively, than in either of our sister states on the north and west, while those of our neighbors that showed most decided increase were Illinois and Wisconsin, both having laws regulating railroads. Nevertheless, I believe it wise that a thorough examination be had into the working of the details of the law, and such modifications made therein as may seem for the best interests of both the people and the railroads. The state of Iowa has been liberal in the extreme to this class of enterprise. The first land-grants made by Congress were turned over to the companies absolutely, although the act of Congress contemplated the sale of the lands by the state as earned, and the devotion of the proceeds to the construction of railroads; the companies were permitted to select the lands regardless of their line of road; and they were allowed, virtually, their own time to complete their work, notwithstanding that one main object of the grants was to secure this completion at an early day. Townships, towns, and cities have been permitted to tax the property within their limits to help build the roads, and the revenue thus derived was turned over absolutely to the companies constructing them, while much of the property of these companies practically escapes municipal taxation. That

state which has been thus munificent in her encouragement of this class of enterprise should have some control in the management of these roads, so largely the creatures of its bounty, is only a reasonable demand. That this control shall be judiciously exercised, so that, while preventing extortion on the one hand, it shall not discourage enterprise on the other, is the dictate of wisdom.

The creation of the office of railroad commissioner, with powers and duties similar to those exercised by like officials in other states, to be filled by some competent person, skilled in the knowledge needed in such a position, I believe advisable, and recommend that the governor be authorized with the consent of the senate, or executive council, to make such appointments.

The Chicago, Burlington & Quincy and Illinois Central Railroad Companies, and the Chicago, Milwaukee & St. Paul Railway Company, having each filed the bond required by chapter 133 of the acts of the last general assembly, my predecessor issued to them certificates, in May, 1876, that they had complied with the act. Since then, it is believed the tariff law has been very generally complied with by the railroad companies.

During the past two years, the Sigourney branch of the Chicago, Rock Island & Pacific Railroad has been extended to Knoxville, the county seat of Marion county, making an addition of forty-nine miles. The Pacific division of the Burlington, Cedar Rapids & Northern Railway has been built from Traer into Grundy county, a distance of twenty-five miles, while the main line was built from Plymouth, Cerro Gordo county, to a junction with the Central Railroad of Iowa, and from Northwood, Worth county, northward to Albert Lea, in Minnesota; the addition in Iowa being about nine miles. The Iowa Pacific Railroad, operated by the Chicago, Dubuque & Minnesota Company, has been extended from Elkport, Clayton county, to Lima, Fayette county, thirty-five miles. The Des Moines & Minnesota Railroad has been built ten miles further, to Story City, Story county. The Chicago, Newton & Southwestern has passed into the hands of the Iowa, Minnesota & North Pacific Company, and has been completed from Newton to Monroe, making an addition of thirteen miles. The Sioux City & Pembina road, operated by the Dakota Southern Company, has been built eleven miles in Plymouth county. A new narrow-gauge road has been constructed by the Burlington & Northwestern Railway Company, from Burlington to Winfield, Henry county, thirty-four miles, including a third rail for part of

the distance on another road. The Maple River Railroad has been recently built from the Chicago & Northwestern Railway, through Sac and Ida counties, to Mapleton, in Monona county. The Fort Dodge & Fort Ridgely Railroad was built northward eleven miles into Humboldt county. The Crooked Creek Narrow-Gauge Railroad was constructed from Fort Dodge, nine miles, to Tyson's Mill. And the Chicago, Clinton & Western Railroad is in operation from Iowa City to Elmira, on the B., C. R. & N. Railway, nine miles. The total amount built during the two years was two hundred and seventy-five miles, making the grand aggregate four thousand one hundred and twenty-five miles.

While upon this subject it is proper to invite your attention to the inequalities connected with the present mode of taxing this class of property. This mode is based upon the theory that a railroad is one piece of property, and is of equal value along its entire line. It does not take into consideration the burdens imposed upon municipalities in affording fire and police protection to this property, nor the other expenses of local government. All other property not entirely exempt is compelled to bear its just proportion of such burdens, and no good reason can be assigned for the release of railroad property therefrom. I am aware of the argument that the entire country through which a road runs contributes to its business, and that each locality has a right to share equally per mile in the revenues derived therefrom to the extent, at least, of its own levies. This argument proves too much. If all that contribute to the business of railroads are to participate equally in the taxes derived therefrom, those counties and townships which themselves have no railroads, but whose traffic is constantly poured into the neighboring counties for transshipment, have perhaps even better claim to participate in this character of revenue, because the business they bring to the road costs them more than it does their more fortunate neighbors directly on the iron way. To be logical the present law should be so amended as to direct the entire railroad tax into the state treasury. Then, as all the state contributes to the business of railroads, so all the state would participate in the revenue derived from the taxes on railroads. It is proper that the rolling stock should be considered as belonging to the entire line, and the valuation thereof apportioned *pro rata*; and perhaps the right of way and track should be so estimated. But all other railroad property ought to be assessed, valued, and taxed in the same manner as that of the neighboring mechanic, merchant, or farmer.

BANKING.

The auditor calls attention to the imperfections of our banking law and recommends a revision thereof. This recommendation derives additional force from the repeated failures of banks throughout the country, of which failures fraud has been too often the producing cause. The act of 1874, in regard to savings banks, seems to have had a very beneficial effect in securing better institutions for that purpose. Similar improvements in the statute governing all banks of deposit would be gladly hailed by the business community. The present statute makes no attempt to regulate unincorporated banks. It is believed to be necessary that these also be placed under some sort of supervision.

EXPENSES OF LOCAL GOVERNMENT.

The constantly increasing expense of county and municipal governments demands early and earnest attention. How to reduce such expense can best be determined after the causes of increase are ascertained. The augmentation of the cost of court proceedings is, perhaps, the largest item in the budget of increased expenditure. I believe it the duty of the legislature to prune these expenditures vigorously. The code of 1873 requires the county to pay all the witnesses for the defense in criminal cases. Since the code went into effect, court expenses have increased alarmingly, having more than doubled in the last five years, the amount for the year ended October 31st last rising to the enormous figure of \$318,322.77, exclusive of the sums paid the district-attorneys. The law of 1868, superseded by the code, was sufficiently liberal in this respect. It provided for paying material witnesses in certain classes of cases. The criminal returns compiled by the secretary of state have enabled that officer to prepare a valuable table showing the number of convictions, amount of fines imposed, and cost of criminal proceedings for a series of years. It appears by this table that this cost, exclusive of the amount paid district-attorneys, made the expense of each conviction in selected years average as follows: In 1862, \$98.94; in 1867, \$92.76; in 1872, \$158.47; in 1877, \$190.37. I cannot but think the excessively liberal provision of the code referred to has much to do with such increased expense. This is rendered the more probable because of the well-known fact that this liberality is most grossly abused, witnesses being summoned, and even brought long distances, who know nothing of the controversy in

which their testimony is required, and not unfrequently are never put upon the stand. The judges of one of the districts have adopted a rule calculated to put a stop to this abuse. But it would be well for the legislature to undo the work of 1873, and restore the law of 1868, or even the prior one.

Another saving may be made by requiring the courts to set apart as many of the earlier days of the term as may seem necessary for the dispatch of business not requiring a jury, and have the jurors summoned for only the time they will probably be needed. The practicability and desirableness of such legislation are, I think, too apparent to need argument.

The abolition of the grand jury is advocated in many quarters. This would necessitate a constitutional amendment, which I would recommend to the extent of removing from the fundamental law the provision requiring a grand jury, leaving it with the legislature to prescribe the mode of commencing prosecutions, whether by grand jury or otherwise. But the general assembly may reduce the number of grand jurors, and I recommend that it be done. Nine men, or even less, are sufficient for this body. I would also suggest the submission of a constitutional amendment permitting a smaller number of petit jurors in some, if not all cases, and abolishing the requirement of unanimity. Second trials because of the disagreement of juries necessitate a good deal of expense, which, particularly in civil cases, might as well be avoided.

In many, perhaps most, of the counties, a practice has grown up, not warranted by the law, of paying members of the boards of supervisors per diem for an unlimited number of days as committeemen, the maximum number of days for which pay may be allowed being conveniently construed to apply only to board meetings. If it is contemplated to allow supervisors pay for committee work beyond the limitation, the statute ought to be amended so as to permit it. The suggestion has been made, and I deem it worthy of consideration, that the board of supervisors be abolished, and in its place be established a board consisting of some of the county officers, with perhaps a single supervisor, the whole constituting a body similar to the state executive council.

The costliness of municipal governments is a grievance of which much and very just complaint is made. High taxes are levied and collected, but in not a few of the cities the expenditures invariably exceed the revenue. The matter of economical government of our cities

and towns is at this time eliciting much thought and discussion all over the land; and many plans are suggested looking to the attainment of the desired object. One thing seems to be agreed upon by all who have given the subject of municipal reform any thought; which is, that responsibility should be concentrated as much as possible. In accordance therewith, the chief executive, in many cities, is clothed with power to appoint most of the municipal officers, and held accountable for their conduct in office. Wherever this has been done, superseding the one of many heads where all responsibility is dissipated, there is general satisfaction, and a marked improvement manifest in the conduct of affairs. Another idea gains favor, namely, the election of at least part of the municipal council by the electors of the entire city; and another is, to elect a special commission to have control of the finances, or at least a negative on all expenditures. I believe it advisable that the entire law governing municipal corporations be revised.

The last general assembly passed an act making members of boards of supervisors in counties having over four thousand people personally responsible for an issue of bonds beyond the constitutional limit. It is difficult to perceive why the distinction is made in a matter of this kind between counties. If there is any difference at all, the overissue is the more reprehensible in a county where much of the taxable property is not represented in the county government. But the theory of this responsibility is a good one, and it would be well to make it applicable not only to the overissue of bonds by all counties, and also by cities, towns, and districts, but also to all illegal and excessive expenditures by the various local authorities. A stringent provision of this kind would contribute very much to the reduction of local expenses.

REGISTRATION OF BONDS.

I renew the recommendation of my predecessors, that provision be made for the registration of county and other local bonds, as has been done by some of our sister states with the most marked beneficial effect. It contemplates the certification of such bonds by some state officer, after he shall have satisfied himself that they are issued in compliance with law. Such certificate largely facilitates the sale of the bonds to which it is attached, while by discouraging questionable issues it enhances both the local and general credit of the state having such a regulation. I would also recommend that bonds thus registered be placed on the same footing as United States and state bonds, for investment by insurance and other corporations.

The present statutes authorizing the issuance of bonds require that they shall be payable at any time prior to maturity, at the discretion of the authority issuing the same, and they may not be issued without such reservation. This provision at first thought appears to be a judicious one, as it permits the debtor corporation to free itself from debt whenever it finds itself able to do so. In practice, however, the reservation does more harm than good. Obligations containing it are much more difficult to place, than those having a fixed time for payment, even though the term of the latter be shorter; and either a higher rate of interest must be paid or a less amount be realized from such obligations.

THE CENTENNIAL.

Chapter seventeen of the acts of last session appropriated \$20,000 for the purpose of aiding in exhibiting the resources, industries, and products of the state at the centennial exposition, at Philadelphia, and made other provision for securing our proper representation at that great gathering. Accordingly a manager and some assistant managers were appointed, exhibits were prepared representing the agricultural, horticultural, mechanical, and mining interests of the state, and a house was erected on the grounds. The show of fruits, grains, and woods, and especially the sections of soil and the exhibit of rock strata, attracted marked attention, and advertised the state and its resources effectively. A small pamphlet was also prepared, giving the statistics showing the marvelous growth of the state, and two hundred thousand copies distributed broadcast throughout the country. Upon the invitation of my predecessor, Hon. Charles C. Nourse, of Polk county, delivered, at Philadelphia, on a day set apart to Iowa by the authorities of the exposition, an address devoted to a history and exemplification of the resources of the state. The paper was of such value that the executive council caused an edition of fifty thousand copies to be published and widely scattered. The total amount expended for all the purposes of the centennial exhibition was \$18,414.72, having undrawn \$1,585.28. The executive council is now preparing a report for your inspection, which will be submitted during the session.

The subject of the regulation of the manufacture and sale of intoxicating liquors is one of paramount interest to every citizen of the state, and especially to those who are called upon to make its laws. When we consider the fact that it is the profound conviction of a large num-

ber of the best thinkers that intemperance is the direct or indirect cause of much of the crime that occupies the time and attention of our courts, and hence of the court expenses, and therefore increases the burdens of taxation, without any compensatory advantages, it is a question whether the legislature should not take decided and comprehensive action on the subject, and either prohibit the traffic altogether, or put upon it such restrictions as will tend to lessen the evils arising therefrom. It may be that it is advisable to apply the local option principle to the liquors not prohibited by law. I am aware that the constitutionality of local option is sometimes questioned, but I am of the opinion that a statute prohibiting the sale of any or all kinds of liquor except where the people should by vote permit it, would not be at all obnoxious to the constitution. At all events I am assured that any action on your part that will tend to mitigate some of the evils growing out of the traffic will meet with the cordial approval of the people.

The presence of the attorney-general at the seat of government becomes yearly more necessary. I recommend that he be allowed a salary sufficient to warrant his residence at the capital during his term of office. He might also to advantage be made a member of the executive council, where his services and advice would be of value.

The constitution requires that the general assembly shall apportion the state at each regular session for members of the house of representatives, but does not provide for the enumeration necessary to ascertain such population, except twice in ten years (the federal census being one such enumeration). Consequently, there having been no census last year, the present legislature is without the data necessary to make the required apportionment, except such as may be obtained from the votes cast at general elections. I suggest that a census be ordered to be taken by the assessors in 1879.

One of the persons chosen by the last general assembly trustee of the agricultural college being ineligible by reason of his residence in the same district with another member of the board, whose term of office had not expired, my predecessor appointed, to fill the vacancy, Mr. William B. Tredway, of Sioux City. Mr. Chas. E. Whiting, chosen at the same time a trustee of the hospital for the insane at Mt. Pleasant, having declined that office, Mr. Timothy Whiting, of Henry county, was appointed to fill the vacancy.

I have thus endeavored to present my views of the condition and needs of the state, and now submit them for your consideration, with a feeling of confidence that the measures you shall inaugurate will be dictated by the highest considerations of public policy, and calculated to inure to the greatest good of all the people. Thus with wholesome laws and a just administration of the same, we may hope for a continuance of the blessings of that Providence which has heretofore so peculiarly favored our commonwealth.

J. G. NEWBOLD.